

State of Florida



# Public Service Commission

## -M-E-M-O-R-A-N-D-U-M-

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**DATE:** July 17, 2001  
**TO:** Brenda Hawkins, Division of Regulatory Oversight *ALM*  
**FROM:** Pete Lester, Division of Economic Regulation *PL*  
**RE:** Docket No. 010807-TX, E.Com Technologies, LLC, Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *CSW*

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Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

(3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.

and

(4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets . . .

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of E.Com Technologies, LLC (E.Com) for the period ending July 31, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, E.Com has adequate liquidity and sufficient common equity. The company reported a loss for the period.

In this matter, E.Com is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it can raise venture capital and it has backing from large companies such as Nortel Networks. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

cc: Division of Legal Services  
Division of Records and Reporting (2)

DOCUMENT NUMBER-DATE

08789 JUL 19 2001

FPSC-COMMISSION CLERK

DOCKET NO. 010807-TX  
E.COM TECHNOLOGIES, LLC  
ALEC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF <u>07/31/2000</u>
CURRENT ASSETS	\$553,586
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	547,261
COMMON EQUITY	1,353,880
TOTAL DEBT	579,907
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	1,933,787
COMMON EQUITY RATIO	70%
NET INCOME	(796,120)
RETURN ON EQUITY	NEGATIVE

NMF=NO MEANINGFUL FIGURE