



# Public Service Commission

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

DATE: March 20, 1996  
 TO: Tom Williams, Division of Communications  
 FROM: Sonja Jones, Division of Auditing and Financial Analysis *SLJ APC ALM M 199*  
 RE: Docket No. 960110-TX, U S West Interstate America, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

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 audited financial statements of U S West Interstate, Inc.'s (USWI) parent company, U S West, Inc. for the period ending December 31, 1994. As the attached schedule shows, USWI has adequate liquidity, ownership equity, and profitability.

ACK \_\_\_\_\_  
 AFA \_\_\_\_\_  
 APP \_\_\_\_\_  
 CAF \_\_\_\_\_  
 CMU \_\_\_\_\_  
 CTR \_\_\_\_\_

In this matter, USWI is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability of the company appears adequate.

EAG \_\_\_\_\_  
 LEG \_\_\_\_\_  
 LIN \_\_\_\_\_  
 OPC \_\_\_\_\_  
 RCH \_\_\_\_\_  
 SEC \_\_\_\_\_  
 WAS \_\_\_\_\_  
 OTH \_\_\_\_\_

ee: Division of Legal Services  
 Division of Records and Reporting

DOCUMENT NUMBER-DATE  
 03722 APR-1 1996  
 FPSC-RECORDS/REPORTING