



Public Service Commission

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

DATE: December 3, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 961287-TX, Biz-Tel Corporation, Financial Analysis for Certificate Application for Local Exchange Telecommunications Service *WMS*

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 WorldCom, Inc., the parent company for Biz-Tel Corporation, for the period ending December 31, 1996. As the attached schedule shows, the applicant has somewhat inadequate liquidity and somewhat low ownership equity. WorldCom, Inc. has adequate profitability. The applicant attests that it has sufficient financial capability to provide local exchange telecommunications service.

Based on this representation, 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

- ACK _____
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DOCUMENT NUMBER-DATE
12932 DEC -4 88
FPSC-RECORDS/REPORTING

DOCKET NO. 961287-TX
BIZ-TEL CORPORATION, INC.
ALEC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM AUDITED FINANCIAL STATEMENTS
OF WORLDCOM, INC.

PERIOD
ENDED
DECEMBER 31, 1996

THOUSANDS OF DOLLARS

CURRENT ASSETS	654,832
CURRENT LIABILITIES	865,959
CURRENT RATIO	0.76
CASH	41,679
COMMON EQUITY	2,187,286
TOTAL DEBT	3,391,281
TOTAL INVESTOR CAPITAL	5,578,567
COMMON EQUITY RATIO	39%
NET INCOME	234,469
RETURN ON EQUITY	11%