



Public Service Commission

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DATE: June 25, 1997
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis (12) *ALM APC*
RE: Docket No. 970581-TI, Universal Communications Network, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

Section 364.337 (3), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications 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 financial statements of Universal Communications Network, Inc. (Universal). Universal requested and was granted confidentiality regarding its financial statements.

ACK _____ In this matter, Universal is asking for a certificate to provide IXC service. Staff notes the
 AFA _____ limited nature of the application. Staff also notes that Universal's financial ratios would not be
 APP _____ an impediment in determining its financial capability.

CAF _____
 CMU _____ The applicant attests to its financial capability to provide and maintain the proposed
 CTR _____ telecommunications service by noting that, as a switchless reseller, it has low capital needs and
 EP _____ that it has a positive Dun & Bradstreet report. Based on this showing, the applicant appears to
 _____ meet the financial capability standard of Section 364.337, Florida Statutes.

LOV _____
 _____ cc: Division of Legal Services
 _____ Division of Records and Reporting ✓

RCH _____
 SEC 1 _____
 WAS _____
 OTH _____

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