



# Public Service Commission

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

**DATE:** October 2, 1997  
**TO:** Tom Williams, Division of Communications  
**FROM:** David J. Draper, Division of Auditing and Financial Analysis *DD* *ALM*  
**RE:** Docket No. 971193-TI, Efficcy Group, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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 unaudited financial statements of Efficcy Group, Inc. (EGI) for the 5 month period ending August 31, 1997, and the five month projected income statement ending December 31, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, EGI projects negative net income, but currently has adequate liquidity and sufficient common equity.

ACK \_\_\_\_\_  
 AFA \_\_\_\_\_  
 AFP \_\_\_\_\_  
 CAF \_\_\_\_\_  
 CII \_\_\_\_\_  
 CII \_\_\_\_\_  
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 QTH \_\_\_\_\_

In this matter, EGI is asking for a certificate to provide IXC service. 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 has sufficient available cash to meet current obligations. In addition, the Company maintains a \$500,000 credit line with Branch Banking & Trust. 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) ✓

10184-97  
10 6 97

STATE OF FLORIDA

Commissioners:  
JULIA L. JOHNSON, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
DIANE K. KIESLING  
JOE GARCIA



DIVISION OF RECORDS & REPORTING  
BLANCA S. BAYÓ  
DIRECTOR  
(850) 413-6770

**Public Service Commission**

September 12, 1997

Marieann Z. Machida, Attorney  
Kelley Drye & Warren LLP  
1200 - 19 Street, NW, Suite 500  
Washington, DC 20036

Re: Docket No. 971193-TI

Dear Ms. Machida:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by Efficcy Group, Inc., which was filed in this office on September 12, 1997 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6078 or FAX (850) 413-6079.

Please make note as well that Commission Rule 25-22.005(7), F.A.C., requires certificated companies to notify the Commission of any changes in name, telephone, address, or contact person. Should your application be granted by the Commission, you will be expected to comply with this rule by advising us of any changes as they occur.

Division of Records and Reporting  
Florida Public Service Commission

**KELLEY DRYE & WARREN LLP**

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

ORIGINAL

1200 19TH STREET, N.W.

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(202) 955-9800

DEPOSIT

DATE

D613<sup>00</sup>

SEP 12 1997

FILE

WRITER'S DIRECT LINE  
(202) 955-9881

September 11, 1997

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VIA OVERNIGHT DELIVERY

Ms. Blanca Bayo  
Director  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399

Re: Application of Efficcy Group, Inc.

971193-TI

Dear Ms. Bayo:

Enclosed for filing with the Florida Public Service Commission please find an original and 6 copies of Efficcy Group, Inc.'s application to provide intrastate interexchange services. Also enclosed is a check in the amount of \$250.00 to cover the requisite filing fee.

Also enclosed are a duplicate copy of this filing and a self-addressed, postage-paid envelope. Please date-stamp the duplicate and return it in the envelope provided.

Please do not hesitate to call me if you have any questions.

Respectfully submitted,

*Maricann Z. Machida*  
Maricann Z. Machida

Enclosure

Check received with filing and forwarded to Fiscal for deposit.  
Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check:  
*AS*

\*Not w/application

09291-97  
9-12-97

DOCKET NO. : 971193-  
EFFICY GROUP, INC.

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 08/31/97
CURRENT ASSETS	\$880,196
CURRENT LIABILITIES	50,036
CURRENT RATIO	17.59
CASH	743,200
COMMON EQUITY	1,329,807
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	1,329,807
COMMON EQUITY RATIO	100%
NET INCOME (PROJECTED) *	(468,489)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure

\*\* Five month projected income from 8/97 to 12/97