



Public Service Commission

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

DATE: October 20, 1997
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 971184-TX, National Comm Link, LLC, Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *PL APC*

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 National Comm Link, LLC (NCL) for the 4-month period ending July 31, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, NCL has adequate liquidity but reports negative common equity and negative net income.

In this matter, NCL 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 marginal.

Although an analysis of the financial statements reveals the applicant is in a marginal financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it has limited capital needs, it has a \$100,000 line of credit, and it believes its liquidity allows it to adequately fund its operations. 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)

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DOCKET NO. 971184-TX
NATIONAL COMM LINK, LLC
ALEC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

FOUR MONTHS
ENDED
JULY 31, 1997

CURRENT ASSETS	767,300
CURRENT LIABILITIES	26,665
CURRENT RATIO	28.78
CASH	65,650
COMMON EQUITY	(199,225)
TOTAL DEBT	1,402,924
PREFERRED STOCK	0
COMMON EQUITY RATIO	NMF
NET INCOME	(200,226)
RETURN ON EQUITY	NEGATIVE

NMF=NO MEANINGFUL FIGURE

SWIDLER
&
BERLIN
CHARTERED

October 7, 1997

VIA FACSIMILE: (850) 413-7118

Ms. Blanca S. Bayo
Director, Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

Re: Change of Liaison for Application of National Comm Link, L.L.C. to Provide
Alternative Local Exchange Service Within the State of Florida, Docket 971184-TX

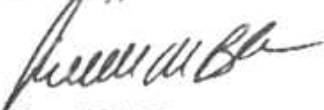
Dear Ms. Bayo:

National Comm Link, L.L.C. ("NCL") requests that the Commission please record the following change in NCL's Liaisons for the above referenced Application. Kevin D. Minsky will replace Laurence B. Elgart as a Liaison for the Application. Therefore, NCL's Liaisons for the Application will be the following:

Russell M. Blau
Kevin D. Minsky (not admitted in the District of Columbia)
Swidler & Berlin, Chartered
3000 K Street, Suite 300
Washington, D.C. 20007-5116

Should you have any questions concerning this matter, please do not hesitate to contact the undersigned.

Sincerely,



Russell M. Blau
Counsel for National Comm Link, L.L.C.

cc: Paul B. Rosenberg
David R. Rulien
Clifford F. Duke