



Public Service Commission

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

DATE: April 2, 1998
TO: Nancy Pruitt, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis *DD ALM*
RE: Docket No. 980295-TI, Western Telecommunications, Inc./Retail Sales Group d/b/a People Link by TCI, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC [Signature]*

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 audited financial statements of Tele-Communications, Inc. (TCP) for the period ending December 31, 1996. TCP is the parent company of Western Telecommunications, Inc./Retail Sales Group d/b/a People Link by TCI (PLT). PLT is a newly formed company and does not have relevant financial statements at this time. As the attached schedule shows, TCP has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, PLT 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 the applicant can rely upon the financial support of the parent company if needed. 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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FDSC TELETYPE UNIT

**DOCKET NO. 980295-TI
WESTERN TELECOMMUNICATIONS, INC. / RETAIL
SALES GROUP d/b/a PEOPLE LINK BY TCI**

**IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS**

**FROM AUDITED FINANCIAL STATEMENTS OF
TELE-COMMUNICATIONS, INC. (PARENT COMPANY)**

	AS OF 12/31/96 (000,000)
CURRENT ASSETS	\$972
CURRENT LIABILITIES	837
CURRENT RATIO	1.16
CASH	394
COMMON EQUITY	4,253
TOTAL DEBT	15,179
TOTAL INVESTOR CAPITAL	19,432
COMMON EQUITY RATIO	22%
NET INCOME	243
RETURN ON EQUITY	6%

NMF = No Meaningful Figure

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



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

Public Service Commission

February 27, 1998

Julie A. Kaminski, Attorney
Piper & Marbury L.L.P.
1200 Nineteenth Street, NW
Washington, DC 20036-2430

Re: Docket No. 980295-TI

Dear Ms. Kaminski:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by Western Tele-Communications, Inc./Retail Sales Group d/b/a People Link by TCI, which was filed in this office on February 26, 1998 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 notes 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