



Public Service Commission

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

DATE: September 22, 1998
 TO: Louis Yambor, Division of Communications
 FROM: David J. Draper, Division of Auditing and Financial Analysis *DD*
 RE: Docket No. 981120-TX, Facilities Communications International, Ltd. d/b/a US
 Telecom, Financial Analysis for Certificate Application for Alternative Local Exchange
 Telecommunications Service *ALM 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 audited financial statements of Facilities Communications International, Ltd. d/b/a US Telcom (FCI) for period ending December 31, 1997. The applicant requested confidential treatment of its financial statements. Based on the review of the applicant's financial information, FCI has adequate liquidity, sufficient common equity and shows a positive net income.

ACK _____
 AFA _____ In this matter, FCI is asking for a certificate to provide alternative local exchange
 APP _____ telecommunications service. For purposes of granting a certificate based on the financial
 CAF _____ information provided, the financial capability appears adequate. The applicant attests to its
 CMU _____ financial capability by noting that it has adequate liquid assets to provide and maintain the
 CTR _____ proposed telecommunications service. Based on this showing, the applicant appears to meet the
 financial capability standard of Section 364.337, Florida Statutes.

EAG _____ cc: Division of Legal Services
 LEG _____ Division of Records and Reporting (2)

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 OPC _____
 RCH _____
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FPSC-RECORDS/REPORTING