



Public Service Commission

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

DATE: September 23, 1998  
 TO: Tommy Williams, Division of Communications  
 FROM: David J. Draper, Division of Auditing and Financial Analysis *JD* *ALM*  
 RE: Docket No. 981098-TX, DPI-Teleconnect, Inc., Financial Analysis for Certificate *APC*  
 Application for Alternative Local Exchange Telecommunications Service

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 balance statement of DPI-Teleconnect, Inc. (DPI) for the period ending September 1, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, DPI has adequate liquidity and sufficient common equity. DPI is a start-up company that has not begun operations and currently does not have a relevant income statement.

In this matter, DPI is asking for a certificate to provide alternative local exchange telecommunications 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 by noting that it has adequate liquid assets to provide and maintain the proposed telecommunications service. 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)

- ACK \_\_\_\_\_
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- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMH \_\_\_\_\_
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10678-98  
 9-28-98

DOCKET NO. 981098-  
DPI-TELECONNECT, INC.

ALTERNATIVE LOCAL EXCHANGE SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED BALANCE SHEET

	AS OF 09/01/98
CURRENT ASSETS	\$50,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	50,000
COMMON EQUITY	50,000
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	50,000
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure