



Public Service Commission

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

DATE: October 7, 1998
TO: Lou Yambor, Division of Communications
FROM: Eva P. Samaan, Division of Auditing and Financial Analysis
RE: Docket No. 981182-TI, Big Planet d/b/a Big Planet of Utah, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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 Big Planet, Inc. (BPI) for the period ending June 30, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, BPI has adequate liquidity, sufficient common equity, but reported a net loss for the period ending June 30, 1998.

ACK In this matter, BPI is asking for a certificate to provide IXC service. Staff notes the limited
AFA nature of the application and that no customer provided funds appear to be at risk. For purposes
APP of granting a certificate based on the financial information provided, the financial capability
CAF appears adequate.
CMU The applicant attests to its financial capability to provide and maintain the proposed
CTR telecommunications service by noting that it has a \$1,500,000 line of credit available to support
EAG its future operations. Also, BPI, as a majority owned subsidiary of Nu Skin, USA, has been
LEG granted a commitment for additional funding up to twenty million dollars by the parent
LIN company. Based on this showing, the applicant appears to meet the financial capability standard
OPC of Section 364.337, Florida Statutes.

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

DOCUMENT NUMBER-DATE

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PROCEEDINGS REPORTING

DOCKET NO. 981182
BIG PLANET OF UTAH, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 06/30/98

CURRENT ASSETS	\$7,264,240
CURRENT LIABILITIES	2,443,189
CURRENT RATIO	2.97
CASH	168,374
COMMON EQUITY	7,068,802
TOTAL DEBT	3,428,898
TOTAL INVESTOR CAPITAL	10,497,700
COMMON EQUITY RATIO	67%
NET INCOME	(4,470,769)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure