



ORIGINAL  
Public Service Commission

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

DATE: May 11, 1999  
TO: Tommy Williams, Division of Communications  
FROM: David J. Draper, Division of Auditing and Financial Analysis *DJD ALM APC*  
RE: Docket No. 990389-TI, Pacwest Fiber.Net, LLC d/b/a PF.Net, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *DJD*

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 balance statement of Pacwest Fiber.Net, LLC d/b/a PF.Net (PWF) for the period ending March 31, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, PWF has adequate liquidity and sufficient common equity. The company is new and has not generated any measurable income.

In this matter, PWF 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 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)

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FPSC-RECORDS/REPORTING

DOCKET NO. 99036-11  
PACWEST FIBER.NET, LLC d/b/a PF.NET

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 03/31/99
CURRENT ASSETS	\$2,000,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	2,000,000
COMMON EQUITY	27,000,000
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	27,000,000
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure