



Public Service Commission

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

DATE: May 17, 1999
 TO: Tommy Williams, Division of Communications
 FROM: David J. Draper, Division of Auditing and Financial Analysis
 RE: Docket No. 990541-TX, InterCept Communications Technologies, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

Handwritten initials: DJ, ALM, APC, [Signature]

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 InterCept Communications Technologies, Inc. (ICT) for the period ending December 31,1998. As the attached schedule shows, ICT has adequate liquidity, sufficient common equity and reports positive income for the period.

In this matter, ICT 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.

- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OFC _____
- RRR _____
- SEC _____
- WAW _____
- OTH _____

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

DOCUMENT NUMBER-DATE

06427 MAY 20 99

FPSC-RECORDS/REPORTING

DOCKET NO. 990541-T
INTERCEPT COMMUNICATIONS TECHNOLOGIES, INC.

ALTERNATIVE LOCAL EXCHANGE SERVICE
FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS

	AS OF 12/31/98
CURRENT ASSETS	\$8,074,230
CURRENT LIABILITIES	3,447,171
CURRENT RATIO	2.34
CASH	3,224,313
COMMON EQUITY	16,257,973
TOTAL DEBT	210,825
TOTAL INVESTOR CAPITAL	16,468,798
COMMON EQUITY RATIO	99%
NET INCOME	2,644,849
RETURN ON EQUITY	16%

NMF = No Meaningful Figure