



Public Service Commission

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

DATE: June 24, 1999
TO: Tommy Williams, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis
RE: Docket No. 990714-TX, JATO Operating Two Corporation, Financial Analysis for Certificate 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 financial statements of JATO Operating Two Corporation (JATO) for the three month period ending March 31, 1999. An audit could change one's opinion of the company's financial condition. The applicant requested confidential treatment of its financial statements. Based on a review of the applicant's financial information, staff has determined that the company has met the financial requirements needed for certification in the state of Florida.

In this matter, JATO is asking for a certificate to provide alternative local exchange telecommunications service. The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that the Company will maintain capital from internally generated funds. Based on the company's financial statements, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

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

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VIA FEDERAL EXPRESS

Ms Blanca Bayo
Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Ms. Bayo

Re: Application of JATO Operating Two Corp. for Authority to Provide
Alternative Local Exchange Services

Dear Ms Bayo:

Enclosed for filing with the Florida Public Service Commission please find the check for the requisite \$250 filing fee that was inadvertently omitted from the above-referenced Application for authority to provide alternative local exchange service, filed June 3, 1999.

Also enclosed is a duplicate copy of this filing. Please date stamp the duplicate and return it in the postage-paid, self-addressed envelope provided.

Respectfully submitted,



Brian D. Hughes

Enclosure

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