



Public Service Commission

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

DATE: July 26, 1999

TO: Nancy Pruitt, Division of Communications

FROM: Pete Lester, Division of Auditing and Financial Analysis

RE: Docket No. 990715-TI, United Telecom, LLC, 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 financial statements of United Telecom, LLC (United). The applicant requested and was granted confidentiality for its financial statements. Staff's analysis of the financial statements indicates the applicant's financial capability is adequate.

In this matter, United is asking for a certificate to provide IXC service. Staff notes the limited nature of the application.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it is a non-facilities based provider of long-distance service and will have low capital needs. 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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