



Public Service Commission

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

DATE: August 11, 1999
TO: Tommy Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis
RE: Docket No. 990827-TI, InterNext Communications, Inc. Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

ALM

PL APC

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 InterNext Communications, Inc. (INC) for the period ending June 30, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, INC has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, INC is asking for a certificate to provide IXC service. Staff notes the limited nature of the application. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it has no debt or leases. The company states that it can obtain funds if necessary from its investors. 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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DOCKET NO. 990827-T
INTERNEXT COMMUNICATIONS, INC.
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS OF
06/30/99

CURRENT ASSETS	\$66,137
CURRENT LIABILITIES	35,547
CURRENT RATIO	1.86
CASH	36,678
COMMON EQUITY	41,056
TOTAL DEBT	0
TOTAL PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	41,056
COMMON EQUITY RATIO	100%
NET INCOME	12,133
RETURN ON EQUITY	30%

STATE OF FLORIDA



Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

June 28, 1999

Brian Pirko
InterNext Communications
8601 Georgia Avenue, Suite 710
Silver Springs, Maryland 20910-3713

Re: Docket No. 990827-TI

Dear Mr. Pirko:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by InterNext Communications, Inc., which was filed with this office on June 28, 1999 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6078 or FAX (850) 413-6079.

Please make notes as well that Commission Rule 25-22.005(7), F.A.C., requires certificated companies to notify the Commission of any changes in name, telephone, address, or contact person. Should your application be granted by the Commission, you will be expected to comply with this rule by advising us of any changes as they occur.

Division of Records and Reporting
Florida Public Service Commission

