



Public Service Commission

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

DATE: September 15, 1999
TO: Nancy Pruitt, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis
RE: Docket No. 991032-TX, One EZ Call, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

Handwritten initials: ALM, APC, and a 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 unaudited balance sheet of One EZ Call, Inc. (OEZ) for the period ending August 3, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, OEZ has adequate liquidity and sufficient common equity. The company is in a start-up phase and does not have relevant income statements at this time.

AFA
APP In this matter, OEZ is asking for a certificate to provide alternative local exchange
CAF telecommunications service. For purposes of granting a certificate based on the financial
CMU information provided, the financial capability appears adequate. The applicant attests to its financial
CTR capability to provide and maintain the proposed telecommunications service by noting that the
EAG company will maintain capital from internally generated funds. In addition, the company has
LEG obtained a twenty thousand dollar line of credit with Compass Bank. Based on this showing, the
MAS applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.
OPC
PAJ
SEC
WAW
OTH cc: Division of Legal Services
Division of Records and Reporting (2)

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