



Public Service Commission

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

DATE: September 15, 1999

TO: Tommy Williams, Division of Communications

FROM: David J. Draper, Division of Auditing and Financial Analysis *ALM*

RE: Docket No. 991008-TI, PointeCom, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *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 balance sheet of PointeCom, Inc. (PCI) for the period ending February 10, 1999. An audit could change one's opinion of the company's financial condition. The company is in a start-up phase and does not have a relevant income statement at this time. As the attached schedule shows, PCI has adequate liquidity and sufficient common equity.

- AFA
- APP
- CAF
- CMU
- CTR
- EAG
- LEG
- MAS
- OPC
- PAI
- SEC
- WAW
- OTH

In this matter, PCI is asking for a certificate to provide IXC 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.

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

DOCUMENT NUMBER-DATE

11123 SEP 16 99

FPSC-RECORDS/REPORTING

DOCKET NO. 991008  
POINTECOM, INC.

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 02/10/99
CURRENT ASSETS	\$100,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	100,000
COMMON EQUITY	100,000
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	100,000
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure