



Public Service Commission

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

DATE: September 21, 1999
TO: Nancy Pruitt, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis
RE: Docket No. 991088-TX, Advanced Digital Information Systems, Inc., 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 Northwest Florida Facilities Management, Inc. (NWFM), the parent company of Advanced Digital Information Systems, Inc. (ADIS), for the period ending December 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, NWFM has adequate liquidity and reported a positive net income for the period. NWFM has a low level of common equity.

In this matter, ADIS is asking for a certificate to provide alternative local exchange telecommunications 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 NWFM will back the company with management and financial support. ADIS is expected to develop financial self-sufficiency through increased sales.

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

11532 SEP 23 89

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DOCKET NO. 991088-TX
ADVANCED DIGITAL INFORMATION SYSTEMS, INC.
ALEC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS
OF NORTHWEST FLORIDA FACILITIES MANAGEMENT, INC.,
AN AFFILIATED COMPANY

AS OF
12/31/1998

CURRENT ASSETS	\$744,245
CURRENT LIABILITIES	166,291
CURRENT RATIO	4.48
CASH	20,024
COMMON EQUITY	353,911
TOTAL DEBT	860,022
TOTAL PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	1,213,933
COMMON EQUITY RATIO	29%
NET INCOME	17,699
RETURN ON EQUITY	5%

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

August 11, 1999

Saras Taveprungsenukul, President
Advanced Digital Information Systems, Inc.
125 Ferry Road, SE
Fort Walton Beach, Florida 32548

Re: Docket No. 991088-TX

Dear Ms. Taveprungsenukul:

This will acknowledge receipt of an application for certificate to provide alternative local exchange telecommunications service by Advanced Digital Information Systems, Inc., which was filed with this office on August 10, 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