



Public Service Commission

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

DATE: October 7, 1999
TO: Brenda Hawkins, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis
RE: Docket No. 991137-TI, Advantage Telecommunications Corporation, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

Handwritten initials: ALM, PL, APC, and a signature.

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 Advantage Telecommunications Corporation (ATC) 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, ATC has adequate liquidity, sufficient common equity and reported a positive net income for the period.

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In this matter, ATC 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 a \$5 million line of credit with RFC Capital. The company affirms it can meet its lease and ownership obligations. 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

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REC'D - RECORDS & REPORTING

DOCKET NO. 991137-  
ADVANTAGE TELECOMMUNICATIONS CORPORATION  
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS OF  
12/31/1998

CURRENT ASSETS	\$1,075,355
CURRENT LIABILITIES	196,508
CURRENT RATIO	5.47
CASH	262,805
COMMON EQUITY	517,667
TOTAL DEBT	575,376
TOTAL PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	1,093,043
COMMON EQUITY RATIO	47%
NET INCOME	464,490
RETURN ON EQUITY	90%

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 19, 1999

Monica R. Borne, Attorney  
Nowalsky, Bronston & Gothard  
3500 N. Causeway Blvd., Suite 1442  
Metarie, Louisiana 70002

Re: Docket No. 991137-TI

Dear Ms. Borne:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by Advantage Telecommunications, Corp., which was filed with this office on August 18, 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