



ORIGINAL
Public Service Commission

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

DATE: October 11, 1999
TO: Nancy Pruitt, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis *DD*
RE: Docket No. 991446-TX, Universal Access, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *ALM*

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 Universal Access, Inc. (UAI) for the period ending December 31, 1998. An audit could change one's opinion of the company's financial condition. The applicant requested confidential treatment of its financial statements. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate.

AFA _____ In this matter, UAI is asking for a certificate to provide alternative local exchange
APP _____ telecommunications service. The applicant attests to its financial capability by noting that it has
CAF _____ adequate liquid assets to provide and maintain the proposed telecommunications service. Based on
CMU _____ this showing, the applicant appears to meet the financial capability standard of Section 364.337,
CTR _____ Florida Statutes.
EAG _____
LEG _____
MAS _____

OPC _____ cc: Division of Legal Services
PAI _____ Division of Records and Reporting (2)
SEC _____
WAW _____
OTH _____

DOCUMENT NUMBER-DATE

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FPSC: RECORDS/REPORTING