



# Public Service Commission

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

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**DATE:** October 21, 1999  
**TO:** Brenda Hawkins, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *PL*  
**RE:** Docket No. 991125-TI, Wireless Access Network, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*

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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 Wireless Access Network, Inc. (Wireless) for the projected period ending December 31, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, Wireless projects low liquidity and negative common equity. The company projects a loss for the period.

In this matter, Wireless 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 minimal.

Although an analysis of the financial statements reveals the applicant is in a minimal financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it currently is finalizing a \$5 million loan from an equipment vendor. The company projects profitability for the year 2001 and beyond. 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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DOCKET NO. 991125-  
DOCKET NO. 991338-TX  
WIRELESS ACCESS NETWORK, INC.  
IXC AND ALEC CERTIFICATES

FINANCIAL ANALYSIS

FROM UNAUDITED PROJECTED FINANCIAL STATEMENTS

	PROJECTED FOR <u>12/31/2000</u>
CURRENT ASSETS	\$323,807
CURRENT LIABILITIES	496,845
CURRENT RATIO	0.65
CASH	104,596
COMMON EQUITY	(1,397,389)
TOTAL DEBT	5,005,000
TOTAL PREFERRED STOCK	0
COMMON EQUITY RATIO	NMF
NET INCOME	(3,497,772)
RETURN ON EQUITY	NEGATIVE

NMF=NO MEANINGFUL FIGURE

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  
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## Public Service Commission

August 19, 1999

MiShaunti Jarrett, Regulatory Specialist  
Competitive Communications Group  
6811 Kenilworth Avenue, Suite 302  
Riverdale, Maryland 20737

Re: Docket No. 991125-TI

Dear Ms. Jarrett:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by Wireless Access Network, Inc., which was filed with this office on August 17, 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