



# Public Service Commission

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

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**DATE:** January 3, 2000  
**TO:** Tommy Williams, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *PL*  
**RE:** Docket No. 991665-TI, Pilgrim Telephone, 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 financial statements of Pilgrim Telephone, Inc. (Pilgrim). The applicant requested and was granted confidentiality for its financial statements.

In this matter, Pilgrim 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 currently has no debt and finances itself through investor backing and retained earnings. The addition of Florida intrastate service will not impose large expenses on the company. 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

00326 JAN-78

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