



Public Service Commission

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

DATE: June 5, 2000
TO: Nancy Pruitt, Division of Regulatory Oversight
FROM: David J. Draper, Division of Economic Regulation
RE: Docket No. 000503-TI, Telecents Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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 Telecents Communications, Inc. (TCI) for the three month period ending March 31, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, TCI has adequate liquidity, sufficient common equity and positive income for the period.

In this matter, TCI is asking for a certificate to provide IXC service. 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 the Company will maintain capital from internally generated funds. 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)

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DOCKET NO. 000503-1
TELECENTS COMMUNICATIONS, INC.

IXC APPLICATION
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 03/31/2000
CURRENT ASSETS	\$119,182
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	70,500
COMMON EQUITY	148,740
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	148,740
COMMON EQUITY RATIO	100%
NET INCOME	111,054
RETURN ON EQUITY	75%

NMF = No Meaningful Figure