



ORIGINAL  
Public Service Commission

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

**DATE:** June 23, 2000  
**TO:** Toni McCoy, Division of Regulatory Oversight  
**FROM:** Pete Lester, Division of Economic Regulation *PL CSK*  
**RE:** Docket No. 000499-TI, VCOM.COM Corporation, 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 VCOM.COM Corporation (VCOM) for the period ending March 31, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, VCOM has adequate liquidity, negative common equity and reported a loss for the period.

In this matter, VCOM 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.

- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- LEG \_\_\_\_\_
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_
- RG0 \_\_\_\_\_
- SEC   /
- SER \_\_\_\_\_
- OTH \_\_\_\_\_

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 has explored strategic alliances with communications providers and programming consultants. The company believes these alliances will provide growth that supports its financial capability. 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  
07782 JUN 26 8  
FPSC-RECORDS/REPORTING

DOCKET NO. 000499-T  
VCOM.COM CORPORATION  
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	<u>AS OF</u> <u>03/31/2000</u>
CURRENT ASSETS	\$159,934
CURRENT LIABILITIES	78,932
CURRENT RATIO	2.03
CASH	138,821
COMMON EQUITY	(73,289)
TOTAL DEBT	479,312
PREFERRED STOCK	0
COMMON EQUITY RATIO	NMF
NET INCOME	(353,194) *
RETURN ON EQUITY	NEGATIVE

NMF=NO MEANINGFUL FIGURE

\* 3 months ending March 31, 2000