



ORIGINAL
Public Service Commission

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

DATE: July 14, 2000
 TO: Nancy Pruitt, Division of Regulatory Oversight *ALM*
 FROM: Pete Lester, Division of Economic Regulation *PL*
 RE: Docket No. 000625-TI, Cybertel Communications 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 audited financial statements of Cybertel Communications Corporation (Cybertel) for the period ending December 31, 1999. As the attached schedule shows, Cybertel has adequate liquidity but negative common equity. The company reported a loss for the period.

In this matter, Cybertel 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 marginal.

Although an analysis of the financial statements reveals the applicant is in a adequate financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it has credit references from MCI WorldCom and Bank of America. 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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FPSC-RECORDS/REPORTING

DOCKET NO. 000625-
CYBERTEL COMMUNICATIONS CORPORATION
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS

	<u>AS OF</u> <u>12/31/1999</u>
CURRENT ASSETS	\$710,494
CURRENT LIABILITIES	451,910
CURRENT RATIO	1.57
CASH	643,952
COMMON EQUITY	(90,738)
TOTAL DEBT	491,860
PREFERRED STOCK	0
NET INCOME	(2,250,265)
RETURN ON EQUITY	NEGATIVE

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

May 24, 2000

Monica R. Borne, Attorney
Nowalsky, Bronston & Gothard
3500 North Causeway Boulevard, Suite 1442
Metairie, Louisiana 70002

Re: Docket No. 000625-TI

Dear Ms. Borne:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by Cybertel, Communications Corp., which was filed in this office on May 23, 2000, 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) 413-6248 or FAX (850) 413-7180.

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