



Public Service Commission

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

DATE: October 19, 2000
TO: Tony McCoy, Division of Regulatory Oversight
FROM: Christine G. Romig, Division of Economic Regulation
RE: Docket No. 001163-TI, Futur Telecom America, 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 financial statements of Futur Telecom America, Inc. (Futur) for the period ended May 31, 2000. The applicant requested confidential treatment of Futur's financial statements.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that,

The Company has prepared prudently for its venture into the resold local exchange services market. The Company is experiencing significant amounts of revenue growth while keeping expenses under control. The Company has sufficient financial capability to provide the requested telecommunication services, sufficient financial capability to meet all lease and ownership obligations, and sufficient financial capability to maintain a large Customer base.

In addition, Futur attests that it has access to additional equity funding and debit funding if necessary.

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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