



Public Service Commission

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

DATE: November 14, 2000
TO: Tommy Williams, Division of Regulatory Oversight
FROM: David J. Draper, Division of Economic Regulation
RE: Docket No. 001560-TI, ADMA Telecom, 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 personal balance sheet of Mr. Rafael Olloqui, owner of ADMA Telecom, Inc. (ADMA) for the period ending October 5, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, ADMA has adequate liquidity and sufficient common equity. The company is currently not in business, therefore has no income statement.

In this matter, ADMA 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 has a line of credit in the amount of \$50,500. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

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cc: Division of Legal Services
Division of Records and Reporting (2)

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1486 NOV 16 8

FPSC-RECORDS/REPORTING

DOCKET NO. 001560-
ADMA TELECOM, INC.

IXC APPLICATION
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 10/05/2000
CURRENT ASSETS	\$105,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	80,000
COMMON EQUITY	1,475,000
TOTAL DEBT	155,000
TOTAL INVESTOR CAPITAL	1,630,000
COMMON EQUITY RATIO	90%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure