



Public Service Commission

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

DATE: November 14, 2000

TO: Nancy Pruitt, Division of Regulatory Oversight *DD*

FROM: David J. Draper, Division of Economic Regulation *ALM*

RE: Docket No. 001627-TI, Long Distance Billing Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *CS*

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 balance sheet of Long Distance Billing Services, Inc. (LDB) for the period ending June 30, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, LDB has adequate liquidity and sufficient common equity. The company is currently not in operations, therefore has no income statement.

In this matter, LDB 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 by noting that it has adequate liquid assets to provide and maintain the proposed telecommunications service. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

- APP _____
- CAF _____
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cc: Division of Legal Services
Division of Records and Reporting (2)

DOCUMENT NUMBER-DATE

14886 NOV 17 00

FPSC-RECORDS/REPORTING

DOCKET NO. 001627
LONG DISTANCE BILLING SERVICES, INC.

IXC APPLICATION
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 06/30/2000
CURRENT ASSETS	\$250,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	250,000
COMMON EQUITY	250,000
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	250,000
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure