



Public Service Commission

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

DATE: November 30, 2000
TO: Toni McCoy, Division of Regulatory Oversight
FROM: Pete Lester, Division of Economic Regulation *PL*
RE: Docket No. 001348-TI, Uniplex Telecom Technologies, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

ALM
[Signature]

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 Uniplex Telecom Technologies, Inc. (UTT) for the period ending December 31, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, UTT has inadequate liquidity and negative common equity. The company reported positive net income for the period.

In this matter, UTT 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 marginal financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it will be a reseller and will have minimal capital requirements. The company can obtain funds from its sole stockholder. 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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DOCKET NO. 001348-T
UNIPLEX TELECOM TECHNOLOGIES, INC.
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	<u>AS OF</u> <u>12/31/99</u>
CURRENT ASSETS	\$251,742
CURRENT LIABILITIES	1,759,063
CURRENT RATIO	0.14
CASH	251,742
COMMON EQUITY	(342,916)
TOTAL DEBT	196,346
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	NMF
COMMON EQUITY RATIO	NMF
NET INCOME	70,184
RETURN ON EQUITY	NMF

NMF=NO MEANINGFUL FIGURE