



Public Service Commission

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

DATE: January 22, 2001
TO: Nancy Pruitt, Division of Regulatory Oversight
FROM: Christine G. Romig, Division of Economic Regulation ALM
RE: Docket No. 001686-TX, Digital Access Communications of Florida, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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, Digital Access Communications of Florida, Inc. (Digital) submitted the financial statements of its parent, Digital Access, LLC, for the eight months ended August 31, 2000 and the financial statements of its affiliate, Digital Access, Inc., (A Development Stage Company) for the period from August 24, 1999 (inception) to December 31, 1999. Finance Staff has analyzed the financial statements submitted by Digital. The applicant requested confidential treatment of the financial statements.

In this matter, Digital is asking for a certificate to provide alternative local exchange telecommunications service. Digital attests that it, "possesses adequate resources to construct and maintain its telecommunications system and meet any applicable lease or ownership obligations for its telecommunications network in Florida." Digital has secured commitments from investors. Further, through its parent LLC and affiliate, Digital Access, Inc., Digital has access to the financing and capital necessary to conduct its telecommunications operations in Florida.

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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