State of Flori



## Public Service Commission

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

DATE: June 21, 1996

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TO: Tom Williams, Division of Communications

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FILE COPY

 FROM: Sonja Jones, Division of Auditing and Financial Analysis SLT APC AP
 RE: Docket No. 960605-TX, Excel Telecommunications, 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

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(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 audited financial statements of Excel Communications, Inc., the parent company of Excel Telecommunications, Inc. (EXCL), for the period ending December 31, 1995. As the attached schedule shows, EXCL has adequate liquidity, ownership equity, and profitability.

AFA In this matter, EXCL is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate.

cc: Division of Legal Services Division of Records and Reporting

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- DOCKET NO. 960605-TX
  EXCEL TELECOMMUNICATIONS, INC.
  LEC CERTIFICATE
- FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS of Parent Company, Excel Communications, Inc

	AS OF
	12/31/95
CURRENT ASSETS	\$126,342,000
CURRENT LIABILITIES	124,798,000
CURRENT RATIO	1.01
CASH	30,387,000
COMMON EQUITY	37,708,000
TOTAL DEBT	818,000
TOTAL INVESTOR CAPITAL	38,526,000
COMMON EQUITY RATIO	98%
NET INCOME	44,446,000
RETURN ON EQUITY	118%





Records Department Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

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To Whom It May Concern:

This letter will serve as notification that the Regulatory Affairs department has relocated to a new office. Effective Monday, June 10, 1996, you may send all correspondence to our new mailing address, as follows.

Excel Communications 8750 N.Central Expressway Lock Box #6 Dallas, Texas 75231

WATS: (800) 783-2909 Local: (214) 863-8700 Facsimile: (214) 863-8721

All inquiries and correspondence pertaining specifically to consumer related complaints can be directed to my attention. The aforementioned 800 number was created strictly for your convenience and we would prefer that it not be shared with the general public. However, for general public use you are certainly welcome to provide them with our 800 number, as follows.

## Customer Service: (800) 875-9235

Thank you for your cooperation. If you have any concerns or questions, please do not hesitate to reach me at (214) 863-8710.

Sincerely,

in Ruth

Jim Butler Manager, Regulatory Affairs

c Chris Dance