



# Public Service Commission

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

DATE: July 15, 1998  
 TO: Nancy Pruitt, Division of Communications  
 FROM: David J. Draper, Division of Auditing and Financial Analysis *ALM*  
 RE: Docket No. 980821-TI, Dearborn Street Station, Inc. d/b/a DSS Communications, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *JW 7/18*

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, the Finance staff has analyzed the unaudited balance sheet of Dearborn Street Station, Inc. d/b/a DSS Communications (DSS) for the period ending June 22, 1998. An audit could change one's opinion of the company's financial condition. The applicant requested confidential treatment of its financial statements. Based on the review of the applicant's financial information, DSS has adequate liquidity and sufficient common equity. DSS is a start-up company and has not started operations or produced any income at this time.

In this matter, DSS 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 DSS has significant additional financing in which to invest into the company when needed. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

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- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
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- LIN \_\_\_\_\_ cc: Division of Legal Services
- OPC \_\_\_\_\_ Division of Records and Reporting (2)
- RCH \_\_\_\_\_
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