



Public Service Commission

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

DATE: October 5, 1998
TO: Tommy Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 980889-TI, USP&C, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*

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 financial statements of USP&C, Inc. (USP&C). The applicant requested and was granted confidentiality for its financial statements.

- ACK _____
- AFA _____ In this matter, USP&C 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 adequate.
- APP _____
- CAF _____
- CMU _____ The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it will be a switchless rebiller and will not have facilities. The applicant further notes that it will operate as a clearinghouse of billing information, and that its financial statements indicate it is capable of providing the services described in the application . Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.
- CTR _____
- EAG _____
- LEG _____
- LIN _____

cc: Division of Legal Services
Division of Records and Reporting (2)

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