



# Public Service Commission

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

**DATE:** December 7, 1998  
**TO:** Lou Yambor, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis  
**RE:** Docket No. 981348-TX, 2nd Century Communications, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

*ALM*  
*ARC*

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 . . .

2nd Century Communications, Inc. (2nd Century) requested and was granted confidentiality for its financial statements. Regarding the showing of financial capability, the Finance staff has analyzed the financial statements of 2nd Century for a recent period.

ACK      In this matter, 2nd Century is asking for a certificate to provide alternative local exchange telecommunications 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.

CMU      The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it is a start-up company and has obtained venture capital financing. The applicant states that it has ample capital to fund construction of its network. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

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

SEC   1    
 WAS       
 OTH     

DOCUMENT NUMBER-DATE  
 13940 DEC 10 88  
 FPSC-RECORDS/REPORTING