



Public Service Commission

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

DATE: March 16, 1999
TO: Nancy Pruitt, Division of Communications
FROM: Eva P. Samaan, Division of Auditing and Financial Analysis
RE: Docket No. 990099-TI, Atlantic.Net Broadband, Inc., Financial Certificate Application for Interexchange Telecommunications Service

Section 364.337 (1), 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 . . .

Atlantic.Net Broadband, Inc. requested and was granted confidentiality for its financial statements. Regarding the showing of financial capability, the finance staff has analyzed the financial statements of Atlantic.Net Broadband, Inc. (ANB) for the period ending July 31, 1998.

ACK In this matter, ANB is asking for a certificate to provide interexchange exchange
AFA telecommunications service. For purposes of granting a certificate based on the financial
APP information provided, the financial capability appears adequate.

CAF The applicant attests to its financial capability to provide and maintain the proposed
CMU telecommunications service. ANB was formed by Internet Connect with the same distribution
CTR of stock ownership, since Florida law does not have provisions for an S-Corporation forming
EAG subsidiaries. The parent company has extended a line of credit of \$1.85 million to ANB to
LEG support capital expenditures for the fiscal year 1999. Based on this showing, the applicant
LIN 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)

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