



Public Service Commission ORIGINAL

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

DATE: June 2, 2000
TO: Tommy Williams, Division of Regulatory Oversight
FROM: Pete Lester, Division of Economic Regulation PL
RE: Docket No. 000401-TX, Yipes Transmission, 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

(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 Yipes Transmission, Inc. (Yipes). The applicant requested confidentiality for its financial statements.

In this matter, Yipes is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it will receive full financial backing from its parent company, Yipes Communications Group, Inc. Yipes also has access to a bank line of credit through its parent company. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

- APP
CAF
CMP
COM
CTR
ECR
LEG
OPC
PAI
RGO
SEC
SER
OTH

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

DOCUMENT NO.
06959-00
6-8-00