



Public Service Commission

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

DATE: July 25, 2000
 TO: Tommy Williams, Division of Regulatory Oversight
 FROM: Pete Lester, Division of Economic Regulation *PL*
 RE: Docket No. 000710-TI, Madison River Communications, LLC, 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 Madison River Communications, LLC (MRC). The company requested confidentiality for its financial statements.

In this matter, MRC is asking for a certificate to provide IXC 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 has funding available from three institutional investors and has issued \$200 million in publicly-traded bonds. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

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

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