



Public Service Commission

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

DATE: July 25, 2000
 TO: Toni McCoy, Division of Regulatory Oversight
 FROM: Pete Lester, Division of Economic Regulation *PL*
 RE: Docket No. 000718-TI, ESS.COM, 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 unaudited financial statements of ESS.COM, LLC (ESS) for the period ending April 30, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, ESS has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, ESS 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.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that company principals will provided additional funds if needed. The company will operate as a switchless reseller. 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)

- PP _____
- AF _____
- MP _____
- OM _____
- TR _____
- CR _____
- EG _____
- PC _____
- AI _____
- GO _____
- EC _____
- ER _____
- TH _____

DOCUMENT NUMBER-DATE

09069 JUL 27 8

FPSC-RECORDS/REPORTING

DOCKET NO. 000718-TT
ESS.COM, LLC
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS



DATE: July 25, 2000
TO: Tom McCoy, Division of Records and Reporting
FROM: Pete Lester, Division of Banking and Finance
RE: Docket No. 000718-TT, ESS.COM, LLC, Financial Analysis

	AS OF 04/30/2000
CURRENT ASSETS	\$30,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	20,100
COMMON EQUITY	30,000
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	30,000
COMMON EQUITY RATIO	100%
NET INCOME	31,500
RETURN ON EQUITY	105%

NMF=NO MEANINGFUL FIGURE

The applicant requests to its financial capability to provide and maintain the proposed telecommunications service by noting that company principals will provide additional funds if needed. The company will operate as a switchless reseller. Based on the showing the applicant appears to meet the financial capability standard of section 364.337, Florida Statutes.

Division of Legal Services
Division of Records and Reporting (3)

PP
AF
MP
DM
TR
CR
EC
PC
AT
GO
EC
ER
TH

DOCUMENT NUMBER-DATE
000718-TT JUL 27 00