



Public Service Commission

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

DATE: September 11, 2000
 TO: Nancy Pruitt, Division of Regulatory Oversight *ALM*
 FROM: Pete Lester, Division of Economic Regulation *PL*
 RE: Docket No. 000831-TI, iCall, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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 iCall, Inc. (iCall) for the period ending December 31, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, iCall has adequate liquidity and sufficient common equity. The company reported a loss for the period.

In this matter, iCall 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 it will be a reseller with minimal capital requirements. The company indicates that it can obtain outside financing. 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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FPSC-RECORDS/REPORTING

DOCKET NO. 000831-T
ICALL, INC.
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	<u>AS OF</u> <u>12/31/1999</u>
CURRENT ASSETS	\$1,637,119
CURRENT LIABILITIES	702,517
CURRENT RATIO	2.33
CASH	1,360,302
COMMON EQUITY	1,176,888
TOTAL DEBT	147,928
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	1,324,816
COMMON EQUITY RATIO	89%
NET INCOME	(918,413)
RETURN ON EQUITY	NEGATIVE