



# Public Service Commission

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

**DATE:** February 24, 1998  
**TO:** Nancy Pruitt, Division of Communications  
**FROM:** David J. Draper, Division of Auditing and Financial Analysis *JD*  
**RE:** Docket No. 980244-TI, MVX Communications, LLC, Financial Analysis Certificate Application for Intrastate Interexchange Telecommunications Service *ALM ARC*

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 MVX Communications, LLC (MVXC) for the one month period ending February 11, 1998. An audit could change one's opinion of the company's financial condition.

ACK \_\_\_\_\_ As the attached schedule shows, MVXC has adequate liquidity, sufficient common equity and reported a positive net income for the period.

AFA \_\_\_\_\_

APP \_\_\_\_\_ In this matter, MVXC is asking for a certificate to provide IXC service. For purposes of

CAF \_\_\_\_\_ granting a certificate based on the financial information provided, the financial capability appears

CMU \_\_\_\_\_ adequate. The applicant attests to its financial capability to provide and maintain the proposed

CTR \_\_\_\_\_ telecommunications service by noting that MVXC proposes to operate as a reseller in the state

EAC \_\_\_\_\_ of Florida, and will incur minimal capital or operating expenses. In addition, MVXC has the

LEG \_\_\_\_\_ ability to obtain additional financing through traditional commercial lending institutions. Based

LIN \_\_\_\_\_ on this showing, the applicant appears to meet the financial capability standard of Section

364.337, Florida Statutes.

CPS \_\_\_\_\_ cc: Division of Legal Services

ROH \_\_\_\_\_ Division of Records and Reporting (2)

SEC 1

WAS \_\_\_\_\_

WHH \_\_\_\_\_

DOCUMENT NUMBER-DATE

02800 MAR -3 88

FPSC-RECORDS/REPORTING

DOCKET NO. 980244-TI  
MVX COMMUNICATIONS, LLC

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 02/11/98
CURRENT ASSETS	\$314,739
CURRENT LIABILITIES	48,624
CURRENT RATIO	6.47
CASH	271,489
COMMON EQUITY	1,270,234
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	1,270,234
COMMON EQUITY RATIO	100%
<b>NET INCOME - JANUARY 31, 1998, INC. STMT.</b>	9,920
RETURN ON EQUITY	1%

NMF = No Meaningful Figure