



# Public Service Commission

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

DATE: May 7, 1999  
 TO: Nancy Pruitt, Division of Communications  
 FROM: David J. Draper, Division of Auditing and Financial Analysis *ALM*  
 RE: Docket No. 990428-TI, Blackstone Communications Company, Financial Analysis *APC*  
 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 balance sheet of Blackstone Communications Company (BCC) for the period ending March 24, 1999. BCC is a start-up company and does not have a relevant income statement at this time. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, BCC has adequate liquidity and sufficient common equity.

In this matter, BCC is asking for a certificate to provide IXC service. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate. The applicant attests to its financial capability by noting that it has adequate liquid assets to provide and maintain the proposed telecommunications service. In addition, BCC has the ability to obtain additional financing through traditional commercial lending institutions. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OPC \_\_\_\_\_
- RRR \_\_\_\_\_
- SEC \_\_\_\_\_
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

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

DOCUMENT NUMBER-DATE

06007 MAY 11 89

FPSC-RECORDS/REPORTING

DOCKET NO. 9904-3-TI  
BLACKSTONE COMMUNICATIONS CO.

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

[3 MONTH FINANCIAL STMT.]	AS OF 03/24/99
CURRENT ASSETS	\$301,164
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	1,164
COMMON EQUITY	301,164
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	301,164
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure