



Public Service Commission

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

DATE: June 25, 1999
TO: Nancy Pruitt, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis *DD*
RE: Docket No. 990770-TX, Fuzion Wireless Communications, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *ALM*

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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 Fuzion Wireless Communications, Inc. (FWC) for the period ending April 30, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, FWC has adequate liquidity and sufficient common equity. FWC is a start-up company and currently has not begun operations.

In this matter, FWC is asking for a certificate to provide alternative local exchange telecommunications 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, the company is in the final stages of a five million dollar private stock placement offer. 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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- APP _____
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PSC-RECORDS/REPORTING

DOCKET NO. 990770-
FUZION WIRELESS COMMUNICATIONS, INC.

ALTERNATIVE LOCAL EXCHANGE SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 04/30/99
CURRENT ASSETS	\$1,968,958
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	1,968,958
COMMON EQUITY	1,982,821
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	1,982,821
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure