

State of Florida



Public Service Commission

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

DATE: June 6, 2001
TO: Tommy Williams, Division of Regulatory Oversight *ALM*
FROM: Pete Lester, Division of Economic Regulation *PL*
RE: Docket No. 010755-TI, Telis Communications Group, 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 Telis Communications Group, Inc. (TCG) for the period ending February 28, 2001. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, TCG has adequate liquidity and sufficient common equity. TCG reported a slight loss for the period.

In this matter, TCG 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 can obtain funding, if needed, from affiliated companies. 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)

DOCUMENT NUMBER-DATE
07151 JUN-8 2001
FPSC-RECORDS/REPORTING

DOCKET NO. 010755-TI
TELIS COMMUNICATIONS GROUP, INC.
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF <u>02/28/2001</u>
CURRENT ASSETS	\$514,930
CURRENT LIABILITIES	443,573
CURRENT RATIO	1.16
CASH	18,218
COMMON EQUITY	187,232
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	187,232
COMMON EQUITY RATIO	100%
NET INCOME	(83)
RETURN ON EQUITY	NEGATIVE