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EXE COPY



Public Service Commission

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

DATE: September 16, 1997
 TO: Tom Williams, Division of Communications
 FROM: David Draper, Division of Auditing and Financial Analysis *DD*
 RE: Docket No. 971181-TI, Fibernet, Inc. d/b/a Fibernet Telemanagement, Inc.,
 Financial Analysis for Certificate Application for Intrastate Interexchange
 Telecommunications Service *ALM*

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 Fibernet, Inc. d/b/a Fibernet Telemanagement, Inc. (FTI) for the period ending December 31, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, FTI has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, FTI 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 to provide and maintain the proposed telecommunications service by noting that the Company will maintain capital from internally generated funds. 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

09531 SEP 19 97

FPSC-RECORDS/REPORTING

DOCKET NO. : 97118
FIBERNET, INC d/b/a FIBERNET TELEMAGEMENT, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/96
CURRENT ASSETS	\$1,329,554
CURRENT LIABILITIES	108,940
CURRENT RATIO	12.20
CASH	38,240
COMMON EQUITY	1,277,830
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	1,277,830
COMMON EQUITY RATIO	100%
NET INCOME	131,725
RETURN ON EQUITY	10%

NMF = No Meaningful Figure