



Public Service Commission

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

DATE: August 16, 2000

TO: Tommy Williams, Division of Regulatory Oversight

ALM OS

FROM: Christine G. Romig, Division of Economic Regulation

RE: Docket No. 000724-TX, XSPEDIA Corp., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

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 financial statements of LEC Unwired, L.L.C. (LEC) for the period ending February, 2000. XSPEDIA Corp. (XSPEDIA) currently has no meaningful operational or financial information, however XSPEDIA attests that it will acquire all of the assets of LEC Unwired and therefore provided LEC'S financial data in its place. The applicant requested confidential treatment of LEC's financial statements.

In this matter, XSPEDIA is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it recently raised substantial funds through private sources and anticipates receiving additional private equity funds over the next eighteen months. The applicant requested confidential treatment of the specifics of its funding plans.

Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

- APP
CAF
CMP
COM
CTR
ECR
LEG
OPC
PAI
RGO
SEC
SER
OTH

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

DOCUMENT NUMBER-DATE

10272 AUG 21 8

REG-REC CORPUS/REPORTING