



Public Service Commission

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

DATE: March 29, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis
RE: Docket No. 960129-TX, Cable & Wireless, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

ALM
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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 audited financial statements of Cable & Wireless, Inc. (CWI) for the period ending March 31, 1995. The company has requested confidential treatment of its financial statements. Based on our review, CWI has adequate liquidity, ownership equity, and profitability.

ACK _____ In this matter, CWI is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability of the company appears adequate.

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