



Public Service Commission

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

DATE: September 14, 1998
 TO: Tommy Williams, Division of Communications
 FROM: Eva P. Samaan, Division of Auditing and Financial Analysis *ALM*
 RE: Docket No. 980890-TI, Main Street Telephone Company, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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 Main Street Telephone Company (MSTC) for the period ending July 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, MSTC has minimal liquidity, no common equity, and as a newly formed corporation it has no income to report at the present time.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1 _____
- WAS _____
- OTH _____

In this matter, MSTC is asking for a certificate to provide IXC 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 appears minimal.

Although an analysis of the financial statements reveals the applicant is in a minimal financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it has available funding from its shareholders in the amount of \$100,000 to support the next twelve months of operations. 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

10496 SEP 23 88

FPSC-RECORDS/REPORTING

DOCKET NO. 980890-T
MAIN STREET TELEPHONE COMPANY

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 07/31/98

CURRENT ASSETS	\$4,325
CURRENT LIABILITIES	76,585
CURRENT RATIO	0.06
CASH	2,725
COMMON EQUITY	0
TOTAL DEBT	76,585
TOTAL INVESTOR CAPITAL	76,585
COMMON EQUITY RATIO	NMF
NET INCOME	0
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure

MAIN STREET TELEPHONE COMPANY

app pending updated 8-11-98

RECEIVED-PSC
AUG 11 AM 10:37
REPORTING AND

August 6, 1998

98 AUG 10 AM 10:24
MAIL ROOM

VIA CERTIFIED MAIL

Florida Public Service Commission
Department of Communications
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

980890-77

Re: Main Street Telephone Company—Change of Address

Dear Sir or Madam:

This serves as notification that the corporate office of Main Street Telephone Company has moved to the following address:

**Frank G. Scardino, President
Main Street Telephone Company
200 Ithan Creek Avenue
Villanova, PA 19085**

Main Street will be retaining its original phone number, (888) 820-9149. Please update your records to reflect this change of address. If you have any questions or comments with respect to this matter, please do not hesitate to call.

app pending

TJ 148

*cc
482 Norristown Road
Blue Bell, PA 19422*

Very truly yours
Phillips
Dave Phillips, Paralegal
Main Street Telephone Company

RECEIVED

AUG 10 1998

CMU

*1st
Jeanine Schleider*

482 NORRISTOWN ROAD, SUITE 200 BLUE BELL, PA 19422