



Public Service Commission

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

DATE: September 18, 2000  
 TO: Tony McCoy, Division of Regulatory Oversight *BR*  
 FROM: Christine G. Romig, Division of Economic Regulation *ALM CSK*  
 RE: Docket No. 001204-TX, Worldwide Internet Services, Inc., 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 Worldwide Internet Services, Inc. (Worldwide) for the period ended December 31, 1999. Staff notes the limited nature of the application. Worldwide currently has minimal liquidity, negative common equity and reported a net loss for the year 1999. However, the applicant states that it intends to provide local services as a reseller of other carriers' facilities. As a reseller, Worldwide will rely on its facilities-based underlying carriers for the operation and maintenance of the local exchange network. Further, Worldwide states that it has the financial capability and resources to meet its lease or ownership obligations

In this matter, Worldwide is asking for a certificate to provide alternative local exchange telecommunications service. 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   1
- SER \_\_\_\_\_
- OTH \_\_\_\_\_

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

DOCUMENT NUMBER-DATE

11750 SEP 198

FPSC-RECORDS/REPORTING

ORIGINAL

State of Florida

DOCKET NO. 001204-TX  
WORLDWIDE INTERNET SERVICES, INC.  
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICE



FINANCIAL ANALYSIS

DATE: September 18, 2000  
TO: Tony McCoy, Division of Regulatory Oversight  
FROM: Christine G. Rouns, Division of Economic Regulation  
RE: Docket No. 001204-TX, Worldwide Internet Services, Inc. Financial Analysis for Certificate Application to Provide Local Exchange Service

CURRENT ASSETS	\$22,110	
CURRENT LIABILITIES	357,093	
CURRENT RATIO (CA/CL)	0.0619	(a)
CASH & CASH EQUIVALENTS	22,110	
COMMON EQUITY	(309,078)	
TOTAL DEBT (SHORT-TERM & LONG TERM)	0	
PREFERRED STOCK	0	
TOTAL INVESTOR CAPITAL	(309,078)	
COMMON EQUITY RATIO	NMF	(b)
NET INCOME/(LOSS)	(246,886)	
RETURN ON EQUITY (Net Income/Equity)	NMF	

(a) .8 is marginal; .95 is adequate

(b) 35% is marginal

EQUITY RATIO:  
EQUITY / INVESTOR CAPITAL  
(Common Equity / (Common Equity + Pfd. Stk. + LT. Debt + Current LT. Debt + ST Debt))

NMF	=	NO MEANINGFUL FIGURE
3/3	=	ADEQUATE
2/3	=	ADEQUATE
1/3	=	MARGINAL
0/3	=	MINIMAL

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

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