

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Request for permission to change demarcation point specified in Rule 25-4.0345(1)(b), F.A.C., by BellSouth Telecommunications, Inc.	DOCKET NO. 031114-TL ORDER NO. PSC-04-0181-PAA-TL ISSUED: February 23, 2004
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The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
LILA A. JABER  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON

NOTICE OF PROPOSED AGENCY ACTION  
ORDER GRANTING PERMISSION TO CHANGE DEMARCATION POINT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Background

On July 31, 2002, the Department of the Navy (Navy) made a request to BellSouth Telecommunications, Inc. (BellSouth) to relinquish ownership of the outside cable plant servicing Naval Station Mayport (Mayport), Jacksonville, Florida. Naval Computer and Telecommunications Station (NCTS), Jacksonville, requests BellSouth abandon the outside plant to the Navy with copies of the outside plant records and cross connect data.

On December 18, 2003, BellSouth filed with this Commission a request for permission to change the demarcation point specified in Rule 25-4.0345(1)(b), Florida Administrative Code, for non-residential customers at Mayport. Thereafter, the Navy may solicit competitive offers to install and maintain the outside plant facilities to nonresidential areas and customers located within the base.

On January 7, 2004, BellSouth informed us that on October 28, 2003, the Navy notified BellSouth's subscribers it would "assume ownership of all outside plant cable previously

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operated by BellSouth ” as of November 1, 2003.” BellSouth reports the Navy has expressed its desire to operate under the Federal demarcation rule for a negotiated demarcation point.

### Analysis

Mayport is owned and operated by the Department of Defense (DOD), which has instituted procedures and practices to secure, upgrade and maintain the telecommunications infrastructure of the base. The Navy and BellSouth determined these goals can best be met by obtaining a single demarcation point of the telecommunications facilities used to provide services to the nonresidential areas of the base. Commercial entities within the base have signed contracts with the DOD and are under the supervision of the Navy. The proposed demarcation point will be located at Building #50 at the Naval Station.

The establishment of a single demarcation point for the entire facility requires a waiver by this Commission of the demarcation requirements of Rule 25-4.035(1)(b), which normally require BellSouth to control outside plant up to each individuals premises. Rule 25-4.0345(1)(b), Florida Administrative Code, states:

(b) "Demarcation Point." The point of physical interconnection (connecting block, terminal strip, jack, protector, optical network interface, or remote isolation device) between the telephone network and the customer's premises wiring. Unless otherwise ordered by the Commission for good cause shown, the location of this point is:

1. Single Line/Single Customer Building -- Either at the point of physical entry to the building or a junction point as close as practicable to the point of entry.
2. Single Line/Multi Customer Building -- Within the customer's premises at a point easily accessed by the customer.
3. Multi Line Systems/Single or Multi Customer Building -- At a point within the same room and within 25 feet of the FCC registered terminal equipment or cross connect field.
4. Temporary Accommodations Subscriber Premises with Inadequate Grounding (e.g., some mobile homes, trailers, houseboats, construction modules) -- On a permanent stake, pole, or structure with a suitable safety ground.

With the Navy being the controlling entity, a degradation of service availability or quality provided by the commercial entities should not be a concern. The inherent nature of the Department of Defense and Navy's day-to-day business requires a high degree of reliability of the communications facilities providing service to Mayport. The residential sections will still

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receive service directly from BellSouth's Jacksonville Beach Central Office and will not be affected by this arrangement. Therefore, BellSouth will still be subject to Commission rules concerning service to these subscribers.

Decision

We find that BellSouth and the Navy have met the burden "for good cause shown" as established by the rule. Though the facilities are owned by the Federal Government, BellSouth retains responsibility for the residential customers of the base. Accordingly, we approve the request of BellSouth and the Navy for a waiver of the demarcation requirements of Rule 25-4.035(1)(b), Florida Administrative Code, for the nonresidential areas of the Naval Station.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the request of BellSouth Telecommunications, Inc. and the Department of the Navy for a waiver of the demarcation requirements of Rule 25-4.035(1)(b), Florida Administrative Code, for the nonresidential areas of the Naval Station is hereby granted. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

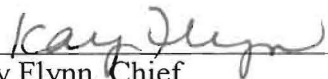
ORDERED that in the event this Order becomes final, this Docket shall be closed.

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By ORDER of the Florida Public Service Commission this 23rd day of February, 2004.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By:

  
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Kay Flynn, Chief  
Bureau of Records

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 15, 2004.

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In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.