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RECORDS AND REPORTING

SUPRA TELECOMMUNICATIONS & INFORMATION SYSTEMS, INC.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF DAVID A. NILSON

DOCKET NO. 980800-TP

September 10, 1998

Q. PLEASE STATE YOUR NAME AND ADDRESS

A. My name is David A. Nilson. My business address is 2620 SW 27<sup>th</sup> Avenue, Miami, Florida 33133.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am the Vice President of Systems Design and Interconnection of Supra Telecommunications & Information Systems, Inc. ("Supra").

Q. PLEASE DESCRIBE YOUR BACKGROUND AND WORK EXPERIENCE

A. I have been an electrical engineer for the past 25 years, with the last 21 years spent in management level positions in engineering and quality control departments. In 1976, after spending two years working in the microwave industry producing next generation switching equipment for end customers such as AT&T Long Lines and ITT, I was part of a three man design team that produced the world's first microwave integrated circuit. This job involved extensive work with various government agencies. At that time, our design was considered the "holy grail" of the microwave industry and was placed in production for AT&T within 30 days of its creation. This job also involved communications equipment design work with various government entities covered by

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1 US Department of Defense security restrictions. I spent several years in quality control  
2 management, monitoring and troubleshooting manufacturing process deviations, and  
3 serving as liaison and auditor to our regulatory affairs with the government. I spent 14  
4 years in the aviation industry designing communications systems, both airborne and  
5 land based, for various airlines and airframe manufacturers worldwide. This included  
6 custom designed hardware originally designed for the Pan American Airlines call  
7 centers, and the HF long range communications system controllers used on Air Force  
8 One and Two and other government aircraft. In this job I was also responsible for  
9 validation and design testing, and FAA system conformance testing. Since 1992 I have  
10 been performing network and system design consulting for various industry and  
11 government agencies. I am the principal architect of Supra's ATM backbone network  
12 and our central office design. I am the certified technical contact of record between  
13 BellSouth and Supra for the fifteen central offices for which we placed firm order  
14 confirmations, and for the eight other central offices currently under application or  
15 appeal.

16

17 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

18 A. The purpose of my testimony is to address the issues identified in this proceeding.  
19 My testimony will provide additional information regarding Supra's business relationship  
20 with BellSouth and BellSouth's failure to deal with Supra in good faith.

21

22 Q. HOW IS YOUR TESTIMONY STRUCTURED?

23 A. I will address all the issues identified in this proceeding.

24

25

1 Q. IS BELLSOUTH REQUIRED TO PROVIDE PHYSICAL COLLOCATION IN THE  
2 NORTH DADE GOLDEN GLADES AND WEST PALM BEACH GARDENS CENTRAL  
3 OFFICES PURSUANT TO THE COLLOCATION AGREEMENT BETWEEN  
4 BELLSOUTH AND SUPRA?

5 A. Absolutely yes. BellSouth has not contested this issue at all.

6

7 Q. WHAT FACTORS SHOULD BE CONSIDERED IN DETERMINING IF THERE IS  
8 ADEQUATE SPACE FOR SUPRA IN THE NORTH DADE GOLDEN GLADES AND  
9 WEST PALM BEACH GARDENS CENTRAL OFFICES?

10 A. When reviewing the growth figures presented by BellSouth and the inconsistencies in  
11 those numbers, and when one compares the various fillings made by BellSouth on  
12 space reserved for future use, it becomes apparent that BellSouth's position on these  
13 issues is untenable. In a letter dated June 18, 1998, to Supra and signed by  
14 BellSouth's Mr. Cathey, BellSouth stated that it had filed petitions for waiver for  
15 exemption from the requirement of physical collocation with the Federal  
16 Communications Commission for the North Dade Golden Glades central office on  
17 February 16, 1993, and for the West Palm Beach Gardens central office on November  
18 18, 1993. In those applications, BellSouth requested permission from the FCC to  
19 reserve 2,100 sq. ft. and 1,000 sq. ft. of space at the West Palm Beach Gardens and  
20 North Dade Golden Glades central offices, respectively, for its future use. The FCC  
21 apparently granted BellSouth these exemptions based on nothing more than affidavits  
22 filed by BellSouth's employees that there was no space available in any given central  
23 office.

24 On July 24, 1998, before the walk-through of the North Dade Golden Glades  
25 central office, BellSouth distributed floor plans for both the North Dade Golden Glades

1 and West Palm Beach Gardens central offices. Marked on those floor plans are areas  
2 that BellSouth has designated for its own future use. Overall, BellSouth has earmarked  
3 3,544 sq. ft. and 4,796 sq. ft. at the West Palm Beach Gardens and the North Dade  
4 Golden Glades central offices, respectively, for its own future use. Not only does Supra  
5 believe this was inappropriate, but BellSouth appears to have contradicted itself. In  
6 1993, BellSouth informed the FCC that there was only 2,100 sq. ft. and 1,000 sq. ft.  
7 available at the West Palm Beach Gardens and North Dade Golden Glades central  
8 offices, respectively, and BellSouth intended to keep all of that space for itself.  
9 However, no other party or company was allowed to verify those figures. The entire  
10 process was effectively controlled by BellSouth as BellSouth was in a position to  
11 provide whatever information it desired.

12 In BellSouth's West Palm Beach Gardens petition for waiver filed in 1993,  
13 BellSouth stated:

14 **Garden CO, West Palm Beach, Florida. There are four**  
15 **switches and associated peripheral equipment**  
16 **(consisting of polling equipment, circuit equipment, DC**  
17 **power and main distribution frame) located in the**  
18 **Garden CO. BellSouth has reserved 2100 square feet**  
19 **for projected growth of the switches over a two-year**  
20 **period. An additional 2300 square feet, comprised of**  
21 **entrance, lobby, bathroom facilities and a mechanical**  
22 **room for HVAC, is classified as unavailable space.<sup>1</sup>**

23 <sup>1</sup> BellSouth Telecommunications, Inc. filing at the Federal Communications Commission In the  
24 Matter of Expanded Interconnection with Local Telephone Company Facilities filed on November  
25 18, 1993. Page 3. Emphasis placed.

1 In the FCC's Memorandum Opinion and Order released February 14, 1994, the FCC  
2 summarized BellSouth's pleadings saying:

3 ***BellSouth seeks exemption for three central offices. At***  
4 ***its Garden central office in West Palm Beach, Florida,***  
5 ***BellSouth alleges that 2300 square feet of office space***  
6 ***are unavailable for physical collocation because this***  
7 ***space is used for entrance and bathroom facilities and***  
8 ***a mechanical room containing heating, ventilation, and***  
9 ***air conditioning (HVAC) equipment. BellSouth has also***  
10 ***reserved 2100 square feet within that office for***  
11 ***projected growth. In its reply, BellSouth states that 600***  
12 ***of this 2100 square feet are needed for three years***  
13 ***growth for a DMS 200 access tandem switch and a DMS***  
14 ***100 switch to provide local switching. BellSouth***  
15 ***asserts that another 600 feet are needed for a DMS 200,***  
16 ***a TOPS operator switch, and a DMS signal transfer***  
17 ***point (STP). Finally BellSouth claims that the remaining***  
18 ***900 square feet must be reserved for main distribution***  
19 ***frame growth and maintenance administration.***<sup>2</sup>

20 First, if BellSouth's projections were accurate and complete, the space requested above  
21 would have been completely used by February 14, 1996. Second, during the walk-  
22 through of this central office I verified that the DMS 200 TOPS switch and STP signal  
23 transfer point switches have been installed, so that space, estimated at 600 feet, is no

24 <sup>2</sup> Federal Communications Commission, Memorandum Opinion and Order, DA 94-143 released  
25 on February 14, 1994. Page 2. Emphasis placed.

1 longer available. Third, while BellSouth projects 600 sq. ft. of growth over three years  
2 for the class 5 Local, and class 4 Tandem switches, current growth runs much less.  
3 According to discovery in this case, a message dated 7/20/98 from Carl R. Smoot to  
4 Guy J. Ream shows the growth rate of these two switches steadily declining each year.  
5 The actual growth in this area was 227 sq. ft, opposed to the projected 3-year window  
6 (from 2/14/93 to 2/14/96) of 600 sq. ft. Since BellSouth was only able to present Supra  
7 with numbers for 1997, 1998 and 1999, we cannot adequately determine whether  
8 BellSouth actually used the 600 sq. feet requested in 1993-96 timeframe. However,  
9 after 5 years of a two-three year projection, the 600 sq. ft. should be gone.

10 Another factor of note is that in its petition for waiver for exemption of the  
11 requirement of physical collocation with the FCC for the West Palm Beach Gardens  
12 central office on November 18, 1993, BellSouth promised to expand that office by 1994  
13 with completion scheduled for first quarter 1995. BellSouth assured the FCC then that  
14 the improvement would add 2,444 sq. ft. to the facility and would include a reservation  
15 of 300 sq. ft. for physical collocation. Whether the improvement has been done or not,  
16 we cannot confirm. However, we can confirm that there is no company that is physically  
17 collocated either at the West Palm Beach Gardens central office or the North Dade  
18 Golden Glades central office. In any event, BellSouth has told Supra that there is no  
19 space available in either of these central offices.

20 Supra contends that the floor plans of the West Palm Beach Gardens and North  
21 Dade Golden Glades central offices imply that there is less space available than what  
22 was witnessed during the walk-through on July 24, 1998. Therefore, using BellSouth's  
23 own numbers from those floor plans will make my point more striking.

24 Referring to the BellSouth floor plan for the West Palm Beach Gardens central  
25 office, BellSouth lists 3,544 sq. ft of switch room available space, including 246 sq. feet

1 of power space and an estimated 490 sq. ft of main distribution frame removal. A  
2 portion of the remaining 900 sq. ft. from the original 2,100 sq. ft. request for reserved  
3 space has been used. The majority of it should be used based on the projections, and  
4 yet BellSouth's own floor plans now show that there is 3,544 sq. feet "reserved for future  
5 use." This 168% increase in reserved space since 1994 clearly shows BellSouth's  
6 growth figure is not an accurate, or a complete formula. If BellSouth can accurately  
7 calculate its future space requirements, then the only other possible answer is that there  
8 are also equipment removals larger than the loss to newly installed equipment that are  
9 not being reported. The Commission must somehow account for the increase in space  
10 as it considers the merit of the BellSouth growth projections which indicate space  
11 reductions.

12 Additionally, in the FCC exemption order, 900 sq. ft was reserved for "distribution  
13 frame growth and maintenance administration." However, during the walk through and  
14 on the BellSouth submitted floor plans for the West Palm Beach Gardens central office,  
15 approximately 20% of the main distribution frame is being removed. The actual amount  
16 of space is not identified on the BellSouth drawings. I estimate the space of the  
17 removed frame at approximately 490 sq. ft. This 490 sq. feet is a 55% overestimate of  
18 the 900 sq. feet requested in 1994. In actuality, it is an even larger overestimate as  
19 during the walk-through I witnessed an additional 30% of the frame will still be empty  
20 after removal of the 20%. This increase has not come about due to any reduction in  
21 unassignable space. In 1994, BellSouth identified 2,300 sq. ft as unavailable space as  
22 it was "**comprised of entrance lobby, bathroom facilities, and a mechanical room  
23 for HVAC.**" However, the provided floor plan clearly does not document the space  
24 used by the entrance, janitor, and bathrooms. I estimate the additional space taken in  
25 these areas to be in excess of 700 sq. ft. Adding this estimated space to the 2,454 sq.

1 ft. documented on the BellSouth floor plan gives us 3,154 sq. ft. of unavailable space  
2 including a second HVAC room not listed in the 1994 petition. Compare this to the  
3 3,591 sq. ft. of unassignable space on the 1994 BellSouth exemption petition. So  
4 switch room space was not achieved by a decrease in unavailable space, there has  
5 been an increase here in available space as well.

6 These are real numbers based solely on BellSouth's filings before the FCC and the  
7 the Florida PSC. One is left with the solid impression, that despite BellSouth growth  
8 figures, that floor space in the central offices in question has actually increased since  
9 1994. As a result, the reliability of growth figures is called into question.

10 Also, the reliability of growth figures presented for Golden Glades are highly  
11 questionable. In its February 16, 1993 petition for waiver in FCC Docket No. 91-141,  
12 BellSouth requested a waiver on the Golden Glades central office reserving 1000 sq.,  
13 feet while designating 3,591 sq ft as unavailable space. After 8 1/2 years of  
14 growth/reduction, BellSouth's floor plans show a much larger amount of available  
15 space. There are now 4,796 sq. ft. of reserved switch room space compared to the  
16 1993 request for 1,000 sq. ft.

17 So clearly in the North Dade Golden Glades central office, there is currently 4.7  
18 times more space reserved for future use than was supposed to be available in 1993.  
19 Once again this tandem office is creating additional useable space over the 8 1/2 year  
20 timeframe from February 16, 1993, to September 8, 1998. Regardless of the reason for  
21 this increase in floor space, it calls into question the BellSouth growth figures and the  
22 estimating process that derives them. Supra should be immediately granted the  
23 requested space.

24

25



1 Q. IS THERE SUFFICIENT SPACE TO PERMIT PHYSICAL COLLOCATION IN THE  
2 NORTH DADE GOLDEN GLADES AND WEST PALM BEACH GARDENS  
3 CENTRAL OFFICES?

4 A. Yes, there is enough space to permit physical collocation in the North Dade Golden  
5 Glades and West Palm Beach Gardens central offices provided BellSouth wants to  
6 be fair. Supra has requested 200 sq. ft in each of the two referenced central offices.  
7 As BellSouth has reserved 4,796 sq. ft. assignable in North Dade Golden Glades  
8 central office and 3,544.sq. ft. assignable in West Palm Beach Gardens central  
9 office, there is clearly sufficient space for Supra to physically collocate. The only  
10 question to be answered is how much space may be reserved, by who, for what  
11 purpose, and how much must be made available to other carriers. That is the  
12 question we seek an answer for from the Commission.

13  
14 Q. IF SO, SHOULD SUPRA'S REQUEST FOR PHYSICAL COLLOCATION IN THE  
15 NORTH DADE GOLDEN GLADES AND PALM BEACH GARDENS CENTRAL  
16 OFFICES BE GRANTED?

17 A. Supra's request for physical collocation at both the North Dade Golden Glades and  
18 the West Palm Beach Gardens central offices should be granted by the Commission  
19 immediately.

20  
21 Q. IF NOT, WHAT OBLIGATION, IF ANY, DOES BELL SOUTH HAVE UNDER THE  
22 COLLOCATION AGREEMENT TO MAKE SPACE AVAILABLE AT THESE TWO  
23 CENTRAL OFFICES TO PERMIT PHYSICAL COLLOCATION BY SUPRA?

24 A. There is no doubt that there is sufficient space in these central offices for the  
25 Commission to grant Supra's physical collocation requests. The other issue that the

1 Commission needs to deliberate upon is sharing the space reserved for BellSouth's  
2 future use between BellSouth and Supra. Supra will have far more growth in the next  
3 two years or so than BellSouth. By the end of 1999, Supra expects to double its  
4 capacity. However, Supra's physical collocation application did not include our future  
5 projected requirement of even 12 months as we are told that we are not allowed to  
6 reserve space for future use by BellSouth. Supra needs the Commission to grant it an  
7 additional 200 sq. ft on top of the initial request for the proper implementation of our  
8 business plan.

9 Q. IF THERE IS AN OBLIGATION TO MAKE SPACE AVAILABLE TO SUPRA, HOW  
10 SHOULD THE COSTS BE ALLOCATED?

11 A. The cost of the space should be as approved by this Commission.  
12

13 Q. IN WHAT TIME FRAME IS BELLSOUTH REQUIRED TO PROVIDE PHYSICAL  
14 COLLOCATION TO SUPRA PURSUANT TO THE COLLOCATION AGREEMENT?

15 A. The time frame should not be more than three months as approved by this  
16 Commission.  
17

18 Q. PURSUANT TO THE COLLOCATION AGREEMENT, WHAT  
19 TELECOMMUNICATIONS EQUIPMENT CAN AND WHAT TELECOMMUNICATIONS  
20 EQUIPMENT CANNOT BE PHYSICALLY COLLOCATED BY SUPRA IN  
21 BELLSOUTH'S CENTRAL OFFICES?  
22

23 A. The Ascend TNT is a Remote Switch that will be used in our network for efficiency  
24 and optimization of our trunks for voice, data and advanced services. BellSouth should  
25 not be permitted to prohibit Supra's physical collocation of this equipment as it is within

1 the same "arrangement" as the equipment that Supra will utilize to provide basic  
2 telecommunications services. The enhanced and information services that Supra will  
3 provide are within the ambit of telecommunications services that BellSouth is currently  
4 providing as an incumbent local exchange company.

5

6 Q. WHAT RELIEF IF ANY SHOULD THE COMMISSION ORDER FOR SUPRA OR  
7 BELL SOUTH?

8 A. The Commission should order BellSouth to grant Supra's physical collocation  
9 applications immediately as well as grant Supra space for its own future use on the  
10 same terms and conditions that it has granted space to itself for future use.  
11 The Commission should order BellSouth to act in a more responsive manner to Supra's  
12 physical collocation requests in the future.

13

14 Q. DOES THIS CONCLUDE YOUR TESTIMONY

15 A. Yes.

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