



VIA HAND DELIVERY

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October 29, 1999

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak boulevard
Tallahassee, Florida 32399-0850

ORIGINAL

RECORDS AND
REPORTING

99 OCT 29 AM 9:32

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Re: Docket Nos. 981834-TP and 990321-TP

Dear Ms. Bayo:

Enclosed for filing in the above dockets are the original and fifteen (15) copies of the Direct Testimony of Michael R. Hunsucker on behalf of Sprint Communications Company L. P. and Sprint-Florida, Incorporated.

Additionally, fifteen (15) of Melissa Closz's Direct Testimony are being filed. The original was filed yesterday.

Sprint is also submitting separately a Motion to Accept Mr. Hunsucker's Testimony one day out of time.

Please acknowledge receipt and filing of the above by stamping the duplicate of copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,

Susan S. Masterton

Susan S. Masterton

Enclosures

cc: Parties of Record

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY

3 OF

4 MICHAEL R. HUNSUCKER

5

6 **Q. Please state your name and business address.**

7 A. My name is Michael R. Hunsucker. I am employed by
8 Sprint/United Management Company as Director-
9 Regulatory Policy. My business address is 4220 Shawnee
10 Mission Parkway, Fairway, Kansas, 66205.

11

12 **Q. Please describe your educational background and work**
13 **experience.**

14 A. I received a Bachelor of Arts degree in Economics and
15 Business Administration from King College in 1979.

16

17 I began my career with Sprint in 1979 as Staff
18 Forecaster for Sprint/United Telephone - Southeast
19 Group in Bristol, Tennessee and was responsible for
20 the preparation and analysis of access line and minute
21 of use forecasts. While at Southeast Group, I held
22 various positions through 1985 primarily responsible
23 for the preparation and analysis of financial
24 operations budgets, capital budgets and Part 69 cost
25 allocation studies. In 1985, I assumed the position

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1 of Manager - Cost Allocation Procedures for
2 Sprint/United Management Company and was responsible
3 for the preparation and analysis of Part 69
4 allocations including systems support to the 17 states
5 in which Sprint/United operated. In 1987, I
6 transferred back to Sprint/United Telephone -
7 Southeast Group and assumed the position of
8 Separations Supervisor with responsibilities to direct
9 all activities associated with the jurisdictional
10 allocations of costs as prescribed by the FCC under
11 Parts 36 and 69. In 1988 and 1991 respectively, I
12 assumed the positions of Manager - Access and Toll
13 Services and General Manager - Access Services and
14 Jurisdictional Costs responsible for directing all
15 regulatory activities associated with interstate and
16 intrastate access and toll services and the
17 development of Part 36/69 cost studies including the
18 provision of expert testimony as required.

19

20 In my current position as Director - Regulatory Policy
21 for Sprint/United Management Company, I am responsible
22 for the development of state and federal regulatory
23 and legislative policy for Sprint's Local
24 Telecommunications Division. Additionally, I am
25 responsible for the coordination of

1 regulatory/legislative policies with other Sprint
2 business units.

3

4 Q. Have you testified previously before state regulatory
5 commissions?

6 A. A. Yes, I have testified before state regulatory
7 commissions in South Carolina, Florida, Illinois,
8 Pennsylvania, North Carolina and Nebraska.

9

10 Q. What is the purpose of your testimony in this
11 proceeding?

12 A. The purpose of my testimony is to present testimony on
13 behalf of Sprint-Florida, Inc. and Sprint
14 Communications L.P. (hereinafter referred to as
15 Sprint) on various policy issues surrounding the
16 collocation issues identified by the Florida Public
17 Service Commission (FPSC). Specifically, I will
18 address issues 3, 4, 7, 10, 11, 12, 17, 19, 20 and 21.
19 Melissa Closz is also presenting testimony on behalf
20 of Sprint and will be addressing the remaining
21 identified issues. My testimony is structured to
22 include an introduction section and an issue-by-issue
23 presentation of Sprint's positions on the identified
24 issues.

25

1 INTRODUCTION

2

3 Q. What are Sprint's interests in this proceeding?

4 A. Sprint has varied interests in this proceeding. Sprint
5 operates as an Incumbent Local Exchange Carrier
6 (ILEC), an Alternative Local Exchange Carrier (ALEC),
7 an Interexchange Carrier (IXC) and a Commercial Mobile
8 Radio Service (CMRS) provider in the state of Florida.
9 Because of these varied interests, Sprint brings a
10 balanced perspective and business focus to this
11 proceeding. Sprint has been forced, by the nature of
12 its diverse business interests, to analyze and arrive
13 at balanced positions that support the pro-competitive
14 goals of the Telecom Act and are not unreasonable for
15 its ILEC operations. In this particular proceeding on
16 collocation, Sprint is and will be a provider of
17 collocation as an ILEC and a purchaser of collocation
18 as an ALEC in the state of Florida and, as such, is
19 advocating balanced positions in this proceeding and
20 urges the FPSC to adopt its positions relative to
21 collocation.

22

23 Q. What is the relationship between the FCC and the FPSC
24 in regards to the development of collocation
25 parameters/guidelines?

1 A. The Act, as confirmed by the Eighth Circuit and the
2 Supreme Court, authorizes the FCC to establish
3 national rules and regulations to implement the
4 requirements of Section 251 of the Act which includes
5 the obligation on ILECs to provide collocation. These
6 national rules must be adhered to in all cases. The
7 FCC has established collocation rules in Section
8 51.321 and Section 51.323 of the FCC rules. The FCC
9 has deferred to the states certain issues that the
10 states must address and resolve. Many, if not all, of
11 those issues are contained in the list of issues to be
12 resolved in this proceeding. Sprint has identified,
13 in its testimony, the areas in which the FPSC must
14 render decisions and establish guidelines to effect
15 such decisions. Additionally, state commissions are
16 free to implement additional guidelines that are
17 consistent with Section 251 of the Act and that do not
18 conflict with the FCC rules.

19

20 Q. In what dockets did the FCC address the issue of
21 collocation in regards to Section 251 of the Act?

22 A. The FCC addressed collocation initially in the First
23 Report and Order in Docket 96-98 and made subsequent
24 revisions and additions in the First Report and Order
25 in Docket 98-147. Again, as stated above, the FCC

1 developed certain rules and regulations regarding
2 collocation but deferred certain decisions to state
3 commissions. Rather than provide a complete overview
4 of the FCC's rules and regulations, my testimony
5 focuses only on the issues identified by the FPSC and
6 provides discussion on those items for which state
7 commission decisions are required.

8

9

ISSUE 3

10 To what areas does the term "premises" apply, as it
11 pertains to physical collocation and as it is used in
12 the Act, the FCC's Orders, and FCC's Rules?

13

14 Q. Where is the term "premises" defined and to what areas
15 does the term apply?

16 A. The FCC Rules and Regulations, in 47 CFR 51.5, define
17 "premises" as "an incumbent LEC's central offices and
18 serving wire centers, as well as buildings or similar
19 structures owned or leased by an incumbent LEC that
20 house its network facilities, and all structures that
21 house incumbent LEC facilities on public rights-of-
22 way, including but not limited to vaults containing
23 loop concentrators or similar structures." It should
24 be noted that the FCC chose a very broad definition of
25 "premises". In fact, the FCC stated in the First

1 Report and Order in Docket 96-98, "In light of the
2 1996 Act's procompetitive purposes, we find that a
3 broad definition of the term "premises" is appropriate
4 in order to permit new entrants to collocate at a
5 broad range of points under the incumbent LEC's
6 control. Thus, ALECs should be afforded an
7 opportunity to collocate at all such points.

8

9 Q. How did the FCC define adjacent space collocation and
10 what impact does the definition of "premises" have in
11 this regard?

12 A. The FCC, in Rule 51.323(k)(3), defined adjacent space
13 collocation as "collocation in adjacent controlled
14 environmental vaults or similar structures to the
15 extent technically feasible". The FCC stated, in
16 paragraph 44 of the First Report and Order in Docket
17 98-147, that "Such a requirement is, we believe, the
18 best means suggested by commenters, both incumbents
19 and new entrants, of addressing the issue of space
20 exhaustion by ensuring that competitive carriers can
21 compete with the incumbent, even when there is no
22 space inside the LEC's premises." The impact of this
23 rule is a requirement that further defines "premises"
24 to include structures that are adjacent to a central
25 office or serving wire center, if owned or leased by

1 the ILEC and also requires ILECs to permit the new
2 entrant to construct or procure an adjacent structure,
3 subject only to reasonable safety, zoning and
4 maintenance requirements. In fact, the FCC confirmed
5 this in paragraph 44 of the First Report and Order in
6 Docket 98-147, stating that "the incumbent LEC must
7 permit the new entrant to construct or otherwise
8 procure such an adjacent structure, subject only to
9 reasonable safety and maintenance requirements."

10

11 Q. Should the FPSC expand upon the FCC's definition of
12 "premises"?

13 A. Yes. Sprint has experienced real life examples of
14 being denied collocation space in adjacent structures.
15 Many ILECs may have administrative office buildings
16 that have been constructed adjacent to their central
17 offices and are denying the use of these locations for
18 collocation. Sprint believes that structures that
19 house administrative office personnel located on
20 adjacent spaces should be available for collocation,
21 especially if there is vacant space available in these
22 structures. If there is not vacant space in these
23 structures, Sprint proposes, in its response to issue
24 11, that the ILEC should be required to relocate these
25 administrative office personnel if the ALEC pays for

1 the cost of the relocation. Please refer to Sprint
2 response for Issue 11 for more detail on it relocation
3 proposal.

4

5

ISSUE 4

6 What obligations, if any, does an ILEC have to
7 interconnect with ALEC physical collocation equipment
8 located "off-premises"?

9

10 Q. Does an ILEC have any obligation to permit the
11 collocation of equipment in "off premises" locations?

12 A. An ILEC does not have any obligation to provide for
13 collocation of equipment located "off-premises" since
14 the ILEC would not own or control the "off-premises"
15 site. Given that collocation is premised on ILEC
16 control, either through ownership or leases of such
17 facilities, this question is not relevant to this
18 proceeding dealing with collocation issues.

19

20 Q. Does an ILEC have any obligation to interconnect with
21 ALEC equipment located "off-premises"?

22 A. The Act and the FCC Rules require an ILEC to
23 interconnect with ALEC facilities and equipment for
24 the mutual exchange of traffic between the two
25 carriers. This obligation exists regardless of

1 whether the ALEC equipment is collocated "on-
2 premises", i.e, the ILEC premises or located "off-
3 premises" at a non-ILEC location. Interconnection is
4 the physical linking of networks between the ILEC
5 facilities and the ALEC facilities.

6

7

ISSUE 7

8

What are the responsibilities of the ILEC and
9 collocators when :

10

A. a collocator shares space with, or subleases
11 space to another collocator;

11

12

B. a collocator cross-connects with another
13 collocator.

13

14

15 Q.

Do the FCC Rules define the responsibilities of the
16 ILEC and collocators when a collocator shares space
17 with, or subleases space to another collocator?

17

18 A.

Yes, FCC Rule 51.323(k)(1) addresses the issue of
19 shared collocation cages. A shared collocation cage
20 is a caged collocation space shared by two or more
21 competitive LECs pursuant to terms and conditions
22 agreed to by the competitive LECs. In paragraph 41,
23 of the First Report and Order in Docket 98-147, and
24 Rule 51.323(k)(1) the FCC requires the following:

24

- 1 1) ILECs may not increase the cost of site
2 preparation or nonrecurring charges above the
3 cost for provisioning such a cage of similar
4 dimensions and material to a single collocating
5 party.
- 6 2) ILECs must prorate the charges for site
7 conditioning and preparation undertaken to
8 construct the shared collocation cage or
9 condition the space for collocation use by
10 determining the total charge for site preparation
11 and allocating that charge to a collocating
12 carrier based on the percentage of total space
13 utilized by that carrier.
- 14 3) ILECs may not place unreasonable restrictions on
15 a new entrant's use of a collocation cage, such
16 as limiting the new entrant's collocation cage in
17 a sublease-type arrangement.
- 18 4) ILECs must permit each competitive LEC to order
19 unbundled network elements to and provision
20 service from that shared collocation space,
21 regardless of which competitive LEC was the
22 original collocator.
- 23 5) ILECs must make shared collocation space
24 available in single-bay increments or their
25 equivalent, i.e., a competing carrier can

1 purchase space in increments small enough to
2 collocate a single rack, or bay, of equipment.

3

4 Q. Do the FCC Rules define the responsibilities of the
5 ILEC and collocators when a collocator cross connects
6 with another collocator?

7 A. Yes, FCC Rule 51.323(h) addresses the issue of cross
8 connection between two collocators. Specifically,
9 ILECs shall permit collocating telecommunications
10 carriers to interconnect their respective network to
11 the network of other collocating carriers, when the
12 telecommunications carrier does not request the ILEC
13 construction of such facilities. Additionally, the
14 ILEC is required to do the construction upon request
15 and the facilities shall be either copper or fiber
16 equipment. The ILEC must allow the collocating
17 telecommunications carrier to place their own
18 connecting transmission facilities within the ILEC's
19 premises outside of the actual physical collocation
20 space subject only to reasonable safety limitations.
21 Reasonable safety limitations should be the same
22 technical standards that the ILEC applies to its own
23 equipment.

24

1 ISSUE 10

2 What are reasonable parameters for reserving space for
3 future LEC and ALEC use?
4

5 Q. Do the FCC Rules establish any guidelines to be used
6 in regards to reservation of space for future
7 collocation use?

8 A. Yes. FCC Rules 51.323(f)(4), 51.323(f)(5) and
9 51.323(f)(6) all provide guidelines to be used in the
10 reservation of space for future collocation use. The
11 Rules are as follows :

12
13 **Rule 51.323(f)(4)** : "an incumbent LEC may retain a
14 limited amount of floor space for its own specific
15 future uses, provided, however, that the incumbent LEC
16 may not reserve space for future use on terms more
17 favorable than those that apply to other
18 telecommunications carriers seeking to reserve
19 collocation space for their own future use;"
20

21 **Rule 51.323(f)(5)** : "an incumbent LEC shall relinquish
22 any space held for future use before denying a request
23 for virtual collocation on the grounds of space
24 limitations, unless the incumbent LEC proves to the

1 state commission that virtual collocation at that
2 point is not technically feasible;"

3
4 **Rules 51.323(f)(6) :** "an incumbent LEC may impose
5 reasonable restrictions on the warehousing of unused
6 space by collocating telecommunications carriers,
7 provided, however, that the incumbent LEC shall not
8 set maximum space limitations applicable to such
9 carriers unless the incumbent LEC proves to the state
10 commission that space constraints make such
11 restrictions necessary."

12
13 **Q. Does the Florida Public Service Commission need to**
14 **adopt more specific requirements for the reservation**
15 **of space for future collocation?**

16 **A. Yes.** While the FCC has provided guidelines for the
17 reservation of space, these guidelines are at a very
18 high level and additional granularity needs to
19 be provided to ensure that ALECs are able to acquire
20 collocation in a timely manner.

21
22 **Q. Does Sprint have a recommendation on more specific**
23 **requirements for the reservation of space for future**
24 **collocation?**

1 A. Yes. Sprint proposes the following requirements be
2 adopted for ILECs and ALECs in the state of Florida :

3

4 **ILEC Requirements :**

- 5 1) ILECs may reserve floor space for its own
6 specific uses for up to 12 months.
- 7 2) Prior to denying any ALEC request for physical
8 collocation, an ILEC shall be required to provide
9 justification for the reserved space to the
10 requesting ALEC based on a demand and facility
11 forecast.
- 12 3) The demand and facility forecast shall include,
13 but is not limited to, three to five years of
14 historical data, and forecasted growth by
15 functional type of equipment (e.g., switching,
16 transmission, power, etc.).
- 17 4) Consistent with FCC Rule 51.323(f)(5), the ILEC
18 shall relinquish any space held for future use
19 prior to denying a ALEC request for virtual
20 collocation.

21

22 **ALEC Requirements :**

- 23 1) ALECs can reserve space for their own future use
24 for up to 12 months at no charge.

- 1 2) In the event that requests for collocation space
2 exceed available space within a particular
3 office, an ALEC shall be required to relinquish
4 the reserved space or begin paying the
5 appropriate collocation charges for the reserved
6 space.
- 7 3) Upon implementation of appropriate collocation
8 charges to an ALEC, the ALEC should be required
9 to occupy the reserved space within six months.
10 To prevent the warehousing of unused space, the
11 ILEC shall have the right to reclaim the reserved
12 space after six months to provision any
13 outstanding ALEC requests for space within the
14 particular office.

15

16 **Q. Please explain the proposed requirements.**

17 A. Adoption of the Sprint proposal provides parity,
18 consistent with the FCC's rules, in that both the ILEC
19 and the ALEC have the opportunity to reserve space for
20 up to 12 months. Additionally, ILECs should have the
21 burden of proof in demonstrating that the space
22 reserved for their own future use is grounded in fact,
23 based upon historical data projected for future
24 growth. Likewise, Sprint's proposal does not allow
25 ALECs to warehouse space to the detriment of other

1 ALECs by allowing ILECs to reclaim space not used in a
2 reasonable period of time (six months after space
3 exhaustion provided that there are additional requests
4 pending for space).

5

6

ISSUE 11

7 Can generic parameters be established for the use of
8 administrative space by an ILEC, when the ILEC
9 maintains that there is insufficient space for
10 physical collocation? If so, what are they?

11

12 Q. Should generic parameters/rules be developed by the
13 FPSC for the use of administrative office space?

14 A. Yes. Generic guidelines should be established to
15 promote the availability of space for competitive
16 purposes. ALECs, including Sprint, are being denied
17 space in certain ILEC "premises" that are considered a
18 shared site facility in that they house both essential
19 and nonessential personnel. Clearly, if an individual
20 (or work group) is not essential to a central office
21 switching/transmission function, then that person (or
22 work group) could perform an equally competent job at
23 a different location. ALECs should have the ability
24 to collocate their switching/transmission equipment in
25 the premises where the ILEC has their similar

1 equipment located. This will mitigate the need for
2 ALECs to bear additional costs of connecting their
3 equipment to the equipment of the ILEC. Therefore it
4 is essential that a requirement be placed on ILECs to
5 relocate administrative office personnel in a shared
6 site location if there is an ALEC request for
7 additional collocation space and no space is available
8 other than the space occupied by non-essential
9 personnel.

10

11 **Q. What is Sprint's specific recommendation in regards to**
12 **the relocation of administrative office personnel?**

13 **A.** ILECs should be required to relocate administrative
14 office personnel before denying physical collocation
15 requests. Administrative office personnel would be
16 defined as personnel that are not essential to the
17 function of a particular premise, i.e., marketing
18 personnel, human resources personnel, etc. ILECs
19 should have the flexibility to relocate only enough
20 personnel to accommodate the ALEC space request or any
21 amount above the ALEC request if the ILEC deems it
22 necessary to relocate an entire work group. ILECs
23 should be required to apportion the relocation costs
24 on a percentage basis of requested ALEC square footage
25 to total square footage relocated. This methodology

1 will ensure that ILECs have an incentive to relocate
2 only what is absolutely necessary while not placing
3 any anti-competitive charges upon the ALEC.

4

5

ISSUE 12

6

What equipment is the ILEC required to allow in a
7 physical collocation arrangement?

8

9 Q. Does the FCC define what type of equipment an ILEC is
10 required to allow in a physical collocation
11 arrangement?

12 A. Yes. FCC Rule 51.323(b) states that an ILEC "shall
13 permit the collocation of any type of equipment used
14 for interconnection or access to unbundled network
15 elements". The FCC rule specifically states that
16 equipment used for interconnection or access to
17 unbundled network elements includes, but is not
18 limited to : transmission equipment including, but not
19 limited to optical terminating equipment and
20 multiplexers, equipment collocated to terminate basis
21 transmission facilities as of August 1, 1996 , digital
22 subscriber line access multiplexers, routers,
23 asynchronous transfer mode multiplexers and remote
24 switching modules. The only limitation contained in
25 the FCC rules is that ILECs are not required to permit

1 collocation of equipment used solely for switching or
2 solely to provide enhanced services. Additionally, if
3 the ALEC places mixed use equipment, i.e., equipment
4 used for interconnection or access to unbundled
5 network elements that also provides switching or
6 enhanced service functionality, the ILEC cannot place
7 any limitations on the ability of the ALEC to use all
8 the features, functions, and capabilities of the
9 equipment, including, but not limited to switching,
10 routing features and functions and enhanced services
11 capabilities.

12
13 The burden of proof is on the ILEC to prove to a state
14 commission that the equipment will not be used for
15 interconnection or access to unbundled network
16 elements. An ILEC cannot object to the collocation of
17 any equipment on the grounds of non-compliance to
18 safety or engineering standards that are more
19 stringent than those applied to the ILEC equipment.
20 If the ILEC denies collocation of a competitor's
21 equipment, citing safety standards, the ILEC must
22 provide the ALEC and the state commission (under
23 appropriate confidentiality agreement), within five
24 business days, a list of all equipment collocated in
25 that premises along with an affidavit attesting that

1 all of that equipment meets or exceeds the safety
2 standard that the ILEC contends the competitor's
3 equipment fails to meet. The ILEC should be required
4 to include a complete and thorough explanation of
5 exactly why the ALEC equipment fails to meet the
6 safety standards.

7

8

ISSUE 17

9 How should the costs of security arrangements, site
10 preparation, collocation space reports, and other
11 costs necessary to the provisioning of collocation
12 space, be allocated between multiple carriers?

13

14 Q. Does the FCC address the issue of cost recovery for
15 costs associated with security arrangements in Docket
16 98-147, First Report and Order?

17 A. Yes. The FCC addresses the issue of security in
18 paragraphs 46-49 of the First Report and Order in
19 Docket 98-147. On the issue of security cost
20 recovery, the FCC makes several observations on cost
21 recovery as discussed below, however, they defer to
22 the state commissions as to how ILECs would "recover
23 the costs of implementing these security measures from
24 collocating carriers in a reasonable manner."

25

1 In paragraph 47 of the First Report and Order in
2 Docket 98-147, the FCC states that "the incumbent LEC
3 may not impose discriminatory security requirements
4 that result in increased collocation costs without the
5 concomitant benefit of providing necessary protection
6 of the incumbent LEC's equipment." The FCC recognizes
7 that implementation of security measures not only
8 provides protection to the ALEC's equipment but also
9 provides protection to the ILEC's equipment and any
10 cost recovery mechanism must reflect this dual
11 protection philosophy. Again in paragraph 48 of the
12 First Report and Order in Docket 98-147, the FCC
13 states that "We agree with commenting incumbent LECs
14 that protection of their equipment is crucial to the
15 incumbents' own ability to offer service to their
16 customer. Therefore, incumbent LECs may establish
17 certain reasonable security measures that will assist
18 in protecting their networks and equipment from harm."

19

20 Q. What is Sprint's proposal for cost recovery of
21 implementing reasonable security measures?

22 A. Sprint proposes that the costs of implementing
23 reasonable security measures should be a cost shared
24 by both the ILEC and the ALEC and that the appropriate
25 methodology should be based on relative square footage

1 as an appropriate estimator of the value of the
2 equipment being protected. This method is totally
3 consistent with the FCC's statements in paragraphs 47
4 and 48 of the First Report and Order in Docket 98-147,
5 that the benefits of protecting the total equipment
6 located in the office are shared by both the ILEC and
7 the ALEC. Given the reference to "networks and
8 equipment", a relative value methodology is the only
9 appropriate way to recognize the dual benefits to
10 ILECs and ALECs. Given the propriety of the price
11 paid for the relative equipment to equipment vendors,
12 a methodology based on relative square footage is
13 appropriate and fairly reflective of the associated
14 value of the equipment.

15

16 **Q. Does the FCC address the issue of cost recovery for**
17 **costs associated with site preparation in Docket 98-**
18 **147, First Report and Order?**

19 **A. Yes.** The FCC addresses space preparation cost
20 allocation, in paragraph 42 of the First Report and
21 Order in Docket 98-147, as it relates to cageless
22 collocation and in paragraphs 50-51 of the same Order
23 as it relates to generic space preparation charges.

24

1 Q. What is the FCC's recommendation on the appropriate
2 cost recovery methodology for space preparation
3 charges as it relates to cageless collocation?

4 A. The FCC states, in paragraph 42 of the First Report
5 and Order in Docket 98-147, that "incumbent LECs may
6 not increase the cost of site preparation or non-
7 recurring charges above the cost for provisioning such
8 a cage of similar dimension and material to a single
9 collocating party. In addition, the incumbent must
10 prorate the charge for site conditioning and
11 preparation undertaken by the incumbent to construct
12 the shared collocation cage or condition the space for
13 collocation use, regardless of how many carriers
14 actually collocate in that cage, by determining the
15 total charge for site preparation and allocating that
16 charge to a collocating carrier based on the
17 percentage of the total space utilized by that
18 carrier." In other words, a carrier should be charged
19 only for those costs directly attributable to that
20 carrier. Additionally, this methodology is codified
21 in Rule 51.323(k)(1) and is sufficient to guide the
22 appropriate application of charges at the state level.
23

1 Q. What is the FCC's recommendation on the appropriate
2 cost recovery methodology for space preparation
3 charges as it relates to non-cageless collocation?

4 A. In paragraph 51 of the First Report and Order in
5 Docket 98-147, the FCC concludes, "based on the
6 record, that incumbent LECs must allocate space
7 preparation, security measures and other collocation
8 charges on a pro-rated basis so the first collocator
9 in a particular incumbent premises will not be
10 responsible for the entire cost of site preparation."
11 The FCC also stated that, "In order to ensure that the
12 first entrant into an incumbent's premises does not
13 bear the entire cost of site preparation, the
14 incumbent must develop a system of partitioning the
15 cost by comparing, for example, the amount of
16 conditioned space actually occupied by the new entrant
17 with the overall space conditioning expenses."
18 Further, the FCC stated that state commissions will
19 determine the proper pricing methodology.

20

21 Q. What does Sprint propose relative to the allocation of
22 space preparation costs?

23 A. Sprint proposes that the FPSC adopt the same
24 allocation methodology that the FCC codified in
25 regards to cageless collocation, i.e., a methodology

1 that allocates the space preparation charges on the
2 basis of relative square footage. For example, if an
3 ILEC decides to make a general building modification
4 (complete changeout of the heating and cooling
5 system), then the ALECs would be charged on the basis
6 of their respective square footage to the total square
7 footage associated with the building modification. If
8 however, the ILEC only prepares space sufficient to
9 handle the specific ALEC request, then the ALEC would
10 be responsible for 100% of the charges.

11

12 This proposal is the only logical approach based on
13 the FCC's rules associated with cageless collocation
14 and their suggestion of this methodology, by way of an
15 example, in paragraph 51. This methodology will
16 provide sufficient incentive to control ILEC behavior
17 by not proposing space preparation modifications that
18 are not directly related to ALEC requests for
19 collocation space while placing an appropriate cost on
20 ALECs.

21

22 **Q. What requirements are placed on ILECs as it relates to**
23 **the provision of collocation space reports?**

24 **A. The FCC, in Rule 51.321(h), requires ILECs to submit a**
25 **report, within 10 business days of the submission of**

1 the request, indicating the available collocation
2 space in a particular LEC premise, the number of
3 collocators, any modifications in the use of the space
4 since the last report, and must include measures that
5 the incumbent LEC is taking to make additional space
6 available for collocation. In addition, ILECs are
7 required to maintain a publicly available document, on
8 the Internet, of all premises that are full and must
9 update such a document within ten days of the date at
10 which a premises runs out of physical collocation
11 space.

12

13 **Q. Does the FCC address the issue of cost recovery for**
14 **the development of collocation space reports?**

15 **A.** In paragraph 58 of the First Report and Order in
16 Docket 98-147, the FCC stated that they expected state
17 commissions to allow the recovery of the costs of
18 implementing these reporting measures from collocating
19 carriers in a reasonable manner. Given that an ALEC
20 can request this report at any time, Sprint suggests
21 that these costs should be recovered via a non-
22 recurring charge to be assessed at the time of the
23 request. This charge would be separate and apart from
24 the collocation application fee so as to provide
25 sufficient information to ALECs regarding space

1 availability prior to submitting the formal
2 application and associated fee.

3

4 **Q.** What general guidelines should the FPSC develop when
5 determining the appropriate cost recovery methodology
6 for other collocation charges?

7 **A.** In general, if the collocation is associated with
8 general building modifications that benefit the whole
9 location, then the costs should be recovered from all
10 carriers located in the premise on a relative square
11 footage basis. If however modifications are made for
12 ALECs only, then the charges should be assessed to
13 ALECs only on the basis of relative square footage (or
14 100% if the modifications make improvements relative
15 to a specific ALEC request).

16

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ISSUE 19

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If an ILEC has been granted a waiver from the physical collocation requirements for a particular CO, and the ILEC later makes modifications that create space that would be appropriate for collocation, when should the ILEC be required to inform the Commission and any requesting ALECs of the availability of space in that office?

1 Q. When should ILECs be required to inform the Commission
2 and any requesting ALECs of the availability of space
3 in an office that had been granted a waiver because of
4 space limitations?

5 A. The ILEC should initially inform the state commission
6 and the ALECs at the time that a decision is made to
7 make any modification to increase the availability of
8 space. Subsequently, the ILEC should provide a
9 project plan and expected timeline of when the space
10 will be available and should provide progress reports
11 every thirty days as to the current status/activities.
12 This information can be sent directly to each ALEC who
13 has a request for collocation space pending or placed
14 on an Internet web site.

15

16

ISSUE 20

17 What process, if any, should be established for
18 forecasting collocation demand for CO additions or
19 expansions?

20

21 Q. What is the FCC's requirement regarding ILEC
22 consideration of forecasted collocation demand for CO
23 additions or expansions?

24 A. The FCC requires that ILECs "take into account
25 projected demand for collocation of equipment." The

1 issue is how to ensure that the ILEC reasonably
2 anticipates future ALEC requests for collocation.
3 There are two ways to accomplish this : 1) the ILEC
4 could be required to contact the ALECs to request a
5 forecast of future space requirements or 2) the ILEC
6 could make an independent decision on the amount of
7 space to be requested by ALECs. Sprint proposes a
8 combination of the two in which ALECs would be
9 required to provide an annual forecast (for a three
10 year period) of space requirements by premise as part
11 of the Joint Operations Plan developed jointly by the
12 ILEC and ALEC. Additionally, the ILEC would be
13 required to make a reasonable estimate of additional
14 ALEC space requirements for those ALECs not currently
15 covered by a contract. ALECs should have the ability
16 to file commission complaints if they feel an ILEC is
17 routinely under-forecasting future space requirements
18 and the ILEC should bear the burden of proof in
19 proving the reasonableness of their forecasting
20 methodology.

21

22

ISSUE 21

23

24

Applying the FCC "first-come, first-served" rule, if
space becomes available in a central office because a

1 waiver is denied or a modification is made, who should
2 be given priority?

3

4 Q. What does the term "first-come, first-served mean?

5 A. The term "first-come, first-served" simply means that
6 ALECs should be given priority on the basis of the
7 date of their respective collocation application. In
8 other words, the date of collocation application
9 establishes the priority by which collocation space
10 must be made available by the ILEC.

11

12 Q. Does Sprint have a proposal to establish a process for
13 making space available when a waiver is denied or a
14 building modification has been made?

15 A. Yes. Sprint proposes the following :

16 1. The ILEC should be required to respond to
17 collocation requests on a first-come, first-
18 served basis based upon the collocation
19 application date.

20 2. If an ILEC has insufficient space to fully
21 satisfy an ALEC request, the ILEC should be
22 required to inform the ALEC as to the amount of
23 space available and allow the ALEC the
24 opportunity to adjust their request accordingly

- 1 or elect not to collocate into the available
2 space.
- 3 3. Additionally, ALECs have the opportunity to
4 request a walk-through within 10 days of denial
5 of space per the FCC's rules. If a ALEC chooses
6 not to challenge the ILEC and another ALEC later
7 challenges the ILEC on space availability, the
8 second ALEC should be given priority if space is
9 found to be available. Additional space would
10 then be provided to ALECs based on their
11 respective collocation request date.
- 12 4. If space is sufficiently exhausted, the ILEC
13 shall be required to maintain a list of all
14 pending requests in a wait list mode based on the
15 collocation application date.
- 16 5. When the ILEC takes steps to make space
17 available, the ILEC shall promptly notify the
18 Commission and the ALECs, and provide a project
19 plan and expected timeline for availability of
20 space.
- 21 6. The ILEC shall provide progress reports on the
22 project every thirty days by notifying in writing
23 each ALEC on the wait list or by posting the
24 information on a website.

- 1 7. When space becomes available, the ILEC shall be
2 required to make space available to ALECs on the
3 wait list based upon the date of application
4 until all space has been exhausted. Notification
5 shall be made within 10 days of space
6 availability.
- 7 8. ALECs shall have 10 days to respond to the ILEC
8 space availability notification. If the ALEC
9 does not respond to the notification within 10
10 business days, the ALEC will be moved to the
11 lowest priority on the wait list.
- 12 9. ALECs have the obligation to reaffirm their
13 collocation request, in writing, every 180 days
14 to ensure that market plans have not changed and
15 space is no longer required. Reaffirmation of
16 space confirms the original request date on the
17 wait list. If space is not reaffirmed in the 180
18 day time period, the request date is changed to
19 the reaffirmation date.

20

21 Sprint believes that the above proposal places an
22 appropriate balance on ILECs and ALECs alike and is an
23 evenly balanced and fair process of making collocation
24 space available to ALECs.

25

1 Q. Should ILECs be required to establish wait lists based
2 on the collocation application date?

3 A. Yes, this is a way to legitimize the whole process of
4 making space available to ALECs. It establishes a
5 clear and defining way of establishing priority that
6 is fair and equitable to all ALECs requesting
7 collocation space. Clearly, there is a cost
8 associated with this process and ILECs should have the
9 opportunity to recover the costs in the recurring
10 collocation charges.

11

12 Q. You state that the establishment of wait lists is
13 "fair and equitable", yet you propose a process that
14 appears to reward ALECs who challenge the availability
15 of space. What is your rationale for this?

16 A. The FCC rules establish a process whereby ALECs are
17 afforded the opportunity to challenge the ILECs denial
18 of available space. Specifically, ALECs can tour the
19 entire premises at no charge and the ILEC is required
20 to provide certain information to substantiate their
21 lack of space claim. Let's assume that three ALECs
22 have had their respective collocation applications
23 denied and the first two ALECs chose not to tour the
24 premises or challenge the denial. If the third ALEC
25 chooses to challenge the ILEC and is successful, with

1 or without commission intervention, why should the
2 first two ALECs be rewarded for their lack of action?
3 In this case, it is not only appropriate to award the
4 third ALEC the available space, but any remaining
5 space should be provided to the first two ALECs based
6 on their collocation application date until all
7 requests are satisfied or space is exhausted.

8

9 **Q. Does this conclude your testimony?**

10 **A. Yes, it does.**

CERTIFICATE OF SERVICE
DOCKET NO. 981834-TP & DOCKET NO. 990321-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail or hand-delivery this 28th day of October, 1999 to the following:

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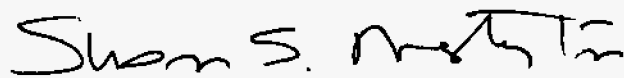
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