

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Competitive Carriers for Commission action to support local competition in BellSouth Telecommunications, Inc.'s service territory.

Docket No. 981834-TP

In re: Petition of ACI Corp. d/b/a Accelerated Connections, Inc. for generic investigation to ensure that BellSouth Telecommunications, Inc., Sprint-Florida, Incorporated, and GTE Florida Incorporated comply with obligation to provide alternative local exchange carriers with flexible, timely, and cost-efficient physical collocation.

Docket No. 990321-TP Order No. PSC-99-1991-PCO-TP Issued: October 12, 1999

PREHEARING STATEMENT OF MGC COMMUNICATIONS, INC.

This Prehearing Statement is filed on behalf of MGC Communications, Inc. ("MGC"), pursuant to Order No. PSC-99-1991-PCO-TP.

A. WITNESSES

Andrew C. Levy, MGC Communications, Inc., will offer testimony on all issues established by the Commission.

B. EXHIBITS

No exhibits will be offered.

C. STATEMENT OF BASIC POSITION

Collocation should be a known commodity, preferably tariffed, which is available promptly and in a form which gives the ALEC as much control as possible over its business plan and the equipment with which it will provide service.

- AFA APP CAF CMU CTR EAG LEG MAS OPC PAI SEC WAW OTH

**D. STATEMENT OF ISSUES AND POSITIONS**

**COMMISSION ISSUE 1: WHEN SHOULD AN ILEC BE REQUIRED TO RESPOND TO A COMPLETE AND CORRECT APPLICATION FOR COLLOCATION AND WHAT INFORMATION SHOULD BE INCLUDED IN THAT RESPONSE?**

Upon receipt of a complete and correct application, an ILEC should respond to the collocator within ten business days. The response should include whether space is available and in what forms (physical, cageless or virtual) in addition to the cost appropriate for the type of collocation requested. The most efficient method of handling collocation requests, whether for an initial request or for subsequent requests or “augments,” is when pricing is subject to established rates under a tariff, as opposed to “individual case basis” or “ICB” pricing

**COMMISSION ISSUE 2: IF THE INFORMATION INCLUDED IN THE ILEC’S INITIAL RESPONSE IS NOT SUFFICIENT TO COMPLETE A FIRM ORDER, WHEN SHOULD THE ILEC PROVIDE SUCH INFORMATION OR SHOULD AN ALTERNATIVE PROCEDURE BE IMPLEMENTED?**

The ILEC should always provide sufficient information in their response to an application to enable the ALEC to submit a FOC with the knowledge of exactly what charges will be incurred.

**COMMISSION ISSUE 3: TO WHAT AREAS DOES THE TERM “PREMISES” APPLY, AS IT PERTAINS TO PHYSICAL COLLOCATION AND AS IT IS USED IN THE ACT, THE FCC’S ORDERS, AND FCC RULES?**

The term “premises” applies to any space in a central office that is unused for the maintenance of telecommunications equipment and, therefore, is available for physical

collocation. The term also includes the ILEC's property outside of the central office building, but within its property line.

**COMMISSION ISSUE 4: WHAT OBLIGATIONS, IF ANY, DOES AN ILEC HAVE TO INTERCONNECT WITH ALEC PHYSICAL COLLOCATION EQUIPMENT LOCATED "OFF-PREMISES"?**

The ILEC is obligated to interconnect with an ALEC that houses its equipment in some sort of off-site or adjacent collocation arrangement. Interconnection is technically feasible and therefore, should be mandatory.

**COMMISSION ISSUE 5: WHAT TERMS AND CONDITIONS SHOULD APPLY TO CONVERTING VIRTUAL COLLOCATION TO PHYSICAL COLLOCATION?**

Converting a typical virtual collocation arrangement to a typical physical collocation arrangement would be practically impossible. It is possible, however, for an ALEC to get many of the qualities typically associated with physical collocation other than the granting of self contained floor space. For example, one ILEC permits MGC technicians to access its collocated equipment on a 24 by 7 basis even though all its collocations are considered virtual and the equipment is typically located in a lineup that includes ILEC transmission or switching equipment. While this is not as desirable as physical collocation, it is far superior to the typical virtual collocation with its constraints on access.

**COMMISSION ISSUE 6: WHAT ARE THE APPROPRIATE RESPONSE AND IMPLEMENTATION INTERVALS FOR ALEC REQUESTS FOR CHANGES TO EXISTING COLLOCATION SPACE?**

The ideal process is to establish prices for collocation elements as opposed to ICB pricing. In such case, there is no need for any response, much less a response interval.

In any event, after receiving a request for such changes, the ILEC should be required to respond to the ALEC within 10 business days and this response should include all costs associated with the request. The ALEC should have a 15 to 30 calendar day interval in which it can provide a FOC for the request. Once a firm order has been placed, the interval for provisioning this request should be no more than 30 calendar days.

**COMMISSION ISSUE 7: WHAT ARE THE RESPONSIBILITIES OF THE ILEC AND COLLOCATORS WHEN:**

- A. A COLLOCATOR SHARES SPACE WITH, OR SUBLEASES SPACE TO, ANOTHER COLLOCATOR;**
- B. A COLLOCATOR CROSS-CONNECTS WITH ANOTHER COLLOCATOR.**

In situation "A," the ILEC must treat the sublessee as a separate collocator by giving it its own ACTL (carrier identification code within a central office), tie downs and power. The sublessee must be billed separately for any unbundled loops, interoffice transport, trunking, and power it utilizes.

In situation "B," any cross connect between ALEC's for the purpose of interconnection should be permitted and the ALEC's should have the right to physically make such cross connects without BellSouth's participation.

**COMMISSION ISSUE 8: WHAT IS THE APPROPRIATE PROVISIONING INTERVAL FOR CAGELESS PHYSICAL COLLOCATION?**

Upon receipt of a firm order, cageless collocation should be provisioned within 30 calendar days.

**COMMISSION ISSUE 9: WHAT IS THE APPROPRIATE DEMARCATION POINT BETWEEN ILEC AND ALEC FACILITIES WHEN THE ALEC'S EQUIPMENT IS CONNECTED DIRECTLY TO THE ILEC'S NETWORK WITHOUT AN INTERMEDIATE POINT OF INTERCONNECTION?**

In such case, each cable becomes a type of meet-point since the ALEC is not permitted to reach the ILEC end and the ILEC is not permitted to reach the ALEC end. The only way to establish a demarcation point is to require that a POTs bay be utilized where the ILEC cables to one side and the ALEC to the other. However, if there is no POTs bay, establishing a demarcation point would be less important if the ALEC were permitted to do all of its wiring between its equipment and the ILEC termination destination: the MDF for DS0s; and DSX1 and DSX3 ports for the DS1s and DS3s.

**COMMISSION ISSUE 10: WHAT ARE REASONABLE PARAMETERS FOR RESERVING SPACE FOR FUTURE ILEC AND ALEC USE?**

There should be no ability for either the ILEC or ALECs to reserve space in a central office. However, if there must be a reservation policy, it should not in any way favor the ILEC or any affiliated companies or subsidiaries of the ILEC. It should be applied neutrally to all interested collocators, including the ILEC.

**COMMISSION ISSUE 11: CAN GENERIC PARAMETERS BE ESTABLISHED FOR THE USE OF ADMINISTRATIVE SPACE BY AN ILEC, WHEN THE ILEC MAINTAINS THAT THERE IS INSUFFICIENT SPACE FOR PHYSICAL COLLOCATION? IF SO, WHAT ARE THEY?**

There is no more economically efficient use of space within an ILEC central office than use for the purpose of housing telecommunications equipment. For this reason, all space within a central office should be used for this purpose, with the exception of minimal amounts of work space for technicians that work in that office and bathrooms to be used by that staff and collocators. There should be no other space reserved for functions other than telecommunications space.

**COMMISSION ISSUE 12: WHAT TYPES OF EQUIPMENT ARE THE ILECS OBLIGATED TO ALLOW IN A PHYSICAL COLLOCATION ARRANGEMENT?**

Pursuant to FCC Order (“706 Order,” Order 99-48, in Docket 98-147, issued 3/31/99, para. 28), the ILEC must permit the collocation of any equipment that is “used or useful” for either interconnection or access to UNEs regardless of other functions the equipment may be able to perform. MGC believes the ALEC should be permitted to install any equipment that meets NEBS level 1 compliance, regardless of its functionality.

**COMMISSION ISSUE 13: IF SPACE IS AVAILABLE, SHOULD THE ILEC BE REQUIRED TO PROVIDE PRICE QUOTES TO AN ALEC PRIOR TO RECEIVING A FIRM ORDER FOR SPACE IN THE CENTRAL OFFICE (CO)?**

**A. IF AN ILEC SHOULD PROVIDE PRICE QUOTES TO AN ALEC PRIOR TO RECEIVING A FIRM ORDER FROM THAT ALEC, WHEN SHOULD THE QUOTE BE PROVIDED?**

**B. IF AN ILEC SHOULD PROVIDE PRICE QUOTES TO AN ALEC PRIOR TO RECEIVING A FIRM ORDER FROM THAT ALEC, SHOULD THE QUOTE PROVIDE DETAILED COSTS?**

Yes. The ALEC needs to receive a price quote before it can be prepared to make the business decision of whether to submit a FOC committing itself to the space. Again, the key is to get away from ICB pricing and make all such elements tariffed. In such case, the ALEC knows up front how much space will cost and the only question it needs answered by the ILEC is whether space is available.

**COMMISSION ISSUE 14: SHOULD AN ALEC HAVE THE OPTION TO PARTICIPATE IN THE DEVELOPMENT OF THE ILEC'S PRICE QUOTE, AND IF SO, WHAT TIME FRAMES SHOULD APPLY?**

MGC has no opinion on this issue other than to stress that if all collocation elements were tariffed, there would be no need to develop price quotes.

**COMMISSION ISSUE 15: SHOULD AN ALEC BE PERMITTED TO HIRE AN ILEC CERTIFIED CONTRACTOR TO PERFORM SPACE PREPARATION, RACKING AND CABLING, AND POWER WORK?**

Yes. The ALEC should be able to do any installation work within a central office that is currently being done by ILEC personnel or authorized vendors working on behalf of the ILEC.

**COMMISSION ISSUE 16: FOR WHAT REASONS, IF ANY, SHOULD THE PROVISIONING INTERVALS BE EXTENDED WITHOUT THE NEED FOR AN AGREEMENT BY THE APPLICANT ALEC OR FILING BY THE ILEC OF A REQUEST FOR AN EXTENSION OF TIME?**

The ILEC should never be able to extend its provisioning intervals without the need for agreement by the ALEC, such agreement taking the form of a response to a filing by the ILEC.

**COMMISSION ISSUE 17: HOW SHOULD THE COST OF SECURITY ARRANGEMENTS, SITE PREPARATION, COLLOCATION SPACE REPORTS, AND OTHER COSTS NECESSARY TO THE PROVISIONING OF COLLOCATION SPACE, BE ALLOCATED BETWEEN MULTIPLE CARRIERS?**

These costs should be entirely paid for by the ILEC. These costs enable the ILEC to generate revenue from wholesale customers.

**COMMISSION ISSUE 18: IF INSUFFICIENT SPACE IS AVAILABLE TO SATISFY THE COLLOCATION REQUEST, SHOULD THE ILEC BE REQUIRED TO ADVISE THE ALEC AS TO WHAT SPACE IS AVAILABLE?**

Yes. The ALEC should not have to submit an application with a fee to request physical space only to be rejected and have to do the same for cageless and then again for virtual, if no space is available. Applications should allow the ALEC to submit a first, second and third choice for type of collocation.

**COMMISSION ISSUE 19: 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?**

The ILEC should inform the Commission and any collocators who have previously been rejected for physical collocation at least 3 months before the additional space is ready for ALEC occupancy. The advance notice will enable the ALEC to re-visit their interest in collocating in the particular central office to determine if that interest remains.

**COMMISSION ISSUE 20: WHAT PROCESS, IF ANY, SHOULD BE ESTABLISHED FOR FORECASTING COLLOCATION DEMAND FOR CO ADDITIONS AND EXPANSIONS?**

Forecasting future growth of current collocators can be done by requesting three to five year forecasts from these companies when applications are submitted. MGC has no opinion on how to forecast space needs from new collocators that have not yet submitted applications expressing interest in collocation in a particular central office.

**COMMISSION ISSUE 21: APPLYING THE FCC'S "FIRST-COME, FIRST-SERVED" RULE, IF SPACE BECOMES AVAILABLE IN A CENTRAL OFFICE BECAUSE A WAIVER IS DENIED OR A MODIFICATION IS MADE, WHO SHOULD BE GIVEN PRIORITY?**

The first collocator request for physical collocation that was rejected should be first in line and have the first opportunity to submit a FOC for a cage in the new space. This should continue one by one down the line until FOCs are submitted for the amount of

space that has become available. Once all formerly rejected applicants have a chance to submit a FOC for physical collocation, then it should be published to any new collocators who had not previously applied for space.

#### **E. ISSUES OF LAW**

- 1) **Issue 1, regarding response intervals**, may be affected by an interpretation of para. 55 of the FCC's "706 Order" regarding collocation. (FCC Order 99-98, Issued 3/31/99 in CC Docket No. 98-147).

\* MGC believes that response intervals for applications, where necessary, and provisioning are the most critical issues in this docket and that such intervals must be as short as reasonably possible.

- 2) **Issue 3, regarding definition of premises**, may be affected by an interpretation of FCC Rules 51.5 and 51.323(k)(3) and para. 44 of the FCC's "706 Order."

\* MGC believes that the definition of premises should be read to include ILEC property outside of the central office building but within the property line, including parking lots or undeveloped land.

- 3) **Issue 4, regarding the definition of off-premises**, may be affected by an interpretation of the Telecommunications Act of 1996 ("1996 Act"), 47 USC §251(a)(1) and 251(c)(2).

\* Pursuant to the 1996 Act, carriers have a duty "to interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers," whether the CLEC equipment is on or off the ILEC premises, if it is technically feasible to do so.

- 4) **Issue 5, regarding conversion of virtual to physical collocation**, may be affected in part by an interpretation of the FCC "706 Order" para. 42, regarding an ILEC's ability to enclose its

own equipment in a “cage” and whether or when collocating CLECs must participate in payment for such measures under the rubric of “security.”

\* MGC believes that reasonable security measures cannot be viewed as allowing the ILEC to segregate its equipment in order to “cage” it when the FCC has specifically stated that the CLEC equipment cannot be segregated.

5) **Issue 7, regarding shared cage collocation**, may be affected by an interpretation of FCC Rule 51.323(h) & (k)(1) and para. 41 of the FCC’s “706 Order.”

\* MGC believes that the FCC requirements are incompatible with an interpretation which would allow the ILEC to treat the original collocating party in a cage as responsible for any or all of the ordering and payment for collocating parties other than itself or that would prohibit CLECs from interconnecting their facilities themselves.

6) **Issue 10, regarding reserving space**, may be affected by an interpretation of FCC Rule 51.323(f) and by para. 604 of the FCC’s “First Local Competition Order.” (Order 96-325, Issued 8/8/96, in CC Dockets 96-98 and 95-185)

\* MGC believes that space, basically, should be available on a first-come, first-served basis and should not be reserved for future use.

7) **Issue 12, regarding what equipment may be collocated**, will be affected by an interpretation of FCC Rule 51.323(b) and para. 28 & 30 of the FCC’s “706 Order.”

\* MGC believes that any equipment which is “used or useful” may be collocated and fully used and that any equipment which meets NEBS level 1 compliance should be allowed, regardless of its functionality.

8) **Issue 15, regarding CLEC use of certified contractors**, may be affected by an interpretation of FCC Rule 51.323(j).

\* MGC believes that CLECs must be allowed to use certified contractors to perform any required installation work.

- 9) **Issue 17, regarding the costs of security**, may be affected by an interpretation of paras. 46-49 & 51 of the FCC's "706 Order."

\* MGC believes reasonable security measures should be quite minimal and when costs are passed on to CLECs, they should be passed on in the form of pro-rata recurring charges.

- 10) **Issue 20, regarding forecasting demand for CO expansions**, may be affected by an interpretation of para. 585 of the FCC's "First Local Competition Order."

\* MGC believes that forecasting for CLEC space needs is appropriate.

#### **E. STATEMENTS OF POLICY**

The two major policy issues in this docket are closely related.

- 1) **Intervals**. Response intervals for applications, where appropriate, and for provisioning, must be as short as possible in order for competition to function in an effective manner. Generally, applications are inappropriate for collocation; products should be able to be ordered from tariffs.
- 2) **Tariffs**. Collocation products are reasonably standardized and should be tariffed so that CLECs can obtain space quickly and at the same time, can know the expenses to which they will be subject. This is the only way that competition can begin to operate in a reasonably efficient and effective manner.

#### **F. STIPULATED ISSUES**

None.

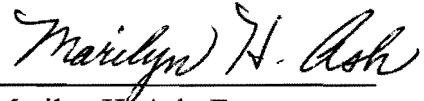
#### **G. STATEMENT RE PENDING MOTIONS**

None.

## H. STATEMENTS RE NON-COMPLIANCE

None.

Dated this 18<sup>th</sup> day of November, 1999.



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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the Prehearing Statement of MGC Communications, Inc., in Docket Nos. 981834-TP and 990321-TP, upon the following persons by sending copies thereof, first class mail, postage prepaid, to the last known addresses of:

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Dated this 18 day of November, 1999.



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