



# Public Service Commission

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RECORDS AND REPORTING

**DATE:** FEBRUARY 3, 2000

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

**FROM:** DIVISION OF COMMUNICATIONS (FAVORS) *erf*  
DIVISION OF LEGAL SERVICES (VACCARO) *N BK*

**RE:** DOCKET NO. 991697-TL - REQUEST FOR WAIVER OF COLLOCATION REQUIREMENTS IN THE HOLLY-NAVARRE CENTRAL OFFICE BY BELLSOUTH TELECOMMUNICATIONS, INC.

**AGENDA:** 02/15/00 - REGULAR AGENDA - FINAL AGENCY ACTION - PARTICIPATION LIMITED TO COMMISSIONERS AND STAFF

**CRITICAL DATES:** NONE

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\CMU\WP\991697.RCM

### CASE BACKGROUND

On September 7, 1999, the Commission issued Proposed Agency Action (PAA) Order No. PSC-99-1744-TP, which established procedures by which incumbent local exchange companies (LECs) would process alternative local exchange companies' (ALECs) requests for collocation and also established procedures for demonstrating space depletion for physical collocation in LEC central offices. On September 28, 1999, BellSouth filed a Protest/Request for Clarification of Proposed Agency Action. That same day, Rhythms filed a Motion to Conform Order to Commission Decision or, in the Alternative, Petition on Proposed Agency Action. Because motions for clarification/conformity are not contemplated by the PAA process, the motions were treated as protests to the PAA Order. On December 7, 1999, the Commission issued Order No. PSC-99-2393-FOF-

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TP, the Final Order Approving Stipulated Modifications to Collocation Guidelines, Amendatory Order, and Consummating Order. These Orders established the procedures by which a LEC could request a waiver of the physical collocation requirements from this Commission. In establishing these procedures, the Commission set forth its belief that the handling of collocation waiver requests would be expedited, and the number and scope of collocation disputes might be limited because the Commission's expectations would be defined.

Pursuant to Order Nos. PSC-99-1744-PAA-TP and PSC-99-2393-FOF-TP, BellSouth filed a Notice of Intent to Request Waiver of the Physical Collocation Requirements for its Holly-Navarre Central Office on November 10, 1999. BellSouth, Commission staff and AOZ-American Metrocomm, the ALEC that was denied space for physical collocation, conducted a tour of this central office on November 29, 1999. Subsequent to this tour, AOZ-American Metrocomm's collocation space requirements changed, which enabled BellSouth to fulfill its collocation needs. However, after meeting AOZ-American Metrocomm's requirements for space, BellSouth alleges that there will be no space remaining for additional physical collocation in this central office.

BellSouth filed its Petition for Waiver of Physical Collocation Requirements in the Holly-Navarre Central Office on November 30, 1999. In accordance with the above-mentioned Orders, BellSouth filed its Post-Tour Report for this central office on December 20, 1999. AOZ-American Metrocomm did not file a Post-Tour Report. This is staff's recommendation on BellSouth's Request for Waiver of Physical Collocation Requirements in its Holly-Navarre Central Office.

#### **DISCUSSION OF ISSUES**

**ISSUE 1:** Should BellSouth's Request for Waiver of Physical Collocation Requirements in the Holly-Navarre Central Office be granted?

**RECOMMENDATION:** Yes. The Commission should grant BellSouth a Waiver of Physical Collocation Requirements in the Holly-Navarre Central Office until December 31, 2000. **(FAVORS)**

**STAFF ANALYSIS:**

The issue before the Commission is to determine whether BellSouth should be granted a Waiver of the Physical Collocation Requirements for the Holly-Navarre Central Office. The Commission established procedures for handling physical collocation waiver requests in Order Nos. PSC-99-1744-PAA-TP and PSC-99-2393-FOF-TP. This waiver request represents the first time that this Commission has processed a waiver request under the requirements of these Orders.

BellSouth states in its Notice of Intent that it is currently unable to provide collocation in the Holly-Navarre Central Office due to lack of space. (Notice, p.1) BellSouth also states that it has plans to complete a building addition to this central office sometime in the fourth quarter of 2000. (Notice, p.1) BellSouth further states that the collocation needs of the sole applicant for space, AOZ-American Metrocomm, have changed since its initial application and that BellSouth will be able to fulfill this revised request. However, BellSouth alleges in its Petition for Waiver that there will be no room to accommodate any further ALEC requests for physical collocation until the building addition is completed. (Petition, p.2)

BellSouth states that the Holly-Navarre central office building houses DMS switches providing local dial tone. BellSouth states that circuit equipment located in this central office consists of fiber optic terminals, digital cross-connect systems, multiplexers, digital channel banks, subscriber carrier terminals, and digital cross-connect panels and provides connectivity to other central offices and local customers. (Petition, p.1)

BellSouth states in its Petition for Waiver that the area served by the Holly-Navarre central office is growing rapidly and thus the facility is under enormous space constraints. It further states that the lines in service in this central office will exceed 11,534 in 1999 and 13,835 by year end 2000. (Petition p.1) BellSouth states that to meet this growth it currently has on order additional Toll/Circuit and Switching equipment. (Petition, p.2)

BellSouth states that it used the following procedure to identify space currently available for physical collocation in the Holly-Navarre central office.

1. BellSouth determined the total square footage within the facility;
2. BellSouth determined the unavailable space (i.e., restrooms, hallways, stairs, etc.);
3. BellSouth determined assigned space currently occupied by the BellSouth switch, transmission, power and other equipment, as well as necessary administrative space;
4. BellSouth determined the space reserved for future defined uses necessary to adequately serve BellSouth customers, including consideration given to BellSouth's future switch growth plans;
5. BellSouth identified any unusable space (such as basements subject to flooding); and
6. BellSouth determined available collocation space by subtracting Items 2-5 from item 1. (Petition, p.3)

#### STAFF'S ANALYSIS

The Telecommunications Act of 1996 (Act) places certain obligations on LECs. One such obligation is collocation. The Act reads:

COLLOCATION.-The duty to provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier, except that the carrier may provide for virtual collocation if the local exchange carrier demonstrates to the State

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commission that physical collocation is not practical for technical reasons or because of space limitations. (47 U.S.C. 251(c)(6))

Thus, the Act clearly acknowledges that state commissions will make the determination of whether there is sufficient space in a LEC central office for physical collocation. BellSouth alleges in its petition that it lacks sufficient space in its Holly-Navarre Central Office to provide physical collocation.

In establishing procedures for handling a LEC's request for waiver of the physical collocation requirements for its central offices, the Commission indicated its belief that by establishing these procedures, "the handling of collocation waiver requests will be expedited and the number and/or scope of collocation disputes may be limited because we have clearly defined our expectations." (Order No. PSC-99-1744-PAA-TP, p. 17) These procedures clearly outline the LEC, ALEC and Commission responsibilities in processing waiver requests. In brief, these Orders require that once an ALEC files a completed application for physical collocation with a LEC, and the LEC does not believe that space is available in that particular central office for physical collocation, the LEC must file, within fifteen days of the application, a Notice of Intent to Request a Waiver of the Physical Collocation Requirements with this Commission. The LEC will file its actual Petition for Waiver of the Physical Collocation Requirements for this central office within twenty days of filing its Notice of Intent. Further, the LEC, ALEC(s) denied space and Commission staff will conduct a tour of the central office within ten days of the Notice of Intent. Twenty days after the central office tour the LEC and ALEC(s) must file a post-tour report containing certain specific information and other information that the parties believe to be relevant. Commission staff will then use this information to evaluate whether the LEC's Petition for Waiver should be granted.

#### POST-TOUR REPORT

Staff will summarize the relevant information contained in BellSouth's post-tour report of the Holly-Navarre Central office. Staff must note that the one ALEC, AOZ-American Metrocomm, that

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was initially denied space in this central office, did not file a post-tour report.

BellSouth reports that the Holly-Navarre central office contains 4,399 gross square feet. There are 3,718 square feet occupied by BellSouth's equipment. There are 365 feet of administrative space. (Post-Tour Report, p. 13) BellSouth considers administrative space as any space not directly supporting the installation and repair of telephone equipment and customer service. Examples include storerooms, lounges, shipping-receiving rooms and training rooms. (Post-Tour Report, p.2) BellSouth also reports that there are 197 square feet of unusable space in this central office. Unusable space is defined as space assigned to building functions as required by code or national design standards, which include restrooms, air handler and chiller rooms, mechanical equipment such as pumps, controls, compressors, house service panel/electrical system distribution panels, stairs, elevator shafts and equipment rooms. (Post-Tour Report, p.9)

BellSouth also reports that it has 119 square feet reserved for its own future use. There are 31.5 square feet reserved for the growth of its switching equipment and 87.5 square feet reserved for the growth of its circuit equipment. (Post-Tour Report, p. 13) Staff notes that the FCC does allow a LEC to reserve space for its own future use:

Incumbent LECs are allowed to retain a limited amount of floor space for its own future uses. Allowing competitive entrants to claim space that incumbent LECs had specifically planned to use could prevent incumbent LECs from serving their customers effectively. Incumbent LECs may not, however, reserve space for future use on terms more favorable than those that apply to other telecommunications carriers seeking to hold collocation space for their own future use. (FCC 96-325, ¶604)

In regards to its policy of reserving space, BellSouth states:

Generally, reserved space is held for the various space usages described in step C with forecasted needs for the next 2-year shipping interval. There is one exception. There are several types and families of equipment requiring fixed layouts. That is, this equipment cannot be split up into several different locations in the central office without degrading service or capping the size or customer service levels for that type of equipment. (Post-Tour Report, p.1)

Concerning BellSouth's policy for reserving space, staff notes that the Commission previously ruled:

BellSouth indicated that it reserves space for two years of forecasted equipment growth, and that it allows collocators to do the same. We find that this policy is reasonable. (Order No. PSC-99-0060-FOF-TP, p.13)

Staff also notes that the issue of appropriate parameters for reserving space for future LEC and ALEC use is at issue in a generic collocation proceeding currently before the Commission in Dockets 981834-TP and 990321-TP; however, until the Commission examines the evidence and makes a ruling in that proceeding, staff believes that the two-year reservation policy is reasonable for purposes of ruling on BellSouth's Petition for Waiver.

BellSouth states that a building addition is planned for the Holly-Navarre central office. BellSouth's completion date for this addition is the fourth quarter of 2000. (Post-Tour Report, p.11) This addition will add 3,128 square feet to the central office. (Post-Tour Report, p.13) BellSouth states that once this addition is complete, there will be sufficient space to provide requesting ALECs collocation in this office. (Notice, p.1) Staff notes that when planning additions or renovations to central offices, LECs are obligated by the FCC to consider requests for collocation. See 47 CFR §51.323(f)(3). It appears to staff that BellSouth is complying with this FCC Rule.

Based on the information provided, staff believes that BellSouth's Petition for Waiver of the Physical Collocation Requirements for its Holly-Navarre central office is reasonable, and the Commission should grant BellSouth a waiver of the physical collocation requirements for its Holly-Navarre central office until December 31, 2000. Pursuant to Section 251(c)(6) of the Act, however, BellSouth must continue to provide virtual collocation. Only one ALEC was initially denied space for physical collocation in this central office, and because its collocation space requirements changed, BellSouth was able to accommodate its needs. However, no space remains available for physical collocation.

BellSouth is reserving 119 square feet for its own future use. Staff acknowledges that according to the FCC Rules, a LEC may reserve space for its own future use, and staff believes that this is important as a LEC such as BellSouth does have Carrier of Last Resort responsibilities. Further, staff believes that the 119 square feet that BellSouth is reserving for its switch and circuit equipment growth is reasonable.

Staff also notes that during the tour of the Holly-Navarre central office, staff did not observe any space that appeared to be wasted or inefficiently used.

Finally, staff again notes that BellSouth is planning an addition to the Holly-Navarre central office that is scheduled for completion in the fourth quarter of 2000. Upon completion of this building addition, there will be additional space available for physical collocation by ALECs.

#### Conclusion

Staff recommends that the Commission should grant BellSouth a Waiver of Physical Collocation Requirements in the Holly-Navarre Central Office until December 31, 2000. Based on the foregoing information, staff believes that BellSouth's request is reasonable.



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**ISSUE 2:** Should this docket be closed?

**RECOMMENDATION:** Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed.  
**(VACCARO)**

**STAFF ANALYSIS:** Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed.