BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for waiver of collocation requirements in the Holly-Navarre central office by BellSouth Telecommunications, Inc. DOCKET NO. 991697-TL ORDER NO. PSC-00-0445-FOF-TL ISSUED: March 2, 2000

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman J. TERRY DEASON SUSAN F. CLARK E. LEON JACOBS, JR.

ORDER GRANTING PETITION FOR WAIVER OF PHYSICAL COLLOCATION REQUIREMENTS

BY THE COMMISSION:

BACKGROUND

On September 7, 1999, this Commission issued Proposed Agency Action (PAA) Order No. PSC-99-1744-PAA-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 Telecommunications, Inc. (BellSouth) filed a Protest/Request for Clarification of Proposed Agency That same day, Rhythms Links, Inc. (Rhythms) filed a Action. 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, we issued Order No. PSC-99-2393-FOF-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. We established these procedures based on our belief that the handling of collocation waiver requests would be expedited, and the number

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and scope of collocation disputes might be limited because our expectations would be defined.

Pursuant to Orders 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 Subsequent to this tour, AOZ-American Metrocomm's 29, 1999. collocation space requirements changed, which enabled BellSouth to fulfill its collocation needs. After meeting AOZ-American Metrocomm's requirements for space, however, BellSouth alleged that there would 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.

PETITION FOR WAIVER

BellSouth's Petition

We note that BellSouth's petition for waiver represents the first time that we have processed a waiver request under the requirements of Orders Nos. PSC-99-1744-PAA-TP and PSC-99-2393-FOF-TP.

BellSouth alleges in its Notice of Intent that it is currently unable to provide collocation in the Holly-Navarre Central Office due to lack of space. BellSouth also states that it has plans to complete a building addition to this central office sometime in the fourth quarter of 2000. BellSouth states in its Petition for Waiver, however, 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. BellSouth further alleges that there will be no room to accommodate any further ALEC requests for physical collocation until the building addition is completed.

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.

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

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

- BellSouth determined the total square footage within the facility;
- 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.

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, and nondiscriminatory, reasonable, 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 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, we have indicated 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 containing certain specific information and report other information that the parties believe to be relevant. Our staff

will then use this information to evaluate whether the LEC's Petition for Waiver should be granted.

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. 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. 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.

BellSouth also reports that it has 119 square feet reserved for its own future use. Of that 119 square feet, 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. We note 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, we have 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.

We also note 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 us in Dockets 981834-TP and 990321-TP; however, until we examine the evidence and make a ruling in that proceeding, we find that the two-year reservation policy is reasonable for purposes of ruling on BellSouth's Petition for Waiver. We also find that the 119 square feet that BellSouth is reserving for its switch and circuit equipment growth is reasonable. We note that according to our staff, the tour of the Holly-Navarre central office revealed that no space appeared to be wasted or inefficiently used.

BellSouth states that a building addition is planned for the Holly-Navarre central office. BellSouth's expected completion date for this addition is the fourth quarter of 2000. This addition will add 3,128 square feet to the central office. BellSouth states that once this addition is complete, there will be sufficient space to provide requesting ALECs collocation in this office. We note 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 that BellSouth is complying with this FCC Rule.

<u>Conclusion</u>

Based on the information provided, we find that BellSouth's Petition for Waiver of the Physical Collocation Requirements for its Holly-Navarre central office is reasonable. Based on the

foregoing, we hereby 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.

Because there are no outstanding matters to be addressed, this docket shall be closed.

Therefore, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc.'s Petition for Waiver of Physical Collocation Requirements in the Holly-Navarre Central Office is hereby granted until December 31, 2000. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this <u>2nd</u> day of <u>March</u>, <u>2000</u>.

BLANCA S. BAYÓ, Director) Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate The notice of appeal must be in the form specified in Procedure. Rule 9.900(a), Florida Rules of Appellate Procedure.