



Telecom Order CRTC 2008-331

Ottawa, 12 December 2008

Amtelecom Limited Partnership and People's Tel Limited Partnership – Co-location arrangements

Reference: People's Tel Limited Partnership Tariff Notices 57 and 57A
Amtelecom Limited Partnership Tariff Notices 61 and 61A

In this Order, the Commission approves Amtelecom Limited Partnership's and People's Tel Limited Partnership's proposed co-location tariffs, with modifications.

Introduction

1. The Commission received applications by Amtelecom Limited Partnership and People's Tel Limited Partnership (collectively, the Companies),¹ dated 16 June 2008 and revised on 7 July 2008, in which they proposed identical tariffs for co-location arrangements under tariff item 890 of their respective General Tariffs.
2. The Companies, which operate as small incumbent local exchange carriers (small ILECs), submitted that their proposed tariffs are virtually identical to Bruce Telecom's co-location arrangement tariff, with the exception of one item referring to the Companies' smaller buildings.
3. The Companies indicated that their territories include very small communities and that, unlike Bruce Telecom, their central offices (COs), retail space, and business offices are sometimes combined in one small building. The Companies submitted that they are concerned that unescorted access by a competitor's personnel to these offices after business hours would create security and privacy issues. They also submitted that the building modifications to enhance security and the costs of providing escorted access are more burdensome to very small ILECs than to the large ILECs.
4. The Companies submitted that previous Commission decisions and orders had only dealt with access to a small ILEC's switching and/or transmission equipment but not with the issue of a combined CO and business office. They also noted that their security concerns regarding retail and business office space being open to a competitor's personnel after business hours represent a new issue that is likely applicable only to very small ILECs.
5. The Commission received comments regarding these applications from Bell Aliant Regional Communications, Limited Partnership (Bell Aliant). The public record of this proceeding, which closed on 20 August 2008, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."

¹ On 24 January 2006, People's Tel Limited Partnership was acquired by Amtelecom Income Fund, which in turn was acquired by Bragg Communications Inc. on 1 June 2007.

6. The Commission has identified the following two issues to be addressed in its determinations:
 - I. Should the Companies be permitted to charge interconnecting carriers (ICs) for building modifications to secure their business office space?
 - II. Should the Companies be permitted to require escorted access to co-location spaces and if so, under what conditions?

I. Should the Companies be permitted to charge ICs for building modifications to secure their business office space?

7. The Companies noted that other carriers' co-location arrangement tariffs that permit building modifications to improve CO security to be charged to the ICs have previously been approved. They submitted that the physical structure of the large ILECs' COs is quite different from those of smaller ILECs and that the rules covering access should not necessarily be the same for companies of such differing sizes. The Companies also noted that the physical layout of their COs and business offices would require considerable structural building modifications to enhance security. They further submitted that the real issue is whether very small ILECs, such as themselves, should be entitled to secure their business offices from their competitors and charge them for that cost.
8. Bell Aliant noted that the existing small ILEC tariffs permit certain building modification site preparation costs as a non-recurring fee and only address the cost of preconditioning CO floor space and/or equipment, as well as any cabling or wiring requirements, but do not include recovery of costs associated with securing or segregating the CO. Bell Aliant also stated that recovery of costs for building modifications only applies in the case of segregated Type 1² access arrangement requests where physically segregated floor space and separate access to the CO are both required and feasible.
9. The Commission notes that small ILECs may at any time increase security in their buildings by installing security cameras, other monitoring systems, or barriers to segregate the CO from their business office space.
10. The Commission also notes that an IC requesting un-segregated Type 2³ co-location space in the CO does not expect or require space that is physically separated from other ICs or from the small ILEC. The Commission considers, therefore, that an IC should not be held responsible for the cost of additional security modifications to a building that the small ILEC has identified as a requirement solely to protect its own property.
11. Regarding the Companies' submission in respect of a very small ILEC charging ICs for the cost of modifying their business offices, the Commission notes that there is no information on the record of this proceeding that supports the Companies' proposition that they should be

² Type 1 physical co-location provides an IC with segregated floor space within the CO for the purpose of locating the IC's transmission equipment.

³ Type 2 physical co-location (sometimes referred to as cageless co-location) provides an IC with un-segregated floor space within the CO for the purpose of locating the IC's transmission equipment.

permitted to charge the ICs for these costs.

12. Given the above, the Commission considers that a decision on the part of the incumbent carrier to make building modifications when an IC is seeking Type-2 co-location should not adversely affect the IC. The Commission considers that the conditions and requirements for co-location that are applied to ILECs should also apply, in this case, to the Companies.
13. Accordingly, the Commission directs the Companies to make available un-segregated Type 2 co-location space if requested to do so. Any building modification measures required by the Companies to secure their business office space are to be completed at their own expense.

II. Should the Companies be permitted to require escorted access to co-location spaces and if so, under what conditions?

14. The Companies submitted that tariffs have been approved that permit other small ILECs to require escorted access where there is no secure access to the floor space within the CO.
15. The Companies also submitted that while the larger ILECs can absorb the costs of providing escorted access, the costs to very small ILECs are more significant. They further noted that they are seeking approval for escorted access only in those limited circumstances where an IC would have access to the business offices in certain COs, and only where the IC requests access after normal business hours.
16. Bell Aliant noted that the previously approved small ILEC tariffs referred to by the Companies only permit the small ILEC to require escorted access to segregated Type 1 co-location space when it is not possible to provide a secure access arrangement, and to un-segregated Type 2 co-location space in unspecified circumstances. They also noted that these tariffs further specify that no charge is to apply in either case.
17. In Telecom Decision 2006-14, the Commission determined that, wherever possible, small ILECs should make co-location space available to competitors under terms and conditions similar to those established for the ILECs' co-location services.
18. In Decision 2001-204, the Commission addressed the security and privacy issues of IC personnel accessing ILEC building space. Specifically, the Commission determined that unescorted access by IC personnel who are subject to the same security restrictions and checks as ILEC personnel is in the public interest.
19. The Commission notes that while the Companies stated in their reply comments that they wish to charge ICs for escorted access only to certain COs and only after regular business hours, the proposed tariff makes no such distinction regarding timing.
20. In Order 2001-348, the Commission approved the ILECs' proposal that in order to give the ILECs time to implement security measures at their various COs, escorted access would continue until such measures were completed. The Order also stipulated that in these instances, there must be no charge to the IC for the escorted access. The Commission considers that where the Companies' COs and business offices share common space without barriers or other enhanced security measures, it may be appropriate to require escorted access to co-location

spaces until the Companies can reasonably complete any necessary building changes.

21. The Commission notes the Companies' concerns regarding the frequency of ICs' access demands to the COs after business hours. However, given the very small size of the communities in which the Companies' multi-purpose offices are located, the Commission considers that the requirement for escorted access for after-hours emergency equipment maintenance will be considerably less frequent than the Companies anticipate.
22. Given the absence of supporting evidence to the effect that the Companies could not feasibly absorb the costs of providing escorted access, whether during regular business hours or after, the Commission considers that there is no reason to depart from the approach adopted in Telecom Decisions 2006-14 and 2001-204.
23. In Telecom Order 2002-63, the Commission approved *Co-location Consensus Report CLRE027A*, which was submitted by the Co-location Sub-working Group of the CRTC Interconnection Steering Committee. This report provides industry-wide guidelines for the issuance of co-location access cards to approved IC personnel. The Commission encourages the Companies to implement security measures that are consistent with this report.
24. Accordingly, the Commission directs the Companies to permit unescorted access to their Type 2 co-location spaces by IC personnel or contractors who have been duly approved by the small ILEC. The Companies may, however, reserve the right to provide, at their discretion, escorted access at no charge in those instances where it is not possible to provide a secure access arrangement into segregated floor space.

Conclusion

25. The Commission considers that other than General Tariff items 2.06(b), 2.06(c), 3.09, 4.06, and Note 5 in item 4.15, the Companies' proposed tariffs are appropriate.
26. The Commission directs the Companies to modify their co-location tariffs as follows:
 - in item 2.06(b), remove the phrase in the second sentence "where secure access arrangements are in place," and the phrase in the last sentence "If at any time it is not possible to provide a secure access arrangement," retaining "The Company reserves the right to provide an escort at no charge for the IC's personnel or contractor."
 - remove the phrase "at rates and charges specified in item 4.15" from item 2.06(c), and replace it with "at no charge for the IC's personnel or contractor,"
 - remove the phrase "or where escorted access is required by the Company" from item 3.09,
 - remove the phrase "and costs associated with securing the central office from the main business office, where required" from item 4.06, and

- remove "Note 5" and the related reference in item 4.15 referring to escort charges on call-out basis.
27. Accordingly, the Commission **approves** the Companies' co-location tariffs as modified above. The Commission directs the Companies to issue the revised co-location arrangement tariffs within 30 days of this Order. The Companies are also to file their central office lease agreements within 30 days of the date of this Order.

Secretary General

Related documents

- *Revised regulatory framework for small incumbent local exchange carriers*, Telecom Decision CRTC 2006-14, 29 March 2006
- *CRTC approves co-location consensus report of CLRE027A*, Telecom Order CRTC 2002-63, 8 February 2002
- *Implementation of Decision CRTC 2001-204 – Modification of the co-location regime*, Order CRTC 2001-348, 2 May 2001
- Decision CRTC 2001-204, 30 March 2001

This document is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>