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July 26, 2000

Via Hand Delivery

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Ex Parte Presentation in WT Docket No. 99-217 and CC Docket No. 96-98

Dear Ms. Salas:

Pursuant to 47 C.F.R. § 1.1206, the Real Access Alliance, through undersigned counsel, submits this original and three copies of a letter disclosing an oral and written ex parte presentation in the above-captioned proceedings. On July 25, 2000, at the invitation of the Real Access Alliance, Clint Odom of Chairman Kennard's office attended a tour of telecommunications facilities in International Square and Presidential Plaza, two Washington, D.C., properties owned by CarrAmerica Realty. The following representatives of the Real Access Alliance were present:

Phil Hawkins	COO, CarrAmerica Realty
Barry Krell	Vice President – Telecom, CarrAmerica Realty
Marty DePoy	National Association of Real Estate Investment Trusts
Tony Edwards	National Association of Real Estate Investment Trusts
Gerard Lavery Lederer	Building Owners and Managers Association, International

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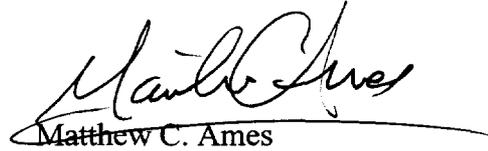
The participants discussed the matters addressed in the attached written ex parte materials.

Please contact the undersigned with any questions.

Very truly yours,

Miller & Van Eaton, P.L.L.C.

By


Matthew C. Ames

cc: Clint Odom, Esq.

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COMMISSION REGULATION OF BUILDING ACCESS WOULD NEEDLESSLY INTERFERE WITH MARKET FORCES

- **Building Owners Are Meeting Tenant Demand Because It Is in Their Own Interest To Keep Tenants Happy.**
 - 98% of tenants surveyed in the BOMA publication *Critical Connections* stated that when they have asked building management for service from a particular telecommunications provider, they have received it.
 - Office building owners receive an average of about \$21 per square foot in rent, but only \$0.11 per square foot from telecommunications providers: owners have absolutely no incentive to put their tenant revenue stream at risk by denying access to providers.
 - 90% of access agreements in office buildings are non-exclusive: owners know that they need to be able to bring in additional providers to satisfy tenant requests.
- **The Evidence that Owners Grant Access to CLECs on Reasonable Terms Is Overwhelming.**
 - According to *Critical Connections*, only 42% of owners and managers report that their buildings were served by a competitive provider before 1997. Today, 80% of office buildings are served by at least one competitor in addition to the ILEC, and 60% are served by at least two competitors in addition to the ILEC.
 - Large real estate companies have led the way in granting access to their properties. As just one example, every one of CarrAmerica Realty Corporation's buildings in the District of Columbia is served by at least two CLECs plus the ILEC. 90% of CarrAmerica's DC buildings are served by at least 4 CLECs, and 40% are served by at least 8 CLECs.
 - WinStar and Teligent have been granted access to 100% of CarrAmerica's DC buildings.
 - Typical negotiation time for an access agreement is 3-6 months; 73% are completed in six months or less. The primary reason for delay is turnover among provider sales staff.
 - 32% of owners and managers use a third-party firm to help with negotiations. This practice helps ensure that owners appreciate the needs of providers.
 - In Congressional testimony, William Rouhana of Winstar publicly stated that his company is "rarely" denied access to buildings.

- **Owners Must Be Free To Grant Access To the Best Providers Available To Serve a Building.**
 - The key concern of both owners and tenants in selecting a service provider is reliability and quality of service. Creating a right of access that favors existing companies regardless of their ability to perform will stifle competition and innovation.
 - Some providers are unable to meet their commitments to begin service in buildings: In 24 out of 65 contracts – about 37% – signed by CarrAmerica for its DC buildings since 1996, the CLEC has not yet begun service. According to *Commercial Property News*, Teligent, Inc. has gained the right to wire about 7,500 buildings, but it currently serves only 3,000. “Demetree, Hornig Stress Tenant Needs,” June 16, 2000, at pp.1, 40. Similarly, Winstar has signed agreements for 8,000 buildings, but has only lit 4,000. *Id.* at p. 41.
 - Once a contract is signed, the owner must reserve space in the building for that provider, possibly precluding entry by another provider who might offer better service or newer technology. Owners therefore have an incentive to grant access to providers who are willing and able to provide service immediately.
 - The Commission should not force a single model on building owners, because different strategies may be required in different situations, and the market is better suited than regulation to rewarding owners who pick the right strategy. For example, the new “building centric” providers arose in response to the inability of many existing CLECs to provide timely, responsive service in buildings.

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