

1 not a contract, but a policy and guideline, that addresses
2 something beyond this that is a form of collocation
3 provided by AT&T, that also.

4 MR. HURST: Okay.

5 ALJ WALWYN: Okay. Are we clear, then?

6 Proceed.

7 And you can provide this by?

8 MR. HURST: The first one I can provide today or
9 tomorrow morning.

10 The other one is going to take a little
11 research, so I should know later today when we can do
12 that, or if there is anything else.

13 ALJ WALWYN: Okay. Proceed.

14 MR. EDWARDS: Q Mr. Graczyk, as part of your
15 duties and responsibilities in your job, do you have
16 anything to do with collocation?

17 A Other than to be AT&T's witness in this case,
18 I have no direct experience in the central office, no.

19 Q So you don't get, do you, requests for
20 collocation that are filed with AT&T?

21 A No, I do not.

22 Q You don't review those requests for
23 collocation?

24 A No, I do not.

25 Q You don't make requests for collocation to

26 GTE's PacBell's central offices?

27 A I personally do not.

28 But I have, as part of preparation of my

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 testimony, interviewed directly those AT&T local service
2 employees who do have that responsibility.

3 Q But that's not part of your job?

4 A No.

5 Q Do you have any knowledge regarding the
6 agreements that Mr. Hurst talked about that AT&T may have
7 for collocation space in its own facilities?

8 A No, I do not.

9 Q You don't have any knowledge regarding whether
10 AT&T itself charges collocators on its facilities
11 nonrecurring charges?

12 A I do not.

13 Q Do you know whether there's going to be an AT&T
14 witness who's going to testify that has that knowledge?]

15 A I would recommend that you direct those
16 questions to Mr. Turner.

17 Q Well, I think we already established
18 Mr. Turner's not involved in AT&T policy making, is he?

19 A I didn't understand your question to be policy-
20 oriented.

21 Would you repeat your question?

22 Q Do you know whether there's any -- going to be
23 any witness -- well, my question was whether there is
24 going to be any AT&T witness. I believe you're the only
25 one. But I'll expand it to say any witness to testify

- 26 on behalf of AT&T who can answer the question whether
- 27 AT&T's charges to entities that collocate in AT&T's
- 28 facilities are recovered on a nonrecurring or a recurring

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 basis?

2 A Again, I will refer you to Mr. Turner who has
3 extensive background in researching prices and charges
4 across a wide variety of companies including AT&T.

5 Q So you think Mr. Turner could tell me about
6 AT&T's contracts in that regard?

7 A I would suggest that he's a likely choice.

8 Q Do you know whether there are any affiliates of
9 AT&T that are collocated in its facilities?

10 A I have no direct knowledge.

11 Q Would Mr. Turner be the appropriate witness
12 to ask that question?

13 A I don't know. You'll have to ask Mr. Turner.

14 Q Do you know of any AT&T witness who's going to
15 testify or any witness who's going to testify on behalf of
16 AT&T that can answer that question?

17 A I never understood that AT&T's collocation
18 practices or prices were at issue here.

19 So I'm sorry. I don't believe AT&T has a
20 witness for that.

21 MR. EDWARDS: Your Honor, given that response,
22 I'd also make a record request that AT&T produce any
23 agreement that it has with any affiliate in California who
24 has collocation space on AT&T's facilities.

25 MR. HURST: Your Honor, I think that is --

26 you know, was the drive of the last record request that

27 I was objecting to.

28 That is an extensive search and a lot of

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 documents.

2 So, you know, I would object to that on the
3 basis that it's burdensome, that it should have been dealt
4 with in the form of a data request earlier and could have
5 been addressed in the form of a data request. And when
6 asked for and not complied with, it could have been the
7 subject of a motion to compel which GTE has not pursued.

8 So I think at this point in time it's just a --
9 an unreasonable request.

10 MR. EDWARDS: Your Honor, I understand that to be
11 the exact same request that was made of GTE, and
12 I've substituted AT&T's name in the place of GTE's.

13 MR. HURST: I don't know that AT&T has made
14 any request of GTE.

15 AT&T has not cross-examined GTE's witnesses as
16 far as I know.

17 MR. EDWARDS: You know, I -- but it was a record
18 request that was made that GTE has been ordered
19 to respond.

20 MR. HURST: Not by AT&T.

21 ALJ WALWYN: Perhaps it was Mr. Bowen. We can get
22 a transcript cite.

23 MR. HURST: If they want MCI's collocation
24 contracts, fine.

25 But we've not taken that issue up with AT&T.

26 ALJ WALWYN: Well, let me put it this way,

27 Mr. Hurst.

28 One of the issues being presented in this

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 case -- and perhaps you were not part of the joint
2 group -- but here you will need to state that -- is
3 that it is reasonable to expect to look to the costs and
4 policies of how affiliates are treated in establishing
5 what would be reasonable costs and prices here.

6 MR. HURST: We do not object to that being an issue
7 in the case, your Honor. We -- we're not even objecting
8 that these -- that this request is asking for information
9 that's irrelevant.

10 I think it's relevant information. It could be
11 useful to the Commission.

12 What we are -- my sole objection is that it's
13 burdensome at this point in the case.

14 I mean, I could have been asked -- if counsel
15 knew he was going to do this, I could have been asked this
16 two or three days ago. You know, we could have been
17 working on it now -- we're into -- I don't know -- what
18 is today -- Tuesday or Monday of the last week of the case
19 to get this request.

20 And my witnesses are coming up, so I'm going
21 to have to be here doing those witnesses.

22 I'm just saying it's burdensome. That's all.

23 If you want me to do it, I'll put people on it,
24 but I don't know -- and they don't know how long it will
25 take, but we'll work at it.

26 But I just think it's an unreasonable request

27 at this point in the case.

28 ALJ WALWYN: Well, why don't we take the request

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 and have you coordinate with Mr. Edwards regarding
2 the timing such that it isn't burdensome and come back to
3 me if the two of you can't work that out.

4 MR. HURST: Okay.

5 ALJ WALWYN: Let's proceed.

6 MR. EDWARDS: Q Mr. Graczyk, would you look at
7 page 6 of your direct testimony, line 1.

8 A I have the cite.

9 Q Do you know, Mr. Graczyk, if AT&T's policy is
10 to prefer physical collocation over other forms of
11 collocation?

12 A In the interviews that I conducted with the
13 AT&T employees most directly involved, I don't believe
14 that there is -- it was expressed an overwhelming
15 preference for physical.

16 Q It was not expressed an overwhelming request
17 for physical?

18 A I'm sorry. Would you repeat your question?

19 Q I'm trying to make sure I understood
20 your answer.

21 Does AT&T have a preference for physical
22 collocation if it is available over other forms of
23 collocation?

24 A I think it depends -- as a policy, I have never
25 heard it expressed as a policy in the interviews

26 I conducted with the employees.

27 Q And during those interviews did you read --

28 based on those interviews, did you reach any conclusion

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 regarding whether those people who are involved in this
2 process have a preference for physical over other forms of
3 collocation?

4 A I discussed all the six forms of collocation
5 that AT&T has proposed with the employees and received a
6 positive assurance that each of those forms would be used
7 in different locations.

8 I understood that the applications that
9 they have submitted to the LECs are submitted as physical
10 collocation requests because they have been told that the
11 other forms were either simply not available or there was
12 a flat-out refusal or offered at prices so prohibitive
13 that AT&T simply took them off the table.

14 The applications are presented as physical
15 for that reason. They skew the appearance. But I do not
16 understand that AT&T would not use all of the forms in
17 different locations that AT&T has proposed.

18 Q All right. Let me follow up on that.

19 If you look at your rebuttal testimony, page 1,
20 line 22 --

21 A That was page 1, line 22?

22 Q Yes, sir.

23 A I'm there.

24 Q You say there that the incumbents have
25 basically refused to provide cageless common adjacent on-

26 and adjacent off-site collocation.

27 Do you see that?

28 A Yes, I do.

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 Q Can you tell me when and for what facility
2 GTE refused a request for common collocation?

3 A I don't have the specific cite.

4 Q Do you know whether there has been such
5 a refusal?

6 A I was informed by the employees at AT&T
7 local services that that had taken place.

8 Q Do you know at what facility AT&T filed
9 a request for adjacent on-site collocation and it was
10 refused?

11 A Again, my understanding from the interviews is
12 that no requests were filed because it was made plain
13 in the discussions that adjacent on-site and adjacent
14 off-site were not offered.

15 We heard Mr. Mitchell, for example, for
16 Pacific Bell -- excuse me if I step outside of the GTE
17 construct -- but we have heard Mr. Mitchell I think set a
18 process that said he would not process an application for
19 anything other than what was tariffed by Pacific Bell at
20 the time.

21 My interviews with the employees gave me
22 the understanding that it would have been a pointless
23 exercise to present a formal bona fide request or
24 full application to either GTE or Pacific Bell with
25 the understanding that we already received that it would

26 not be received or processed.

27 Q So do I understand your testimony now to be

28 that there's been no bona fide request or BFR made by AT&T

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 for either common, adjacent on- or adjacent off-site
2 collocation to GTE?

3 A No, I understand bona fide request to be
4 a formal process. And I want to be very clear on that,
5 that that is a negotiated process in my understanding
6 between the two companies with filing procedures and
7 contacts with personnel.

8 And it doesn't surprise me that the answer to
9 that is is, no, there have been none, again, with the
10 understanding that previous discussions with the company
11 made it very plain that it would not be received or
12 processed.

13 Q Do you know whether GTE is currently processing
14 for any of its central offices a BFR for adjacent on- or
15 off-site collocation?

16 A As broadly drawn as the question is across all
17 companies, no, I don't know.

18 Q Look at rebuttal page 3, line 23. In that
19 testimony, Mr. Graczyk, I believe you'd agree that AT&T
20 has not submitted any forecasts for its collocation needs
21 to either GTEC or Pacific, correct?

22 A No, that is not correct.

23 Q That's not what your testimony says lines 20 to
24 22?

25 MR. HURST: Your Honor, could we allow the witness

26 to answer the question?

27 ALJ WALWYN: Proceed.

28 THE WITNESS: First of all, in my reading it's

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 line 21.

2 I presume you're referring to AT&T has not
3 submitted forecasts for all its collocation needs to
4 either GTEC or Pacific.

5 MR. EDWARDS: Q Correct.

6 A As drafted, it is correct. We have not defined
7 all of our collocation needs.

8 We have provided forecasts for physical
9 collocation. My understanding is that in the early week
10 of November of 1998 AT&T asked for and received executive
11 level meetings with both Pacific Bell and GTE. And I
12 believe that in -- I'm not sure of the GTE person, Mr.
13 Edwards, but I believe the name I was given was a Mr.
14 Stankey from Pacific Bell.

15 At that time, AT&T presented to both companies
16 its list of sites, specific central offices and cage
17 size -- cage sizes for 1999. And I'll grant you this is a
18 new process, but it certainly was done at that time.

19 Where there were tariffed offices -- central
20 offices that were requested, applications were presented
21 at that time to both companies for those specific offices
22 as well as a template -- not a blueprint but a template --
23 that would give an overall view of the type of equipment
24 and the arrangement within the cage that AT&T would
25 provide those companies.

26 Now, I also understand that we have established
27 a process with both GTE and Pacific Bell for those
28 physical collocation requests of weekly or biweekly

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 conference calls to discuss that as an implementation.

2 Clearly, it would not be possible to provide
3 forecasts for virtual since it -- we would expect the LEC
4 to come back and tell us whether or not common -- whether
5 or not physical space was available and whether or not it
6 would evolve into a virtual request.

7 Again, my understanding is that those requests,
8 although I've been assured that we have a need and would
9 desire cageless common on-site and -- adjacent on-site and
10 adjacent off-site were not included because the initial
11 request for cageless and common were flatly reviewed as
12 not being products that were offered as well as the other
13 two.

14 Now, I do understand that there was one request
15 for an adjacent on-site location, a type of rooftop
16 collocation, which would allow AT&T to place a tower or
17 have space on the tower. And that was responded to with a
18 price that was so prohibitive that AT&T was not able to
19 process -- was not able to proceed with the request.

20 Q With respect to your reference to the rooftop
21 request, was that to GTE?

22 A No. I believe that was actually to
23 Pacific Bell.

24 Q And I want to make sure I understand
25 your testimony on common collocation.

26 You believe that GTE has, quote, flatly refused

27 to provide common collocation to AT&T?

28 A Based on the interviews I've conducted with

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 the AT&T local service employees, the employees directly
2 involved, that is my understanding.

3 Now, that may be time sensitive and the
4 testimony is a snapshot in time. And I understand that
5 since the Commission has ordered both parties to -- both
6 Pacific Bell and GTE -- to at least cost out common, then
7 there would be so softening to that position.

8 Q And do you also understand your position that
9 regulatory affairs with GTE made a suggestion that common
10 be costed out in this proceeding?

11 A Yes.

12 Q Pardon me?

13 A Yes.

14 MR. EDWARDS: Your Honor, may I make one last
15 record request for the identity of all central offices in
16 California where AT&T has been flatly refused a request to
17 install common collocation.

18 MR. HURST: Your Honor, I don't believe that the
19 witness' testimony is that there's any application that's
20 been refused.

21 I mean, his testimony is that they didn't apply
22 because they were told it wouldn't be processed.

23 So, you know, if I understand the witness'
24 testimony correctly, the answer to this is we don't have
25 any -- we don't have any applications for common

26 collocation at a specific central office that was

27 flatly refused.

28 ALJ WALWYN: Well, I understood it to be less

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA

1 clear.

2 I think the record request is for you to check
3 if it did proceed to a formal application in that sense.

4 MR. HURST: Okay.

5 MR. EDWARDS: That's correct.

6 ALJ WALWYN: Proceed.

7 Q One last question. I thought I was finished.

8 One last question.

9 Rebuttal -- page 4, line 9, Mr. Graczyk,
10 there you make a reference that if Pac Bell and
11 GTEC charge significantly more for collocation than
12 incumbents in other parts of the country.

13 Do you see that?

14 A Yes, I do.

15 Q Have you done any comparison of GTE's proposed
16 prices in this docket with what incumbents in other parts
17 of the country are charging for collocation?

18 A For GTE, I have not.

19 MR. EDWARDS: Your Honor, that's all the questions
20 I have.

21 Thank you.

22 Thank you, Mr. Graczyk.

23 ALJ WALWYN: Okay.

24 Let's take a 10-minute break, and then
25 we'll proceed with -- who's crossing for Pacific?

26 MR. WEIDEMAN: Mr. Dawson.

27 ALJ WALWYN: All right.

28 (Recess taken)

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA
SAN FRANCISCO, CALIFORNIA