



## **REQUIREMENTS TO BE VERIFIED IN THE CO-LOCATION SPACE IN THE FRAMEWORK OF THE LOCAL LOOP UNBUNDLING OFFER**

After concerns expressed by interested parties regarding the amounts contained in the budgets presented by PT Comunicações, S.A. for the preparation of infrastructures for physical co-location, ICP's Board of Directors, decided to hear the opinions of interested parties in regards to the specification of minimum requirements to be verified in the exchanges. This decision was made in light of the consideration that a margin might exist for reducing costs associated to adapting such infrastructures, as a result of suitable specification of operators' effective needs.

A meeting of the Local Loop Unbundling (LLU) Consultative Working Group was also held on 30/10/01, in order to discuss this issue and analyse the implementation and evolution of the offer.

It should be noted that PT Comunicações, S.A. informed ICP that it had suspended infrastructural works in the exchanges of Lot 1, as well as the selection process of exchanges of Lot 2, until the requirements to be complied with were clarified.

After having analysed the comments received, it was decided to redefine the requirements concerning the maximum dimensions of the operators room and the climatisation conditions in the context of the LLU.

Thus, with special attention on the following:

- a) The minimum requirements specified by the Other Licensed Operators (OOLs) in light of their effective needs;
- b) The need to minimise the costs associated to the adaptation of infrastructures for physical co-location, which have repercussions on retail prices that will apply to services based on the LLU;
- c) The engagement between the existence of a reserve area for expansion, catering to possible future needs and the cost of undertaking new adaptation works, in the event that the space is considered to be insufficient;
- d) The engagement between climatisation equipment investment costs and the requirements that guarantee the minimum environmental conditions indispensable for the proper functioning and integrity of the networks;
- e) The need to encourage a growing engagement between effective demand by OLOs and economic efficiency of the resources used;
- f) The number of local loops actually used, by exchange area, due to restrictions imposed by the spectral mask,

ICP's Board of Directors decided, under the terms of paragraph a), of point 2 and point 3 of article 4 of the Regulation (EC) n.º 2887/00 of the European Parliament and Council, in a regular meeting held on 22/11/01, that PT Comunicações, S.A. should henceforth recommence the works associated to adaptation of infrastructures in the exchanges of Lot 1, as well as the attribution process of exchanges of Lot 2, taking into consideration the following principles, which should be integrated within the RUO within a maximum of 10 days:

1. Without prejudice to the possible consideration of the possibility of physical co-location without the need to create an Operators Room, the scaling process of the co-location spaces should be intrinsically related to the number of local loops that may effectively be used, per exchange area, due to restrictions imposed by the spectral mask, and the number of local loops that are reasonably required in order to guarantee viability of providing the public with services based on DSL technologies, while safeguarding a reserve space as a result of the possible need to enlarge such infrastructures at a later date.

Hence, in this stage, and without prejudice to possible revision of this matter at an opportune date, the scaling of the co-location area of a specific exchange should be calculated on the basis of the minimum number of modules to be installed (at least 3), according to the following rule:

$$A_u = \text{Máx}[3; \text{Int}(K \times L / N + 0,5)] \times A_m$$

In which:

$K = 12\%$  : average percentage of pairs of a specific cable that may be used by a broadband system;

$L$  : number of local loops in utilisation in the exchange in question;

$N = 700$  : reference number of local loops admitted per operator in each exchange;

$A_m = 5 \text{ m}^2$  : area of the module;

$A_u$  : usable area of the Operators Room.

2. In regards to the environmental conditions to be verified in the co-location space, and safeguarding the need to preserve the network's integrity and the normal provision of services based on the LLU, it is not considered to be desirable to dispense with redundancy in the air conditioning systems.

Considering the urgency to take measures in order to guarantee that the supply is effectively operational, and given that adaptation works of the exchanges contained within Lot 1 are suspended until a decision on this matter and also in light of the obligations resulting from article 3 of the Regulation (EC) no. 2887/2000, ICP's Board of Directors has decided that the prior hearing of interested parties, under the terms of article 103°, point 1, paragraph a), and point 2 of the Administrative Procedures Code, should be dispensed with in this case.