GENERAL

• Below is a Chinese menu of possible items to address
• What is appropriate to ask for or to expect to get will vary by size and nature of transaction
PURPOSE OF SLA

• Comfort assurance for customer
• Manages risk profile for operator
• Set detailed expectations for parties
• Credits
  – Liquidated damages, not a penalty
  – Painful disincentive
  – Not actual damages compensation
• Self help
• Termination rights for severe outages or chronic breaches
• Separate Lease or MSA from SLA – no cross default
POWER SLA

• Define loaded cabinets

• Initiate investigation and report for:
  – Interruption to either primary or secondary power supply to any equipment
  – Failure on the load side of any PDU to comply with CBEMA ITI 2000 specs

• Outage
  – Actual failure or shut downs of both A and B power cords to any equipment
  – Voluntary good faith shut down to protect equipment
  – Exclusions for scheduled maintenance and customer actions
COOLING AND HUMIDITY SLA

- Temperature event
  - ASHRAE Recommended Thermal Guidelines for Data Processing Environments:
    - 2004 Standard was 68°F (20°C) to 77°F (25°C)
    - 2008, 2011 and 2021 Standards are 64.4°F (18°C) to 80.6°F (27°C)
    - Allowable Standards are broader than Recommended Standards
  - Temperature shock
  - Carveouts for customer’s improperly installing equipment (spacing and configuration)
  - Market is moving to cold aisle 85-90°F (29.4-32.2°C) and hot aisle without limitation
  - Initiate immediate investigation and report
COOLING AND HUMIDITY SLA (cont.)

• Humidity event
  – ASHRAE Guidelines:
    o 2004 Standard was 40-55% relative humidity
    o 2008 Standard is 60% relative humidity and 59°F (15°C) dew point
    o 2021 Standard is 70% relative humidity and 59°F (15°C)
  – Humidity breaches occur slower, cure takes longer and lower risk of an service disruption
  – Initiate immediate investigation and report
COOLING AND HUMIDITY SLA (cont.)

• Measuring temperature and humidity events
  – Outside standards for at least 15 minutes for temperature events and 60 minutes for humidity events
  – Results in failure or shut down of equipment
  – Voluntary good faith shut down to protect equipment
  – Customer has not loaded heat loads outside designed average density and has properly configured its equipment
  – Specify how and where temperature and humidity is measured
SECURITY SLA

• Comply with building security protocols
  – Number of guards
  – Frequency of inspection
  – CCTV system
    o How long tapes will be kept?
    o Remote access
    o Operator only films outside of customer premises
  – Biometrics

• Comply with reasonable tenant security protocols
ACCESS SLA

• Building admission time for pre cleared employees or contractors
• Building admission time for non-cleared parties
• Landlord access to tenant space limited
• Number of main points of contact
DELIVERY OF ADDITIONAL POWER CIRCUITS SLA

• How fast?
• Maximum available
• Landlord approval?
TELECOM CARRIER AVAILABILITY SLA

- Number of carriers available
- Tenant’s corporate national carriers available?
- Latency
- Redundancy
  - No single point of failure
  - Truly redundant routes
  - The realities of shared fiber
MAINTENANCE AND REPAIRS SLA

• Regular testing of generators, switches and systems
• Keep fire protection system in compliance with NFPA 75
• Satisfy all manufacturer recommended maintenance requirements
• Use manufacturer authorized service company
• No load bank testing with live load
• Advance notification and tenant control over timing of scheduled maintenance
• Audit right
REPORTING SLA

- Web portal access
- Notify by email of alarms
- Notification and change management procedures
- Event escalation process
FACILITY CERTIFICATIONS AND AUDITS SLA

• Uptime Institute Tier Certification
• AICPA Certifications of System and Organization Controls
  – SSAE 18 (replaced SAS 70 and SSAE 16)
    o SOC 1 – internal financial controls
    o SOC 2 and 3 – operational controls
    o Type 1 – design of controls
    o Type 2 – operating effectiveness of controls
• ISAE 3402 Certification
• TIA 942 Data Center Certification
• ISO 27001 Privacy Certification
SLA REMEDIES

• Immediate investigation, root cause analysis and address issues
• Tenant’s right to audit investigation and analysis
• Regular communication with tenant
• Self help
  – Only affecting equipment in or serving space
  – With group of authorized providers for building equipment
  – Coordination with other customers in multi-customer facilities
• List of manufacturers authorized service and service contractors
SLA REMEDIES (cont.)

• Time limit on making SLA claims

• Credits
  – Initial breach credit
  – Escalating credits for continuing breaches
  – Overall cap on credits
  – No duplication of credits for outages with the same root cause

• Termination Rights
  – Major outage events
  – Chronic minor events
Jeff is the head of the Real Estate and Communications practices in New York. During the past 30+ years, he has developed a unique specialty practice in the intersection of real estate with technology, communications, and energy issues. He has extensive experience representing landlords, tenants, and communications service providers in the leasing, purchase, sale, and financing of data centers and switch facilities, colocation facilities, radio and television broadcast antennas, distributed and in-building antenna systems, rooftop antennas, and fiber-optic transactions as well as the wiring of buildings for broadband communications access. Jeff has also negotiated thousands of rooftop and cellular antenna leases, inside wiring agreements, antenna tower leases, and data center, colocation and switch facility leases throughout the country — covering over 500 million square feet.
Questions? Feel free to contact me:

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