



Broadband & Satellite Russia Newsletter

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Contents

RSCC shifted satellites
LTE at GSM-frequencies
Small business on GPON
Eutelsat and RSCC looked into future
Two new Russian satellites entered orbits
Urlichich loses orbit
Yamal-300K started life on the orbit
LTE Union reload
Anatares fights for LTE-frequencies in court
GLONASS gives guarantees to the world
MTS plans to launch LTE in 20 cities
MegaFon failed IPTV for the second time
4G is not available in smartphones
Intellect Telecom will extend GSM
GLONASS will change the owner
MGTS will work for free
About Us. Contacts

RSCC has signed a contract with Intelsat for transposition of DirecTV 1R spacecraft to the point of 56 degrees East longitude in order to replace Bonum 1 satellite (its active period expires next year). The contract was signed to the benefit of the operators of satellite TV NTV-Plus and Tricolor TV. DirecTV 1R is already drifting to a new position. It was announced by RSCC Deputy General Director of Business development Ms. Ksenia Drozdova at the 17th Annual Conference of	Operators and Users of satellite networks of the Russian Federation Satrus 2012, organized by ComNews Conferences. "On October, 2 the State Commission for Radio Frequencies issued a document, that approves operation of DirecTV 1R, – noted Ksenia Drozdova. – RSCC acted as an agent for the operators of satellite TV NTV Plus and Tricolor TV that asked for support of service distribution that is provided via Bonum1. Ms. Drozdova added that the satellite is already on its way to a new orbital slot.
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The Head of SCRF Mr. Yuri Zhuravel held a meeting on introduction of technical neutrality in Russia. As a result, an additional research of GSM and LTE technologies compatibility within the range of 1800 MHz is to be conducted. Such tests have been already done by the Radio research and development institute (NIIR) on request of Tele 2, and only 2 companies took part in the research – Tele 2 and SMARTS. MTS was late with its application. For this time, managers of all big operators promise that MTS, VimpelCom, MegaFon, Rostelecom, Tele 2 and	SMARTS will participate in creation of the test zone. LTE Union (MTS, VimpelCom, MegaFon, and Rostelecom) will choose a place for a test zone, announced the LTE Union Executive Director Ms. Gulnara Khasianova. All operators, including the biggest, are interested in using these frequencies, but they have to clarify a lot of details: the minimum width of the band to work in LTE, which guard interval will be required, how roaming should be organized, etc. the question of experimental zone creation will be discussed at the next meeting of SCRF.
Small business on GPON	,
The biggest Moscow operator of fixed telephony MGTS is planning massive connection of small businesses with offices on the first floors of residential houses to a high-speed Internet. Tariffs will be two times lower for this segment than to other corporate clients; in the future they will be also provided with video alarm system. The company plans to	earn 3 billion rubles (about \$100 mln) from Internet services for cafes, beauty salons and stores annually starting from 2015. Up to 2015 MGTS plans to win 40% of the Moscow BBA market in SOHO segment, which annual volume will rise to 8 billion rubles, announced the company.

② Eutelsat and RSCC looked into future

Satellite operator Eutelsat signed a contract with RSCC for a rent of satellite capacity at two spacecrafts under construction Express-AMU1 (36 degrees East longitude) and Express-AT2 (140 degrees East longitude) – for all their active period (15 years). The total cost of contracts is about 300 million euro. Express-AMU1, which launch is planned for 2015, has to replace Eutelsat 36A, which has to be shifted to the other position by the foreign company. The Head of RSCC Mr. Yuri Pokhorov noted that the enterprise planed to make a contest for vendor selection for Express-AMU1 construction by the end of the year. A creation of such a spacecraft takes 32 months. The launch is planned for Q4 2015. Yuri Prokhorov also noted that the contests commission would include one representative of Eutelsat.	According to the words of General Director of Eutelsat Michel de Rozen, the spacecraft Express-AMU1 will take a position of satellite Eutelsat 36A. "Eutelsat 36A and Eutelsat 36B is the basis of satellite TV in the European part of Russia. Satellite TV operators Tricolor TV and NTV Plus work in this orbital position. – reminded de Rozen. – Active period of exploitation of Eutelsat 36 expires in 2017. When Express – AMU1 will be output to its final orbit, we plan to shift 36A to a new orbital position. The other satellite Express AT2" will enable operators to increase the capacity of Ku-range for satellite TV in the Far East. Spacecraft is created by JSC ISS with the payload by Thales Alenia Space.
Two new Russian satellites entered orbits	;
Proton-M booster with two telecommunication satellites Yamal-300K and Luch-5B successfully launched from Baikonur cosmodrome. Commercial synchronous telecommunication satellite of an average size Yamal-300K weights 1640 kg and constructed on order of LLC "Gazprom space systems". The satellite is to provide communication	services, TV broadcasting, high-speed Internet connection across the whole territory of Russia and the CIS countries. "Luch-5B" with mass of 950 kg will work with low-flying satellites with an orbital altitude of two thousand kilometers, such as manned space systems, spacecrafts and boosters and upper stages.
③ Urlichich loses orbit	;
Declared by representatives of the Interior Ministry amount of theft with the implementation of the GLONASS system in the corporation "Russian Space Systems" has grown to 6.5 billion rubles. The press-secretary of	Russian Space Systems Mr. Alexander Zubakhin had sharply criticized this announcement, and lost his position this very day, and General Constructor of GLONASS Mr. Yuri Urlichich was dismissed the next day.

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♦ Yamal-300K started life on the orbit

to recognize its illegal acts or omissions, according to the database of

ISS specialists supported by specialists of the proprietor of satellite "Gazprom space systems" started a flight test program of Yamal-300K that was launched on the night of the 3rd of November. The satellite will arrive to the operating point belonging to GSS in the end of November. At this point Yamal-300K will add capacity to the already located there working satellite Yamal-201. This was announced by Deputy General	Director of Marketing and business planning of GSS Igor Kot. "The spacecraft entered the passing point at 54 degrees East longitude and after long flight tests will enter a working point at 90 degrees East longitude, where Yamal-201 is located", – specified Igor Kot and added, that "Yamal-201" also functions properly and is fully used by clients. The working lifespan of Yamal-201 is until 2015.
& LTE Union reload	
The founders of LTE Union have elected a new body of the Council of the Union (the administrative body of the organization). The chairman of the Board will be elected at the next meeting in December. The council includes one representative from each company – member of the LTE Union. They were Mr. Anton Kudriashov, General Director of VimpelCom, Mr. Alexander Provotorov, the President of Rostelecom, Mr. Ivan Streshinsky, the member of the board of directors	of MegaFon and Mr. Anton Abugov, the first vice-president of JSFC "System" and the member of the board of directors of MTS. The former President of the Union was Mr. Oleg Malis, the vice-president of the holding Altimo. At the next meeting, besides the election of a new chairman, the future strategy of the Union and its new LTE current tasks will be discussed.
Anatares fights for LTE-frequencies in court	ż
The companies of the "Antares" group ("Integral", "Arktur" and "Antares") owned by Evgeniy Roitman filed a lawsuit against the SCRF and the Ministry of Communications at the end of October,	the Moscow Arbitration Court. The lawsuit comes from the fact that GSS ignored the applications of "Antares" for 1980-2000 MHz frequencies (paired to already existing) for the third time.

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GLONASS gives guarantees to the world		
The Russian government is preparing to make an official announcement to the world community and the International Civil Aviation Organization (ICAO) "On providing a gratuitous use of GLONASS system". According to a source in Roskosmos, the statement on behalf of the Russian government plans to be published and distributed at the XII International Forum on the ICAO Air Navigation, which will open on November 19	in Montreal. The project of the prepared statement is available at "Izvestia". The draft statement, prepared by Roskosmos, the obligation of Russia is to maintain the availability and accuracy parameters of GLONASS data in accordance with the standards and recommended practices of ICAO for minimum 15 years. The denials of any of the desensitization accuracy methods are confirmed.	
MTS plans to launch LTE in 20 cities	·	
The biggest Russian mobile operator LLC "Mobile TeleSystems" (MTS) plans to launch LTE services in more than 20 Russian cities in 2013, announced Marketing Vice President Mr. Vasiliy Latsanich. According to his words, it is planned that in several cities MTS will	expand LTE itself, and in other cities it will work as MVNO on Scartel's network (Yota brand). MVNO scheme allows starting service providing faster, but in those cities, where LTE launch is planned together with Yota, MTS will also build its own networks announced Mr. Latsanich.	
MegaFon failed IPTV for the second time	<u>.</u>	
Netris company, providing a platform for testing of services of IPTV and digital interactive TV to MegaFon during 2 years, will not take part in a project of creation of commercial service of TV broadcasting at MegaFon networks. BCC company was selected as a new supplier of IPTV platform for the operator. The decision of a platform change was	taken by operator's shareholders. Due to the problems of provider selection MegaFon lagged the main competitors for 1 year more. The operator plans to launch a TV broadcast on the fixed network in 2013. Meanwhile, MegaFon only has a test zone of IPTV broadcasting services, equipped on operator's network in Togliatti.	



4G is not available in smartphones

Users of the first smartphones with 4G support cannot use this technology in Russia. MegaFon has blocked 4G in smartphones due to the lack of voice transfer support, and Yota does not produce sim-cards for any other devices except routers. MegaFon PR director Mr. Peter Lidov confirmed, that now there was no possibility to operate LTE at smartphones. The fact is that LTE networks do not provide voice transfer, and due to that 4G-smarfton should change to 2G/3G network

for making calls. Network equipment doesn't provide the correct change, and that is the reason for blocked 4G on smartphones. MegaFon is conducting tests now and the expected date to solve the problem is Q1 2013. Companies noted that there are only two smartphones In Russia with the possibility to work in LTE networks: HTC One XL and Nokia Lumia 920. Other smartphones with LTE support, such as iPhone 5 are not working is the range 2,5-2,7 GHz used in Russia.

Intellect Telecom will extend GSM

Company Intellect Telecom (a part of the RTI concern belonging to JSFC Sistema) together with the American company National Instruments will launch production of capacity transfer repeaters for cellular networks with transfer capacity in Europe and Southeast Asia. This was announced by the company representatives at the "Open Innovations" exhibition. The repeater extends the coverage of one base station in several times – simpler and

cheaper repeaters transfer capacity may substitute base stations and do not require creation of a complicated infrastructure – this was told to Comnews reporter by the Chief constructor, the supervisor of Intellect Telecom Mr. Yuri Gromakov. Meanwhile, CTR are designed for GSM cellular connection, but in Q1 2013 UMTS and LTE standards samples will be ready. "International market is our target as well", – noted Mr. Gromakov.



GLONASS will change the owner

The Russian government has ordered to prepare a proposal for the development of a new inter-departmental structure that oversees the development of GLONASS. Perhaps in the future this will be a new body structure of the federal government, e.g. an agency, said a senior source in Roscosmos. "The new structure would take on the entire program, strategic issues – such as the determination of the policy, the establishment of the game rules in Russia and cooperation with international organizations – informed Roscosmos. – Prioritization, program shaping and its maintenance, adjustment, assessment of what is done – all these things could become a field of activity of the new body. Actually it is the creation of a new agency or service, which will be under direct control of the government. The same status now has FAS, FTS, Roscosmos, Rosgranitsa and other agencies.

MGTS will work for free

JSC "Moscow City Telephone Network" (MGTS) will provide all subscribers of an optical network GPON (Gigabit Passive Optical Network) with free package of Internet services that allow online payments, self-service, as well as unlimited access to the entertainment content package, which will be available at speeds up to 50 Mbit/s. "The free package will include resources that allow user's account management, services payment, movies and games view and download. These are self-services and portals of MGTS, MTS and MTS-bank, online payment services of MTS, Chronopay, Rapida, Qiwi, WebMoney, multimedia portal Stream.ru, which subscription provides over a thousand licensed movies and TV shows in digital format. To use the new features, the customer will be sufficient to connect to MGTS Internet, which will run in the apartment after the change of equipment by default," – said the company.

MGTS now controls about 20% of the Moscow BBA market, estimates Mr. Maxim Klyagin, analyst of Finam Management. "In the future, the operator will be able to significantly strengthen its position, including steadily investing in the technical development and marketing," – says Mr. Klyagin.

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Broadband Russia Forum 2012

Next Generation Broadband Networks Development in Russia

November 20-21, 2012 Renaissance Moscow Monarch Centre Hotel Moscow, 31A bld.1 Leningradsky prospect



Robin Mersh. CEO. The Broadband Forum



Timur Alvautdinov. Head of Broadband and IP TV. Vimpelcom



Andrey Semerikov, CEO, **ER-Telecom Holding**

Speakers:



Nadia Babaali. Communications Director, **FTTH Council Europe**



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40+ reports from top-managers of the

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market

300+ participants

Broadban

Russia Forum 2012



Evgeny Buydinov, Deputy General Director on Innovation Development. **Russian Satellite** Communications Company



Yuri Senchenko. Head of broadband systems direction, Protei



Executive Director, LTE Union TTK



Svetlana Shamzon, Mikhail Leschenko, Vice President. **Deputy General** Manager, Svvazinvest



AKADO



Viktor Koresh. President.



Key Topics:

- · Current state of broadband market in Russia and CIS: future prospects
- · Development of fixed network services in Russia: obstacles, drivers and prospects
- · Operators LTE development strategies
- · Development of broadband networks in Ka-band
- Migration from 2G/3G to LTE
- · Best operators' strategies: Deployment of broadband networks and business development
- · New stages of multiservice broadband networks development
- · Content monetization strategies in broadband networks
- Most in-demand services in broadband networks in Russia and CIS
- · Implementation strategies of additional services in broadband networks

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p. 11