



Broadband & Satellite Russia Newsletter

№ 83

October 16-31, 2014

| MOSCOW | RUSSIA |



Contents	
Contents	

From WiMAX To LTE
Crimea Hungry For Spectrum
Express-AM6 Successfully Launched 4
Rostelecom Will Create Russian Skype 4
Hello Again!
MTS Thinking Small
LTE Pill Sugared For TV Providers6
WiMAX In The Far East
About Us. Contacts

Sources: ComNews.ru, Vedomosti.ru, Kommersant.ru





From WiMAX To LTE

One of Russia's largest telecom players – TTK Company (TTK) launched WiMAX services in Rostov region in the south of Russia. The press service of the operator communicated that TTK's WiMAX network spans 50 percent of the housing sector in Volgodonsk, with Internet access speeds reaching 3 Mbps. User equipment offered to those willing to subscribe to the service – an outdoor or indoor modem – can be either purchased or rented. "WiMAX broadband construction is the extension of TTK's retail initiative. We use wireless broadband services to cover low-rise communities and private housing in the cities where the company holds radio frequency spectrum and related licenses", communicated TTK's Head of Sales and Service Department Oleg Leonov.

The company also commented, that the new networks are built on LTE-ready equipment, and in the future they could use existing infrastructure to migrate to LTE.

Orimea Hungry For Spectrum

Crimea is the leader among Russian regions in applications for radio-frequency spectrum. Over the first three quarters of 2014 Roskomnadzor's radio-frequency service was filed 1,024 applications for electromagnetic compatibility (EMC) expertise from this republic. Overall, the authority received 35,000 applications in the same period, where 17,400 requested feasibility expertise for specified radio electronic equipment and its electromagnetic compatibility with existing and projected equipment. Apart from Crimea, the largest number of applications came from Krasnodar territory (675) and Rostov region (672), while the Republic of Tyva, Kalmykia and Nenets autonomous region were at the bottom of the list with 48, 54 and 55 applications, respectively. Applications are filed by operators and private individuals alike. The majority of applications for EMC expertise came from Russian Television and Radio Broadcasting Network (RTRS) - 2998, MegaFon (2218), VimpelCom (2129), MTS (2058) and Tele2 Russia (581).

Express-AM6 Successfully Launched

NTelecommunication satellite Express-AM6 has reached the targeted orbit. Proton-M booster with Briz-M upper stage was successfully launched from Baikonur spaceport on October 22. After the separation of the upper stage it will take the satellite 2 months to reach its orbital slot at 53 degrees East, where it will cover the European part of Russia, the Urals, Western Siberia, as well as the Middle East, Central Europe and Africa. Following flight and operational tests the space craft will be put into operation by the end of the first quarter 2015. Express-AM6 is designed to provide digital TV, telephony, videoconferencing, VSAT, broadband Internet and data services to users in the European part of Russia, Western Siberia, Central Europe and Middle East. The payload power consumption will be 14 kW, the satellite is expected to orbit for 15 years at 53 degrees East, accommodating 14 C-band transponders, 44 Ku-band transponders, 12 Ka-band transponders and 2 L-band transponders, with combined capacity of more than 2,700 MHz. The space craft was insured by Ingosstrakh for about \$126.7 million.

Rostelecom Will Create Russian Skype

Rostelecom, largest national fixed-line communications operator, will create Russian VoIP service similar to Skype for \$1.6 million, which is expected to be launched in the first half of 2015. Several major ICT companies have already made bids to take part in the tender, including Technoserv AC, CTI, Teligent and Inline Telecom Solutions. The results of the tender will be announced on Nov. 6. A company representative communicated that it would be a VoIP solution, but the carrier operator

can offer enhanced functionality compared with OTT players. All of Rostelecom's subscribers will receive a real telephone number for communication with landlines and mobiles, whilst tablet owners will be able to make calls from their device without needing a GSM module. Moreover, Rostelecom customers will be able to use the service with their current landline numbers, so they become mobile.

Hello Again!

Having given up its mobile spectrum, Rostelecom could still add 4G mobile services to its portfolio. The company commented that one of Rostelecom's key strategic tasks is to offer consumers differentiated products, including bundled packages with fixed-line telephony, broad-band Internet and pay TV (3-play) on a single bill. Rostelecom wants to provide LTE services as a Mobile Virtual Network Operator (MVNO), using networks of T2 RTC holding (Tele2 brand). Rostelecom holds 45 percent of the holding's stock and transferred its mobile spectrum to

the new joint venture. The four-service bundle from Rostelecom is called 4-play.

Rostelecom holds licenses for MVNO, and thus may operate virtually. Tele2 views joint projects in 4-play as very promising. Demand for bundled services in Russia will keep growing, assures Rostelecom. According to Ovum's estimates, by the end of 2014, 12.1 million Russians will be subscribed to bundled services, in 2015 – 14.8 million, in 2016 – 17.2 million, and in 2019 – 23.4 million.

MTS Thinking Small

In 2014-2016, Russia's largest mobile provider Mobile TeleSystems (MTS) will roll out a small cell network in Moscow, St. Petersburg, Novosibirsk, Yekaterinburg, Nizhni Novgorod and Kazan. Cells operating in the 2,600 MHz band with a range of 100-150 meters will be connected to operator's fiber optic network, thus offloading LTE traffic from the main base stations. Project financing has not been disclosed yet. Small cells complementing conventional base stations will boost LTE network speeds and bandwidth, and will also improve coverage in areas with heavy consumption of mobile Internet. On the first stage, MTS will implement the project in the two Russian capitals,

and will then roll out in Novosibirsk, Yekaterinburg, Nizhni Novgorod and Kazan. Small cells will help operator expand LTE coverage and bandwidth, and also reduce network construction costs. MTS' Head of Media Relations Practice Dmitry Solodovnikov refused to specify project cost and the number of small cells in question. But in the middle of September he communicated that the company intended to pour \$2.1 billion into network construction in 2014. A great part of this amount was to be invested into LTE, and the rest would be invested into infill construction and modernization of 2G and 3G networks.

ITE Pill Sugared For TV Providers

The State Commission for Radio Frequency (SCRF) decided that one of the conditions of the upcoming tenders for LTE frequencies in the 2,570-2,620 MHz bands will be the compensation to MMDS operators (wireless TV providers), currently using this resource. The authority approved amendments to its resolution from July 22 at its recent meeting on October 13. The resolution in question put up for auction LTE spectrum in the 2,570-2,620 MHz band. Two 20 MHz bands (countrywide, excluding Moscow and Moscow region, Crimea and

Sevastopol) were supposed to be auctioned off until the end of 2014. Until now the resolution said that the auction had to envisage warranty arrangements for owners of MMDS networks, operating in the 2.5-2.7 GHz range, so that decisions on spectrum allocation were re-issued at the expense of the winning bidder. Under recent amendments to the document, MMDS operators may receive compensation from the winners of the auction subsequent to the release of frequencies.

WIMAX In The Far East

Mobile TeleSystems (MTS) launched into commercial operation a WiMAX network in the Far East of Russia and eastern Siberia. The network will provide wireless access to the Internet at speeds up to 300 Mbps and enables MTS to offer fixed-line services to corporate customers without using fiber optic. WiMAX network is currently operating in 5 cities of the region, and another 8 will be connected until the year-end. MTS implemented the "last mile" through special antennas installed on the operator's own base stations. Each data-transfer antenna has a range of up to 20 km.

COMNEWS

About Us

ComNews is the major Russian publisher of business periodicals in the ICT industry and the main worldwide supplier of unbiased accurate information about the Russian ICT business.

ComNews has launched numerous projects in order to deliver unbiased, up-to-date and complete information about the Russian ICT industry across the former USSR countries and worldwide.

ComNews publishes business periodicals, provides companies with exclusive content, studies the market, and holds business events.

ComNews caters for every need for business information and communications of the players in the market of telecoms, broadcasting and IT.

ComNews partners with the major companies and non-commercial associations of market participants. The Media Partner status enables ComNews to distribute its printed matter at the world's largest ICT forums worldwide.

120,000 unique visitors on <u>ComNews.ru</u> portal a month

10,000 readers of the monthly magazine's circulation Standard

10,000 copies of the <u>Communications and Broadcasting</u> <u>Encyclopedia</u> annually

- 5,000 copies of <u>Who Is Who in Telecommunications and</u> <u>Broadcasting</u> annually
 - 500 clients including major Russian and international ICT companies

over 20 Industry Conferences hosted by ComNews

15 years in the market, offices in Moscow and St. Petersburg

Contacts

ComNews Moscow 2/1 Verkhnyaya Krasnoselskaya Ulitsa, Building 1, Office 428 107140 Moscow, Russia Tel.: +7 495 933 5483

ComNews Saint Petersburg 22 Moskovsky Prospect, Litera L, Office 36N 190013 St. Petersburg, Russia Tel.: +7 812 670 2030

http://www.comnews.ru

