



# **Broadband & Satellite Russia Newsletter**

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In space together		
RSCC and Hughes Network Systems agreed on mutual VSAT networks development. Hughes will use earth and space infrastructure of RSCC to conduct tests and news solutions development. RSCC will use Hughes's experience in rendering TV services and high-speed	Internet access. According to Arunas Slekys, VP at Hughes in Russia and CIS, the company is about to make decision on opening R&D center on one of the sites of RSCC. Next year RSCC and Hughes intend to develop a full-scale partnership program to develop multiservices.	
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In early May it became known that Roskomnadzor will run auctions to dispose 4 sets of LTE licenses in the range 791-862 MHz and the results will be announced on July 12, 212. Participants of 4G Consortium are more likely to win as one of the auction's requirements is operator's own FOCL not less than 1,000 km long. Roskomnadzor will dispose 4 lots of two-bands of 7,5 MHz width: frequencies 791-798,5/832-839,5 MHz, 798,5-806/839,5-847,5 MHz, 806-813,5/847-854,5 MHz and 813,5-821/854,5-862 MHz. Each	frequency set enables to render LTE services across the country. Later the winners will get frequencies of 2,5 –2,69 GHz, 720-750 MHz and 761-791 MHz on a non-auction basis. Each lot will be drawn at a time. The winner is the operator with the maximum points awarded for providing telecommunication services and obligations the company is ready to run under the deployment of LTE network.	
A new LTE range is found	·	
New frequencies in the range 2570-2620 MHz could be set to LTE auction in Russia. This will provide regional operators with a chance to	Under the decision of SCRF headed by Minister Shchyogolev, in short term WiMax and pay TV – MMDS operators rendering services	

auction in Russia. This will provide regional operators with a chance to get a part of LTE resource besides the Big Three and Rostelecom. It was proposed by Deputy Minister of Telecom and Mass Communications of Russia Naum Marder in prior to the change of the government. SCRF could not find the frequencies for the regional companies during the year. Under the decision of SCRF headed by Minister Shchyogolev, in short term WiMax and pay TV – MMDS operators rendering services in 2,5-2,7 GHz will be transferred to 2570-2620 MHz. Such operators are not presented in all regions and 50 MHz could be enough for proper operation. That is why Mr. Marder proposed to set resources for an auction in not less than 10 regions and not less than 9 months after the federal LTE auctions.



## W High latitude communication

RSCC developed technical proposal to provide satellite BBA services in the Siberian and Far East Districts of Russia. For this purpose RSCC does not preclude placing a small spacecraft to 12 channels in Ka-band to presumably in the orbital position of 103 degree East longitude. It was announced by the Head of Advanced System Engineering of RSCC Boris Lokshin at SatNet 2012 Conference organized by ComNews in Dubna. The company will be ready to proceed with the project when	fully explore the target audience. "The requirements for the traffic flow in the northern cities are tens Mbit/s, and for the next five years it is estimated at 300-500 Mbit/s in each location, – reported Boris Lokshin at the conference. The total demand of the region could reach 4-6 Gbit/s. Traffic flow in traditional C and Ku bands is equivalent to 100-200 channels and requires a significant part of RSCC resource not only today but even in the future ".
Distance Moscow	
Scartel (Yota brand) launched commercial LTE network in Moscow early morning on May 10 at the frequencies of the dead Yota WiMax. Moscow LTE network became the third in Russia. Earlier Scartel started to provide 4G services in Novosibirsk and Krasnodar. Moscow network is deployed in two bands – 2,5 –2,53 GHz and 2,6 –2,65 GHZ over FDD technology. Yota LTE network in Moscow is served by 1,200 base	stations. Yota spent about \$60 mln for LTE network deployment in Moscow. In May 2012 Scartel will launch LTE network in Sochi and Samara. Totally Scartel will deploy LTE in ten new cities. On Monday, May 14 the second largest Russian operator MegaFon launched virtual network on the LTE network of Scartel.
No house without BBA	
Availability of broadband Internet access could become a requirement for acceptance of residential buildings to service. This idea is contained in a large document titled "The Final report of the working group on the development of the Open Government System in the RF to the President of the RF" involved activity of 10 expert groups of more than 400 experts.	This document was accepted on May 10, 2012 at the government meeting chaired by the new Prime Minister Dmitry Medvedev. Obligatory presence of BBA in new houses was called among the basic standards for "rendering e-public and socially important services for citizens" in section "Technological platform for the Open Government" of the document.



## ℰ Thuraya returns to Russia

After six years break the international mobile satellite operator Thuraya returned to the Russian market. The company will promote its services via local partner GTNT. The partners announced the official launch of operation in mid-May at a joint event in Moscow. Thuraya's network is based o n two geostationary satellites at positions of 44 and 98,5 degrees East longitude and covers 2/3 of world's population. Samer Halawa CEO at Thuraya Telecommunications Company with HQ	in Dubai noted that such vast country as Russia would never be covered by earth networks only and such markets would always have a place for satellite communications – both for voice and data transmission services. He also said that Thuraya's satellites cover 80% of Russia (outside the coverage area is the north-eastern part of Russia with population of about 1 mln people according to estimations of Alexey Ostapchuk, CEO of GTNT).
	<u>:</u>
The owner of LTE operator Antares Evgeniy Roitman plans to merge the company with DVB-H mobile TV operator Dominanta. It will enable to unload the network of Antares. Mr. Roitman told about technological plans of the company. Dominanta's network includes 36 base stations operating in the band 510-518 MHz and could be used for transmission	of "heavy" content – video and music to subscribers of Antares. The rest information will be transmitted over LTE networks in the range of 1900 – 1920 MHz. Currently Antares is finalizing the permission on installation of base stations and seeks for \$500 to build the network.
Rostelecom grows its TV base	<u>i</u>
The subscriber base of interactive TV of Rostelecom will grow by 500,000 in less than 3 quarters. By the end of 2012 "Interactive TV" services will count 1,4 mln subscribers. It was announced by Andrey Kholodniy, Director of Media Products project of Rostelecom at Svyaz-Expocomm 2012 exhibition. From May 2012 over 200 digital channels and 17 HD channels will be available to Rostelecom's subscribers via	various digital devices: TV, PC, and iPad. Interactive TV replaced traditional IPTV in all regions of Rostelecom presence excluding Moscow. According to Andrey Kholodniy, in Moscow, where Rostelecom provides services under OnLime brand, the company has not decided on the new service launch. The base package cost is 220 – 280 RUR (about \$ 7-9) per month.



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#### Is Four giants at the Far East

The national operator Rostelecom and the Big Three (Mobile Svyaz-Expocomm 2012. The FOCL of 2,000 km long with capacity of 8 TeleSystems, VimpelCom, MegaFon) will invest 2,4 billion rubles (about Tbit/s will connect the town of Okha in Sakhalin with Magadan and \$78,7 mln) in the undersea FOCL Sakhalin-Magadan – Kamchatka, Petropavlovsk-Kamchatsky. whose construction will start this year. This is the first large-scale According to Alexander Provotorov, President of Rostelecom, and construction of four main operators of Russia. The project participants the joint efforts of project participants will allow the companies to reduce officially announced their plans and signed an agreement of intent to capital costs considering the region's geographical position and complex build underwater FOCL in mid-May at the major telecom exhibition natural conditions. ODNvideo inspected TV in Runet CDNvideo, CDN operator in Russia and CIS, estimated the preferences More than half of the audience lives in Moscow and St. Petersburg of Internet video consumers in Runet. The operator's research was based (42% and 10%). Third place goes to Kiev (5%) followed by Yekaterinburg on the statistics of its network, one of the largest in Russia - it transmits and Minsk (3%). 2% come from Voronezh, Kazan, Novosibirsk and Perm. The rest 29% are distributed among big and small cities of Russia about 40% of the total CDN traffic in Runet. The absolute record was achieved in the days of the Presidential elections. On March 4 and 5 3.2 and countries with Russian-speaking communities. At that Russia consumes 74,1% of the traffic and the major foreign traffic consumers unique users watched video in Runet. In ordinary times the top list includes travel channels followed by channels for national communities living are Ukraine, Belorus, Kazakhstan, Moldova, Lithuania, Estonia, in Russia. The second stage includes musical, sport and news channels. Germany and the USA.

Vota is speaking

Regional channels round out the leading group.

In autumn 4G operator Scartel (Yota brand) plans to launch voice service and 3G service as a virtual operator over its mobile partners the Big Three and Rostelecom, who use the LTE network infrastructure of Scartel. It was told to ComNews by Konstantin Yurganov, CTO at Yota. He marked that the technological implementation of the system is complex but Scartel plans to launch services in autumn.

### SCOMNEWS



Web-cameras will be used again		
The Ministry of Telecom and Mass Communications of Russia decided to use the web-cameras remained from the Presidential elections once again. They will be used for the Russian regional elections, become a part of school educational system and video	monitoring. The total cost of equipment operation is 1 billion rubles per year (about \$30 mln). However, this is a preliminary evaluation and the final sum could vary as the final approval of the project in the Ministry of Finance has not passed yet.	
⊗ TTK turned on TV	<u>.</u>	
The departamental operator of the Russian railways TransTeleCom (TTK) launched cable TV services in Barnaul, Rybinsk and Syktyvkar in mid-May. 60 channels including local content were offered to the subscribers. TTK plans to launch cable TV in 25 cities. VP of TTK Svetlana Shamzon told ComNews reporter that the next stage of TV	services development is digital cable TV in the standards DVB-C and IPTV. "TTK's BBA networks were deployed on the TV-ready principle: subscribers are provided with fiber optic cable for Internet connection and coaxial – for TV, – marked Svetlana Shamzon.	
Intersputnik employs two points	<u>.</u>	
Intersputnik defined its strategy of using the orbital position of 16 degrees West longitude and 78 degrees East longitude. These points will be used by the end of 2015 and 2016, respectively, in partnership with other market players. This was told ComNews by Deputy Director of Intersputnik Stefan Kollar. The name of the company's partner to use the point of 16 degrees West longitude was not disclosed. However,	Stefan Kollar reported that the principle of cooperation was based on the separation of the satellite resources. The first point is to be used by the end of 2015. The new orbital position will become the 16th in the list of those exploited by Intersputnik. The company has not chosen the partner to develop an orbital position of 78 degrees East longitude, which has to be enabled by the end of 2016.	



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#### The Muscovites will try 200 Mb/s

In May a part of MGTS subscribers (96% of MGTS belongs to Mobile of MGTS. He promises to connect up to 1,7 mln flats to GPON network by TeleSystems) got an opportunity to get Internet access at record speed for the end of the year (about 40% of the total operator's subscriber base). Moscow - 200 Mbit/s. The service is available to those subscribers, whose A month of unlimited Internet access at the maximum speeds costs 1300 flats are connected to GPON fiber optic networks. New there are about 1500 RUS (about \$ 42-49). The plan of MGTS to migrate to GPON was 100.000 of this kind of subscribers in four districts of Moscow: Western. announced last year - in May 2011. The total investments will amount to South-West, Northern and Southern, says Sergey Ivanov, General Director at least 50 billion rubles by the end of 2013.

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RSCC plans to start rendering satellite BBA services in summer 2012 via distribution companies. It is related to the fact that the company got new capacity leased on the Eutelsat satellite Ka-Sat 9A (earlier Ka-Sat) owned by Skylogic (affiliate of the European satellite operator Eutelsat). It was reported by Evgeniy Buidinov, Deputy General Director in Innovation Development of RSCC, at SatNet 2012 conference held by ComNews in Dubna.

In an interview with ComNews he added that RSCC signed a contract with Eutelsat on lease of 4 rays on the Ka-Sat satellite serving

the European part of Russia. Under the agreement terms the capacity is provided to the operator from February 2012. This will enable the company to expand the range of broadband services in the Ka-band and provide services to at least 20,000 subscribers. Evgeniv Buidinov noted that similar services in the Ka-band are planned to be provided from the satellites Express-AM5 and Express – Am6 after their launch in the frames of the project of the Russian satellite high-speed access to data networks.

## COMNEWS

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