

Russian Satellite
Communications Company

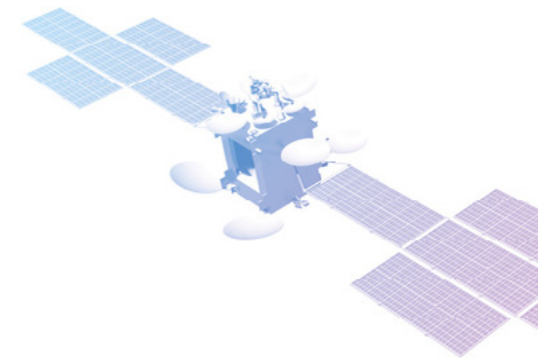
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Russian Satellite
Communications Company



The World is United
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e-mail: sales@rsc.ru

www.rsc.ru

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Underwriters to estimate the satellites

RSCC corporate website

The technical presentation of the spacecrafts Express-AT1, -AT2 and -AM8 for the insurance market will be held on May 29-30, 2013 in Moscow. According to RSCC, the meeting will highlight the main technical parameters of the satellites, the qualification of their component parts, and the state of the launch vehicles.

This event is focused on the insurance market players to carry out insurance/reinsurance protection of spacecrafts from the launch and during the subsequent orbital operation. These may include both the Russian insurance companies and brokers and international players.

How to improve the communications in Moscow

Vedomosti

The Ministry of Communications will propose the Government to allocate more frequencies to the operators in the capital. This is stated in the letter sent by the Ministry to the mayor of Moscow. It implies that the communications services quality improvement in the city will be encouraged by the base stations power restrictions withdrawal in the capital, and the release of additional frequencies for 3G, occupied by the military communications in Serpukhov. Specific solutions to these problems are to be proposed by a working group at the Ministry of Communications, whose work is to be approved by May 20, 2013.

It is to be recalled that in February 2013, Dmitry Medvedev criticized the quality of cellular networks in Moscow and ordered the Ministry of Communications to present a package of measures to address the situation by March 25, 2013. In 2007, the State Commission for Radio Frequencies (SCRF) issued frequencies

of 1.9-2.1 GHz for the construction of 3G networks across the country to MTS, VimpelCom and MegaFon, but the operators were able to launch them in Moscow in 2009 only. For a long time the the military stood against this as, in their view, the operations of 3G networks would create interference to radar in Serpukhov. Permission to build networks in the capital was received only after the President Medvedev insisted. The clearance of the Moscow frequencies took more than 1,5 years. "The further conversion of the spectrum in the range used by the military is extremely problematic – said an employee of one of the specialized agencies, previously worked for the Ministry of Defense – But the expansion of 3G coverage in Moscow is possible in the range of 900 MHz – the operation of the Moscow 3G networks at these frequencies was allowed by SCRF in October 2010. Possibly, these particular frequencies are meant in the letter of the Ministry of Communications".

❖ Wi-Fi to penetrate with city buses

ComNews

SUE “Mosgortrans” and the Department of Information Technologies of the Government of Moscow (DIT) will soon announce a tender to provide ground transport vehicles with Wi-Fi. This was stated by the head of DIT Artyom Yermolaev. He stresses that operators will receive compensation from the city for organizing Wi-Fi hot spots in the public transport. “Most likely, we will move to the user payment model”, – said the official. At that, the press service of DIT says that the project model is not developed yet, and the tender terms are not disclosed. A source

familiar with the situation reports ComNews that the conditions of the tender are to be announced in the second half of this year.

“We are interested in this tender, but first, we need to know the conditions”, – commented the press service of Rostelecom. Representatives of MTS, MegaFon and VimpelCom said that their companies are also interested in the development of Wi-Fi in the public transport of Moscow, if they are offered commercially advantageous terms. ❖

❖ MTS to remember about LTE

ComNews

MTS plans to increase investments in LTE-network up to 40 billion rubles in the next two years. This year, the operator launches LTE networks in additional 10 cities with a million-plus population besides the seven obligatory regions under the license conditions terms. This was explained by Alexander Popovsky, Vice-President on operational issues at MTS. According to him, there is no regulated amount of investments yet, as it is difficult to estimate the amount of capital investments at the moment.

“First of all, the LTE networks will be built in order to the license requirements, as well as in the large cities with million-plus population demonstrating the high demand for innovative technologies”, – the company comments. “Now we are mounting combined – LTE-ready base stations, and our transportation networks are deployed in the interests of all levels of our network – 2G, 3G, and LTE, which introduces

complexity into calculations, – Alexander Popovsky told ComNews. – Tentatively, we plan to invest 40 billion rubles during 2013-2014”.

MTS President Andrey Dubovskov noted that in 2012, the company actively invested in 3G network, and this year plans to complete massive construction of HSPA + base stations by bringing the percentage of such type of base stations to 95-100% in most regions. “We expect the demand for LTE to be generated faster than for 3G a few years ago. Therefore, we will concentrate our efforts on the development of LTE”, – says Andrey Dubovskov.

In total, according to the management of MTS, in 2012 the operator invested \$2,9 billion or 23% of revenues in the network development. The operator expects a slight relative increase in CAPEX in the coming years: 20% of revenue in 2013 and 18-19% of revenue on average for the period 2013-2015. ❖

❖ FAS to define its claims to Scartel

Kommersant

The Federal Antimonopoly Service (FAS) has filed a case against Scartel. FAS suspects the operator violated antitrust legislation by introducing MegaFon and MTS in Kazan to its LTE network on the terms different from those offered to other operators. The case hearing is to be held on April 22.

Under the permit terms issued by FAS Scartel has to admit MVNOs to its 4G network on non-discriminatory terms. Under the terms of the MVNO contract, the applicant has to guarantee the payments till 2014 in the amount of at least \$150 million, for the contract in the Central Federal District – at least \$70 million, for each of the federal districts except the Central Federal District – at least \$20 million. However, as

FAS discovered, Scartel concluded contracts with MegaFon and MTS on more favorable terms.

Scartel denies the arguments of FAS. According to the Managing Director of Yota Networks Yegor Ivanov, the contract with MegaFon was concluded long before the FAS permit was issued. In addition, MegaFon provides its own infrastructure for construction of Scartel's communication facilities, which means the deal has reciprocal obligations on the part of MegaFon, which could not be taken on by any of the operators. A contract with MTS was temporary and was concluded only for the period of technical testing of LTE network in Kazan. ❖

❖ LTE Union to take on the spectrum clearance

ComNews

The preparation of the frequency spectrum for the LTE construction is about to finish: the LTE Union, including MTS, MegaFon, VimpelCom and Rostelecom, is preparing to sign the first contracts on the frequencies clearance. The exact terms are not reported. "Some contracts are already approved," – said the executive director of the LTE Union Gulnara Khasyanova. She explained that the Union is focused on working with the bands occupied by WiMAX operators and MMDS (Multichannel Multipoint Distribution System). "Now, speaking of the clearing, we primarily mean the refarming in the upper range", – Gulnara Khasyanova said.

In July 2012 MegaFon, VimpelCom, MTS, and Rostelecom received two ranges of frequencies – 761-862 MHz and 2.5-2.7 GHz – for the LTE networks development. However, most of the selected frequencies are not free: the lower band is occupied by the military, and the upper – by WiMAX, and MMDS-operators. "In January 2013, according to Roskomnadzor, there were 38 MMDS companies operating in 43 regions of Russia in the frequency range of 2.5-2.7 GHz, as well as WiMAX operators operating in 390 locations of the country", – the press service of the LTE Union comments. ❖

❖ Ministry of Communications stands on the defensive

Kommersant

The Ministry of Communications finds no grounds for revocation of 4G frequencies from Osnova Telecom. The head of the Ministry Nikolai Nikiforov told reporters that he sees no “legal construct that may result in termination of the use of frequencies by Osnova Telecom by repealing certain regulations”. “The terms of allotment have been performed and are not retroactive”, – he said.

The spectrum allocation for Osnova Telecom was lobbied by the former Defense Minister Anatoly Serdyukov. The company owns a range of frequencies in the 2.3-2.4 GHz band and planned to deploy the federal LTE network. However, the operator can use the resource only after

becoming the sole provider of mobile Internet for the Defense Ministry. This status was gained by the operator on 10 December, 2011. Yet, the operator faced difficulties when the new defense minister Sergei Shoigu in his letter to Russian President Vladimir Putin earlier this year proposed to reverse this decision and set the free resources for the tender. In turn, the Minister Nikolay Nikiforov wrote a letter to Sergei Shoigu, which states that the government’s decision is problematically to cancel from a legal point of view. The source in the Defence Ministry confirmed the receipt of the letter: “Now we are studying its contents and then start another round of legal advice. But we still intend to give away the frequencies“.

❖ Ministry of Communications to take care of the frequencies

ComNews

The Ministry of Communications intends to take away the authority to hold bids on radio frequencies from Roskomnadzor. The range is planned to distribute through auctions, rather than on competition. This was recently told by the Ministry’s press-service. According to the head of the Department of radio frequencies and telecommunication networks at the Ministry of Communications Kirill Stepanenko, such measures will increase the transparency of the frequencies allocation and avoid disputes in the course of the competition.

“The auction is organized by the federal executive body in the field of communications”, – as it is said in a draft government decree

prepared by the Ministry of Telecom. According to the document, the bidding in an auction or competition form will be held at the expense of the federal budget allocated to the Ministry of Telecom. The decision of the State Commission for Radio Frequencies (SCRF) on the limitations of the spectrum is necessary to make a decision on the frequencies put up for bidding.

The operators are concerned that the winner can receive the uncleared spectrum, which requires investments and time to clear it. The auctions can be claimed if they exhibit a set of frequencies available for commercial deployment of the network, fully converted and cleared, a representative of Rostelecom comments.



The 5th International Business Forum Evolution of Mobile Networks – LTE Russia & CIS 2013

May 28–29, 2013

Holiday Inn Moscow Lesnaya Hotel
15 Lesnaya St., Moscow, Russia

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The Key Topics:

www.comnews-conferences.ru/lte2013

- The LTE ecosystem in Russia. Market trends and prospects
- Conversion of radio frequency spectrum for LTE networks in accordance with the bid results
- Common use of radio-frequency spectrum in Russia
- The principle of technological neutrality in use: challenges and drivers
- Opportunities and existing mechanisms of "frequencies exchange" between operators
- Prospects for LTE equipment production in Russia
- Prospects and opportunities for LTE networks deployment in the range of 1800
- LTE-Advanced networks in Russia. Trends and prospects
- Experience of LTE network joint operation based on the MVNO model
- LTE networks infrastructure joint construction and use
- International and national roaming in LTE networks
- Chips for LTE Terminals, 2G/3G networks support. Multi-standard terminals
- The market of mobile subscriber units for LTE networks
- LTE Terminals: evaluation of subscribers' devices market development
- VoLTE

Speakers:



Yuri Dombrovski,
President
of the Association
of regional telecom
operators



Alan Hadden,
President,
Global mobile
Suppliers
Association (GSA)



Gulnara Khasyanova,
Executive Director,
LTE Union



Adrian Scrase,
Head of 3GPP
Mobile Compe-
tence Centre



Vitaly Solonin,
Head of wireless
technologies
department,
J'son & Partners
Consulting



Valery Tikhvinskiy,
Professor, Deputy
of General Director
of Innovative
Technologies,
IComInvest

Official Media Partner:



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To register: +7 495 933 5483, conf@comnews.ru, www.comnews-conferences.ru/lte2013

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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>