

World at a  
different angle

# Broadband & Satellite Russia Newsletter

*No 81*

*September 15-30, 2014*

# Contents

<b>TTK Launched WiMax In Five Towns . . . . .</b>	<b>3</b>
<b>GSM Frequencies in Crimea To Be Auctioned Off . . . . .</b>	<b>3</b>
<b>Fast Internet In Suburban Trains . . . . .</b>	<b>4</b>
<b>Single Operator For Moscow Metro . . . . .</b>	<b>4</b>
<b>Russia Is Eastern European Champion In 4G . . . . .</b>	<b>5</b>
<b>Rostelecom Stormed Into Moscow's Top-3 . . . . .</b>	<b>5</b>
<b>Third 3G In St. Petersburg Metro . . . . .</b>	<b>5</b>
<b>About Us. Contacts . . . . .</b>	<b>6</b>

Sources: ComNews.ru, Vedomosti.ru


---

**TTK Launched WiMax In Five Towns**

---

TTK, one of the largest fixed-line operators in Russia, launched into commercial operation WiMax networks in five towns: Kostroma, Elets (Lipetsk region), Ukhta (the Komi Republic), Balakovo and Engels (Saratov region).

TTK employs WiMax technology in small and medium-sized towns of Russia where it holds spectrum in the 3.5 GHz band and the corresponding licenses. User equipment offered to those willing to subscribe to the service includes an outdoor or indoor modem. WiMax offers up to 10 Mbps speeds.

“When it comes to broadband services in low-rise communities, TTK views WiMax technology as an addition to our fiber optic networks. And we are using LTE-ready equipment in order to be able to switch to the LTE technology in the future with marginal additional costs. We have plans to launch WiMax in another 14 towns of Russia until the end of this year”, said TTK Vice President and Head of the Access Unit Svetlana Shamzon. 


---

**GSM Frequencies in Crimea To Be Auctioned Off**

---

GSM frequencies in Crimea may be allocated through an auction within 4-6 months after the State Commission for Radio Frequencies (SCRF) makes a decision to set the wheels in motion, communicated head of communications industry watchdog Roskomnadzor Alexander Zharov. SCRF was submitted a proposal to hold auctions for the 900 and 1800 MHz spectrum in Crimea, but so far the authority hasn't issued any decision on the auction.

The next meeting of the SCRF is scheduled for mid-October. However, there are reasons to doubt that the SCRF will have enough

time to become acquainted with the results of Roskomnadzor's study on spectrum availability in Crimea, which should be submitted to the Commission by October 1. In this case, the decision on the auction will be taken at the next meeting of SCRF in December 2014. Therefore, Roskomnadzor hopes to hold a tender for the Crimean resource already in the first half-year 2015. In August, Head of Ministry of Communications and Mass Media Nikolay Nikiforov said that GSM frequencies in Crimea could be put up for auction, but didn't specify the spectrum bands in question. 

## Fast Internet In Suburban Trains

Central Suburban Passenger Company (CSPC) intends to deploy wireless broadband networks on suburban trains and train stations in the Central Federal District of Russia until the end of 2014. At this point, CSPC is carrying out tests to see how Wi-Fi networks work on suburban trains.

Wireless access equipment has already been installed on more than 100 units of CSPC's rolling stock. "The tests will show which Wireless technologies are the most suitable for operating conditions of suburban train routes. They can be drastically different from the operating conditions of Wi-Fi networks deployed in a number of metro systems in Russia", specified a spokesperson for CSPC.

CSOC is currently negotiating with companies which can build Wi-Fi infrastructure.

Railway operator TransTeleCom Company (TTK) has showed interest in the project. "TTK has vast experience with transport organizations, and we are ready to take part in the set-up of infrastructure which will make a modern standard of communications available to commuters of suburban trains. The decision on participation in the project will be made once tender conditions are revealed", TTK's VP for Corporate Communications Tatiana Semenova told ComNews.

## Single Operator For Moscow Metro

A single mobile network will be set up for the Moscow metro. All existing service providers will transfer their equipment to the specially created operator and will then rent the network for a combined cost of more than \$25.4 million per year.

MegaFon, MTS, VimpelCom and RT-mobile (subsidiary of T2 RTC Holding which controls mobile assets of Rostelecom and Tele2) signed off a draft memo on terms and conditions for the construction of a single mobile network in the Moscow metro which will operate in GSM (2G), UMTS (3G) and LTE (4G). According to a spokesperson for the Moscow government, the document was also signed by Head of the Moscow metro Dmitry Pegov.

Under the terms of the memo, the single communications operator must build the required infrastructure on all lines and stations of the

metro network in the time frame of 2.5 years. Using it will annually cost each of the four mobile companies which signed the memo up to \$ 7.4 million. The exact amount will be subject to the length of the network section built and deployed. Existing networks will be signed over to the single contractor – the single network operator (referred to as Investor in the memo), which shall be obliged to annually pay the metro at least \$5 million for access to the infrastructure.

Single network operator will be selected through a tender, which the metro administration intends to hold by the end of this autumn. Experts say that the status of the single network operator will probably be contested by Russia's largest fixed-line providers, including the Moscow City Telephone Network (MGTS), Rostelecom and TransTeleCom (TTK).

## ◆ Russia Is Eastern European Champion In 4G

In the first quarter 2014 Russia was the leader among eastern European countries in fourth generation networks coverage with more than 2 million LTE subscribers, communicated in September Ovum international research agency. According to Ovum, 96 LTE networks currently operate in Europe, and dozens of launches are scheduled for the next few years, especially in Eastern Europe and the CIS. This year 10 new LTE networks were deployed in Europe alone.

Great Britain is European leader with more than 6 million 4G subscribers, and Russia dominates among Eastern European countries with more than 2 million LTE users, reported Ovum.

According to Russian analysts from J'son & Partners Consulting, as of the first half-year 2014 at least 3 million LTE connections were registered in Russia, which is about 1.2 percent of total active SIM cards (243.1 million) and 2 percent of the country's population (146 million pers., national statistic service's estimate as of May 1, 2014). ◆

## ◆ Rostelecom Stormed Into Moscow's Top-3

Market experts say that national fixed-line provider Rostelecom is building up subscriber numbers by luring up customers from Moscow's largest provider Akado and smaller providers.

At the beginning of September Rostelecom had 735 thousand broadband subscribers in Moscow, overtaking Akado Telecom (725 thousand subscribers) for the first time ever. Since the beginning of Q3

2014, Rostelecom acquired 14 thousand new subscribers in Moscow, while Akado's gain was marginal. This statistics take into account not only the subscribers of Rostelecom as such, but also its subsidiary Central Telegraph and former subscribers of National Cable Networks, which was acquired by Rostelecom (Onlime brand). ◆

## ◆ Third 3G In St. Petersburg Metro

VimpelCom is the last of the Big Three mobile operators to roll out complete 3G coverage in the St. Petersburg metro with speeds up to 42 Mbps.

3G services from VilpelCom are now available on all 65 stations of the metro network, including connection passages.

Earlier MegaFon, which was followed by Mobile TeleSystems (MTS), launched 3G and broadband services for St. Petersburg metro commuters. ◆

---

---

## 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 [ComNews.ru](http://ComNews.ru) portal a month

10,000 readers of the monthly magazine's circulation [\*Standard\*](#)

10,000 copies of the [\*Communications and Broadcasting Encyclopedia\*](#) annually

5,000 copies of [\*Who Is Who in Telecommunications and Broadcasting\*](#) 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>