
Report on very high speed at 31 December 2008

- 7 April 2009 -

ARCEP has created a quarterly report on the very high speed market to monitor the deployment of optical fibre across France, the use of France Telecom's wholesale civil engineering offer and the implementation of sharing of the last part by all operators. The scope of the indicators published in this report may change in coming quarters.

This report covers both fibre-to-the-home (FTTH) very high speed offers and hybrid fibre-coaxial (HFC) very high speed offers. These two technologies allow the provision of very high speed with different performances, particularly in terms of accessible upstream rates.

Optical fibre deployments on the horizontal part have begun

Major operators began deploying optical fibre on the horizontal part (i.e. located on public land) over two years ago. Deployments have now been made in some 40 cities or urban areas.

As part of its "pre-deployment", France Telecom is present in about 40 municipalities, including a dozen cities in the regions.

Numéricable has begun replacing some of its coaxial cables with optical fibres located on the horizontal part in about 30 cities or urban areas.

SFR and Free's deployments are currently concentrated primarily in areas where these operators have been able to find alternatives to France Telecom's civil engineering infrastructures, such as the visitable ducts in Paris's public sewer system.

In all, ARCEP estimates that, at 31 December 2008, **3 to 4.5 million homes** were located near a fibre optic network.

Alternative operators have begun using France Telecom's civil engineering infrastructures access offer

Once ARCEP had adopted its decision to analyse the high speed and very high speed markets in July 2008, France Telecom published an initial reference offer for access to its civil engineering infrastructures on 15 September, replacing its previous offer made in late 2007.

Actual optical fibre deployments by alternative operators in France Telecom's ducts currently concern the areas experimented in 2008 as part of the wholesale offer. These deployments represented around 300 km of optical fibre cables in late 2008. These operators are currently examining the availability of ductwork in a number of areas located in some 15 municipalities in the Paris region and elsewhere, for deployments in coming months.

Buildings are being equipped with optical fibres

The economy modernisation law and its application decrees adopted at the beginning of the year establish the framework applicable to optical fibre deployments in buildings.

At 31 December 2008, a total of 20 500 buildings had been equipped with optical fibres and connected to the network of at least one operator.

There are 550 000 living areas located in these buildings which are eligible for fibre-to-the-home (FTTH) very high speed offers.

The number of subscriptions to a very high speed service is still limited

At 31 December 2008, there were over 170 000 very high speed subscriptions, all operators and all technologies combined, including:

- about 40 000 subscribers to fibre-to-the-home (FTTH) very high speed offers
- about 130 000 subscribers hybrid fibre-coaxial (HFC) very high speed offers

Sharing of the last part is limited mainly to equipped buildings located in experimental areas

Currently, sharing of the last part experimentation and evaluation works conducted by operators over the past three months under the aegis of ARCEP concern about 20 sites and cover about 2 000 homes.

At 31 December 2008, there were fewer than 25 very high speed subscriptions for which the service provider had access to a third-party operator's network under sharing, out of about 100 homes located in buildings equipped with optical fibres and connected by at least two operators.

Definitions

Very high speed offers: electronic communications services offers offered on the retail market and including an Internet access service with a peak downstream bitrate of over 50 Mbit/s. There are two types of offers:

- fibre-to-the-home (FTTH) very high speed offers
- hybrid fibre-coaxial (HFC) very high speed offer

Number of homes eligible for fibre-to-the-home (FTTH) very high speed offers: number of living or office spaces which can subscribe to very high speed commercial offers from at least one Internet Service Provider (ISP) based on FTTH technology (fibre to the home). To avoid double accounting, each operator reports the living or office spaces in the buildings it has cabled internally with optical fibres (at least for the structuring network, external connections to connect the residences can be done at a later time) and which are connected to an optical fibre network, except for buildings containing only office space.

Number of homes eligible for hybrid fibre-coaxial (HFC) very high speed offers: number of individual living or office spaces which can subscribe to at least one Internet Service Provider (ISP) for very high speed commercial offers based on the technology which reuses buildings' internal connections to cabled networks. To avoid double accounting, each operator reports the living spaces in the buildings it has equipped with internal coaxial cabling which it manages, and which are connected to an optical fibre network, except for buildings containing only office space.

Number of buildings equipped with optical fibres and connected by at least one operator: number of buildings in which living spaces are eligible for fibre-to-the-home (FTTH) very high speed offers. To avoid double accounting, each operator reports the buildings it has cabled internally with optical fibres (at least for the structuring network, external connections to connect the residences can be done at a later time) and which are connected to an optical fibre network, except for buildings containing only office space. This is just a number of addresses and not a number of signed agreements, since a single owner can sign agreements for several addresses.

Total number of very high speed subscriptions: total number of subscriptions for living or office spaces to very high speed offers. This is the number of subscriptions and not the number of subscribers, since a single home can have more than one subscription.

Number of shared very high speed subscriptions at the sharing point: number of very high speed subscriptions for which the service provider has access (possibly through a third party) to the network of a third-party operator at the sharing point in application of Article L. 34-8-3 of the *Posts and Electronic Communications Code*.

Number of homes in buildings equipped with optical fibre and connected by at least two operators: number of homes eligible for fibre-to-the-home (FTTH) very high speed offers (cf. definition above) for which very high speed optical fibre lines are connected by at least two operators at the sharing point, on the network from which very high speed offers are available.