



September 30th 2003

To
Thierry Brefort
ENTR/G3/TB
European Commission

Position statement by PTF (Power Line Telecommunications Forum e.V.) to the EC
Powerline Communication Workshop to be held in Brussels on October 16th 2003

Dear Mr. Brefort,

The PTF is a German association focused on PLC. It was established in 1997. Members are basically utilities, PLC manufacturers, PLC service providers and other PLC market players.

Last-mile access is still dominated by the de-facto monopoly of incumbent telecom operators. Alternative access options like WLL (Wireless Local Loop) and HFC (Hybrid Fibre-Coax, e.g. Cable) or the unbundling of the local-loop have enjoyed only very limited success in Europe. EC reports show that other countries that have competitive access infrastructures have higher broadband penetration and lower prices for consumers. PLC can become a genuine alternative for last-mile access. The electrical network covers nearly 100% of the European population, allowing virtually every household and organisation to be connected with PLC - an attractive proposition for the development of the Information Society.

Furthermore, PLC could be a unique economic opportunity for Europe since most major advances in technology development and rollouts are currently happening in Europe.

Today PLC is ready for mass deployment:

- Manufacturers offer mature products labelled with the CE mark.
- Europe's major utilities have already invested heavily in pilots and are at the onset of mass deployment.

The PLC approach implies the involvement of utilities as alternative telecommunication providers. We see the following main advantages:

- In many countries deployment investment directly backed by financially strong utilities
- Utilities often seen as stable and trusted alternatives to incumbent telecoms operators as providers of infrastructure, and in some countries, service providers.

We would very much appreciate the opportunity to discuss in more detail with the EC the issues and future activities needed to take advantage of the tremendous potential for eEurope that PLC represents:

- PLC offers alternative competitive infrastructure with virtually universal reach
- PLC can bridge the Digital Divide and be deployed in remote rural areas and socially deprived regions

- PLC may provide the only telecoms infrastructure in some Eastern European states
- PLC can be combined with other technologies to provide or enhance service, especially last mile and in-house

The PTF considers PLC not only as an alternative solution to DSL but refers also to the unique selling points of PLC which are:

- PLC enables the implementation of a new value chain with local and regional utilities in the central position.
- As local or regional utilities own usually the low and medium voltage grid, the revenues will probably lead to new investments in these very regions.
- PLC is purely IP based which is the trend not only in telecommunications but also in e.g. industrial productions. Therefore an ambient PLC IP network offers many new applications.
- If an area is completely covered by PLC, PLC will be available not only at every socket but also at every cable, every lamp post etc. That enables many new applications which cannot be realized by the embedded telecommunications networks.

Despite the many positive developments, often there is still inertia or blockage at a national level creating substantial obstacles for the market access of PLC. In this context we welcome the initiative taken by DG Enterprises and DG Information Society to seek a European harmonised conclusion as described in the working draft "Broadband communications through powerlines"¹. We would appreciate that this working draft becomes a formal "recommendation". We are convinced that a formal "recommendation" from the EC to Member States on the desired approach to PLC would be very helpful to ensure fair market access.

We believe that the time to deploy PLC is now. PLC is the smooth way of investment for utilities to enter into the TK-market and to finance e.g. an optical fibre backbone infrastructure that could be also used as the base to satisfy the demand for fibre-to-the-home in the long term. That means a restrictive policy against PLC will immensely restrict the number of TK-market players in the long term.

Please do not hesitate to contact us if you need any further clarification or information.

Yours sincerely

Ingo Schönberg
CEO

Michael Beyer
Board Member

PTF Power Line Telecommunication Forum e. V.
vertreten durch Herrn Ingo Schönberg - Vorstandsvorsitzender
sowie Herrn Michael Beyer und Herrn Heinrich Rodzinski - Vorstände
Vertreten durch das Sekretariat bmp GmbH
Achillesstr. 17 · 40545 Düsseldorf
Telefon (02 11) 57 79 73 0 · Telefax (02 11) 57 79 73 11
Bankverbindung:
Commerzbank Berlin (100 40 000), Kontonr. 10 30 188
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¹ Distributed e.g. in the Radio Spectrum Committee with the notification RSCOM0312.