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Deploying All-Optical Access Networks

Architectures & Implications

Ethernet in the First Mile - July 2001 IEEE 802.3 - Seattle, Washington

July 11, 2001

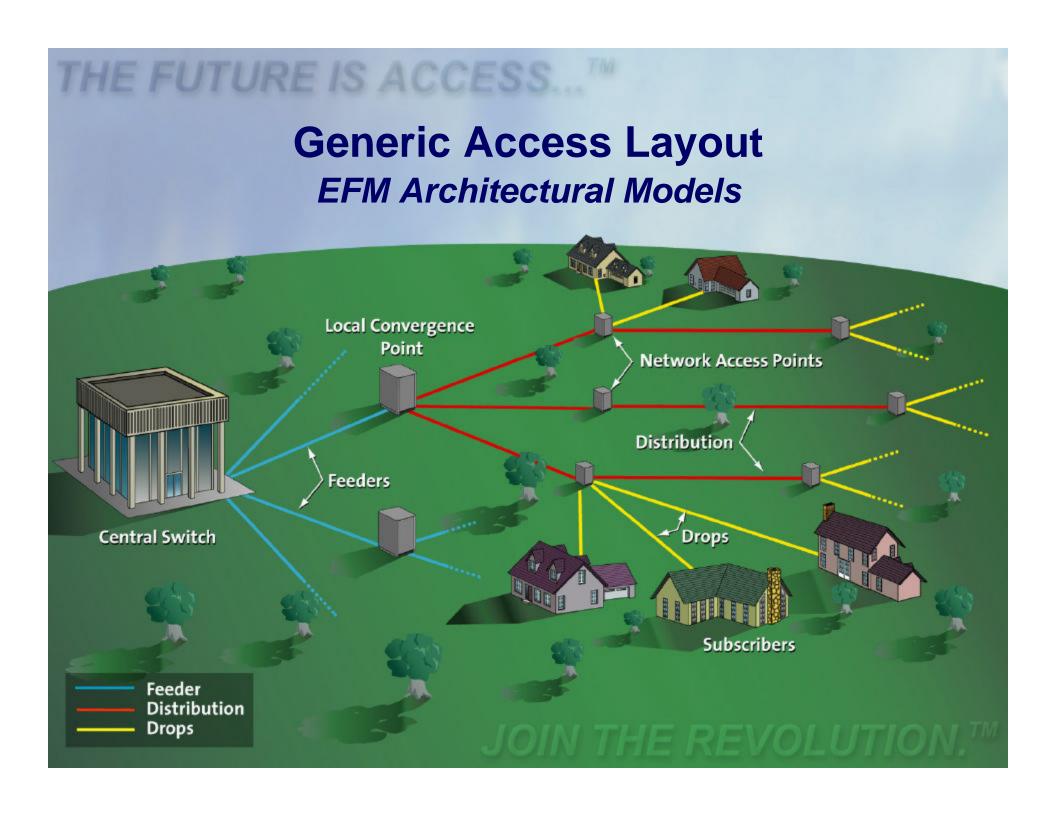
Keith Shaneman Market Manager Corning Access Solutions Corning Cable Systems

Agenda

- Access Network Architectures & Designs
 - Local Convergence (LCP)
 - Distributed Splitting
- EFM Network Cost Modeling
 - Local Convergence Analysis
 - Distributed Splitting Analysis
 - Architecture Comparison
- EFM Leverage Points
 - Deployment 'Criteria of Success'

Objectives for Access Network Designs

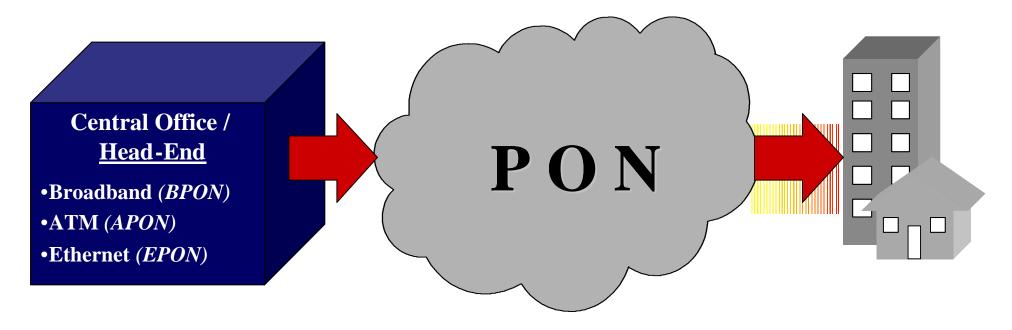
- A Future-proofed OSP Network
 - Reliability
 - Scalability
- Network architecture ubiquitous to Protocol
 - Adaptable to future equipment upgrades
- Minimize network installation complexity
 - Pre-Stubbed Hardware & Equipment
 - Connector Technology (Hardware+Cable)
 - Mass fusion splicing
- Minimize up-front CAPEX investment
 - Defer as much CAPEX to subscriber turn-up as possible
- Reduce Life-Cycle Costs
 - Minimize powering costs
 - Reduce maintenance requirements & truck rolls

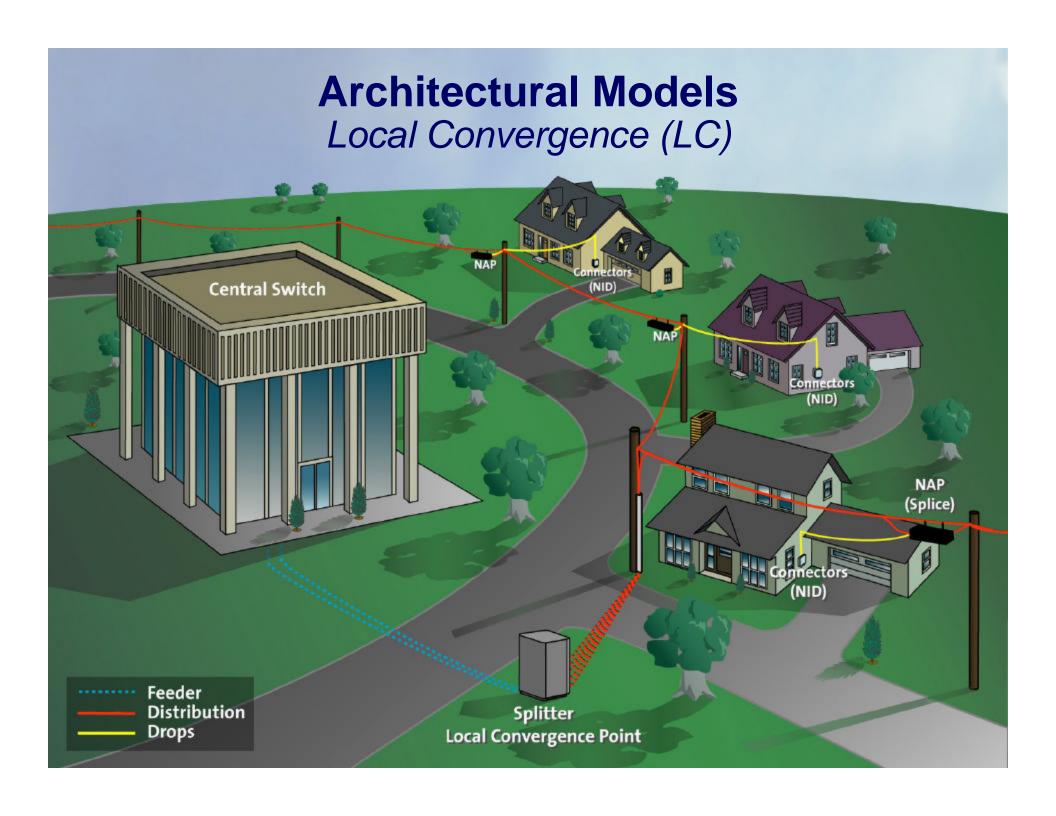


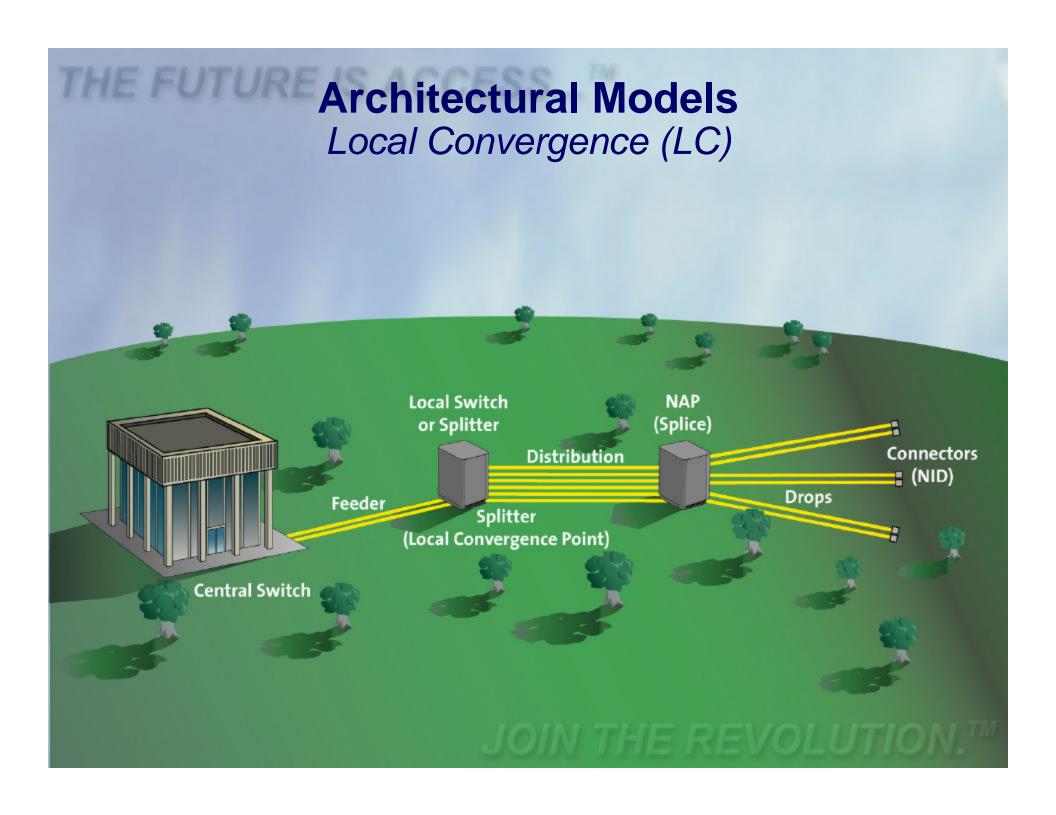
PON & P2P Architectural Models

Two Primary EFM Designs

- 1. Local Convergence
- 2. Distributed Splitting







Architectural Models

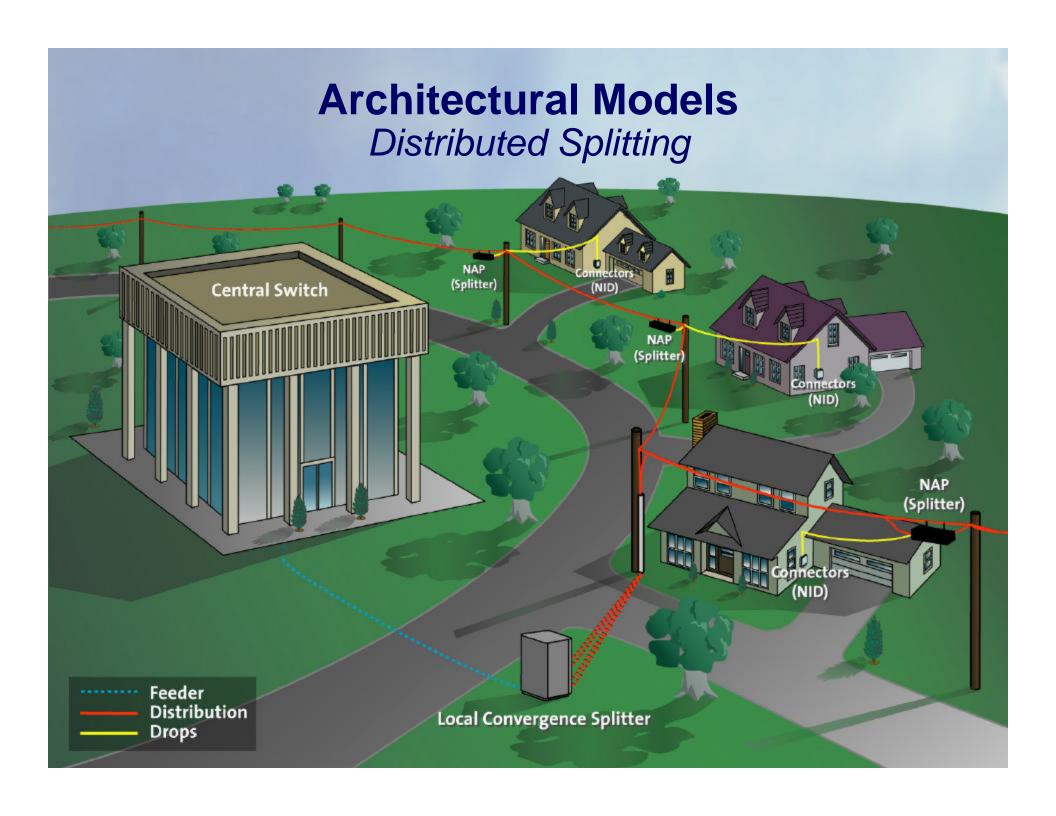
Local Convergence (LC)

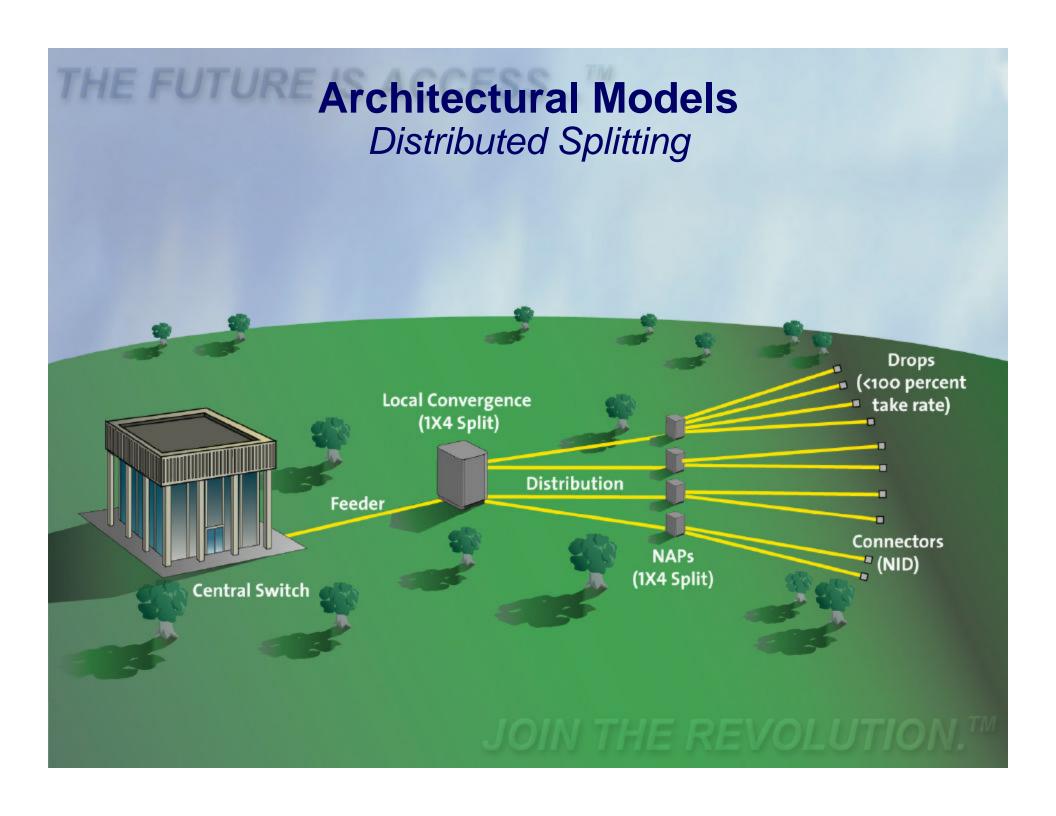
Pros:

- Local Convergence Consolidates Subscriber Configuration
 - Ability to service 32-1280 Subscribers per LCP
 - Ability to house Passive Splitters or Active Electronics at LCP
- Maximizes Port Utilization for low penetration rates
 - Enables port-by-port assignment of subscribers minimizing couplers
- Balances network scalability with up-front CAPEX
 - Fiber-lean Feeder System Fiber-rich Distribution & Drop System
 - Provides dedicated Optical Path from LCP to Subscribers

Cons:

- May cause fiber density / footprint issues for dense deployments
 - Can be negated by covering fewer homes per LCP





Architectural Models

Distributed Splitting

Pros:

- Minimizes amount of Fiber required to Deploy
 - Reduces up-front cable CAPEX requirements
 - Uses Fiber-lean Feeder and Distribution System
- Utilizes low-port count Couplers & Splitters
 - Two Tier Splitting in NAPs and LCPs
 - Reduces footprint requirements for splice closures/enclosures

Cons:

- Potential Limitations on Bandwidth and Scalability
 - -No Single Configuration or Adaptation Point
 - -High splitting ratio may limit future network scalability
- Reduced Port Utilization for low penetration rate areas
 - •Increases requirements for couplers & splitters
- No cost-effective network migration path

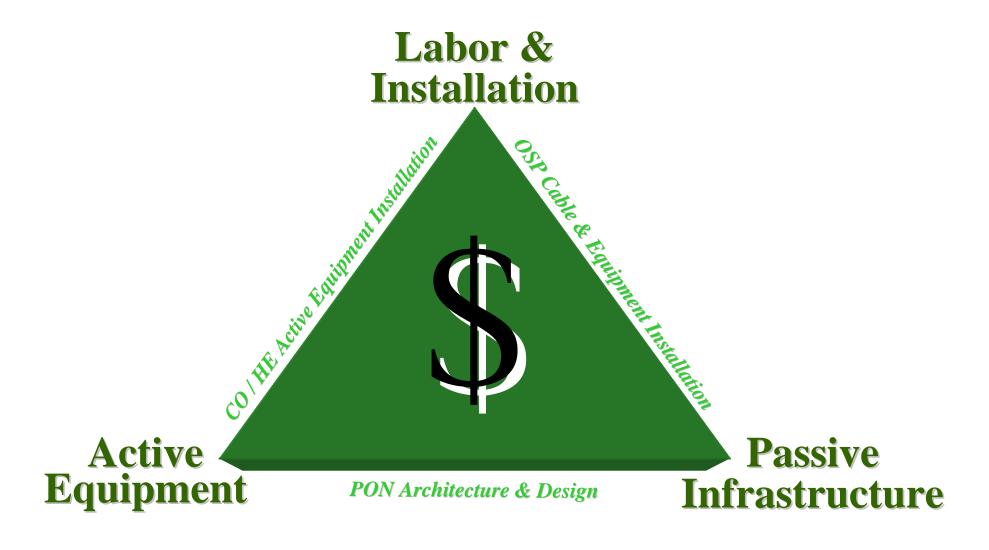
Access Deployment Cost Analysis

Cost Modeling Objectives

- Analyze cost drivers for PON deployments
 - Cable + Hardware & Equipment
 - Installation / Labor Costs
- Understand in-direct cost relationships
 - Subscriber penetration rate
 - Homes per LCP; Homes per NAP
 - Varying splitter Architectures
- Compare costs/benefits of PON architectures
 - Identify cost trade-offs of LC architecture vs. Distributed Splitting

Access Deployment Cost Analysis

Initial Deployment Cost Drivers



Access Deployment Cost Model

Deployment Cost Driver Coverage

Model includes the following cost drivers:

- Optical Cable Costs
 - Feeder, Distribution, Drop, Cable Assemblies, etc.
- Passive Hardware & Equipment Costs
 - Couplers/Splitters, Connectors, Enclosures, Splice Closures, Racks/Trays/Cassettes, etc.
- Installation & Labor Costs
 - Cable Prep & Installation, Hardware Installation, Splicing, Termination, etc.

Model does not account for the following costs:

- Active Equipment Costs
 - Switch, Opto-Electronics, Transceivers, Converters, etc.
- Rights of Way
 - Acquisition costs, Legal Fees, Insurance, Make Ready, etc.
- Life-Cycle Costs
 - Powering, Incremental Maintenance Calls, Truck Rolls, etc.

EFM Cost Modeling

- Understand Deployment Costs & Drivers for each Access network architecture & design
 - Cable, Hardware, and Labor
- Provide variable analysis for varying Demographics
 - Low-, Medium-, and High-Density Subscriber Areas
 - Varying Labor & Infrastructure Costs
- Compare Costs of LC & DS Architectures
 - Cost per Subscriber
 - Cost per Home Passed

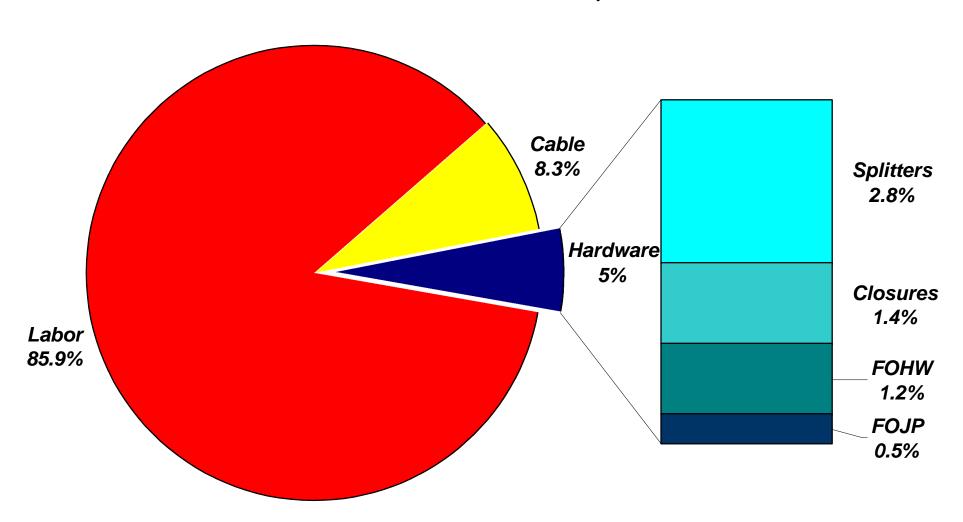
Deployment Scenario: 5,000 Home Residential Area			
	Low Density	Medium Density	High Density
Feeder Length	4 miles	3 miles	2.5 miles
Homes per LCP	200 Homes	325 Homes	450 Homes
Homes per NAP	4 Homes	6 Homes	8 Homes
Average Lot Size	.74 Acre	.59 Acre	.39 Acre
Cable Installation Cost	\$7.50 / Foot	\$10.00 / Foot	\$12.50 / Foot

Distributed Splitting Cost Analysis

Deployment Cost Analysis

Distributed Splitting Architecture

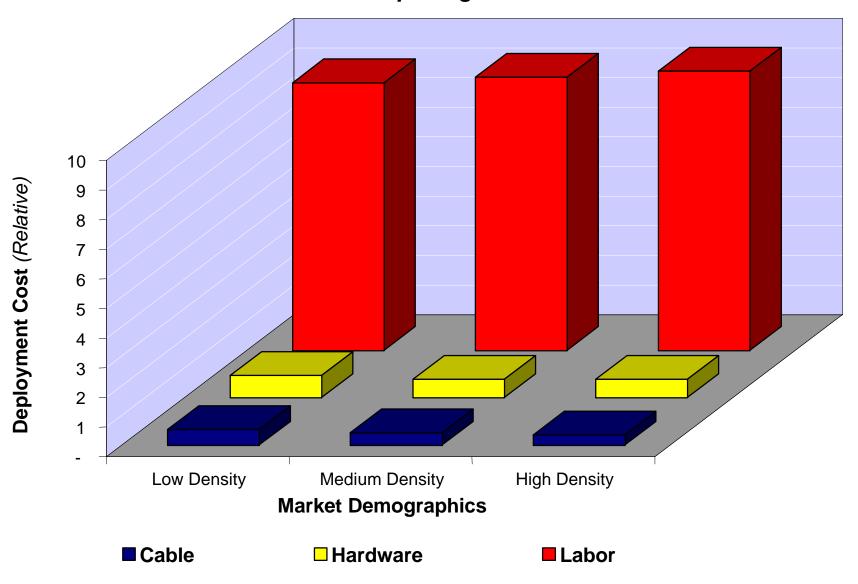
30% Penetration - Medium Density



Distributed Splitting Cost Analysis

Deployment Cost Analysis

Distributed Splitting - 30% Penetration

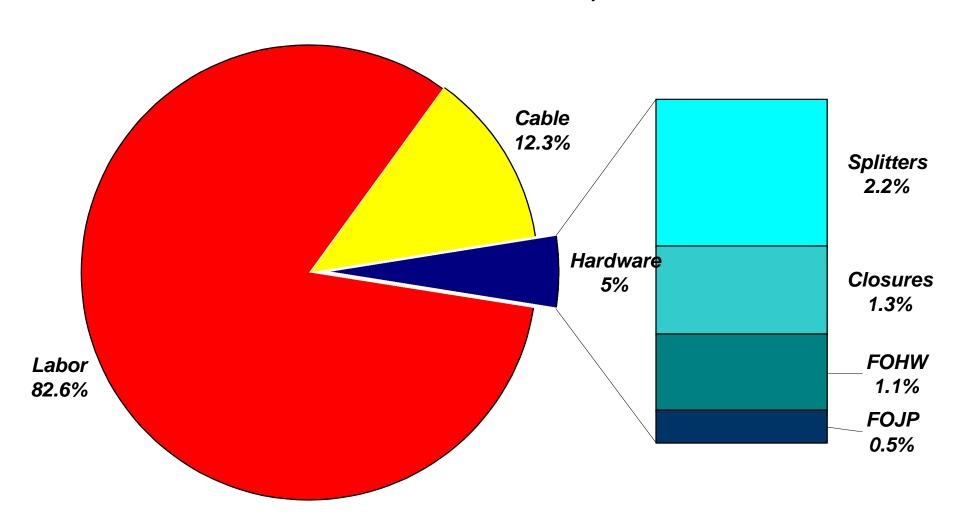


Local Convergence Cost Analysis

Deployment Cost Analysis

Local Convergence Architecture

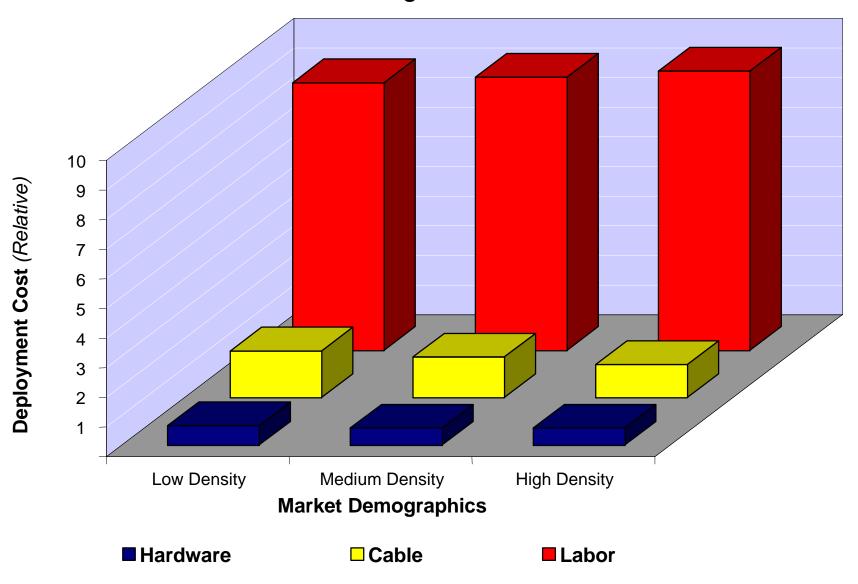
30% Penetration - Medium Density



Local Convergence Cost Analysis

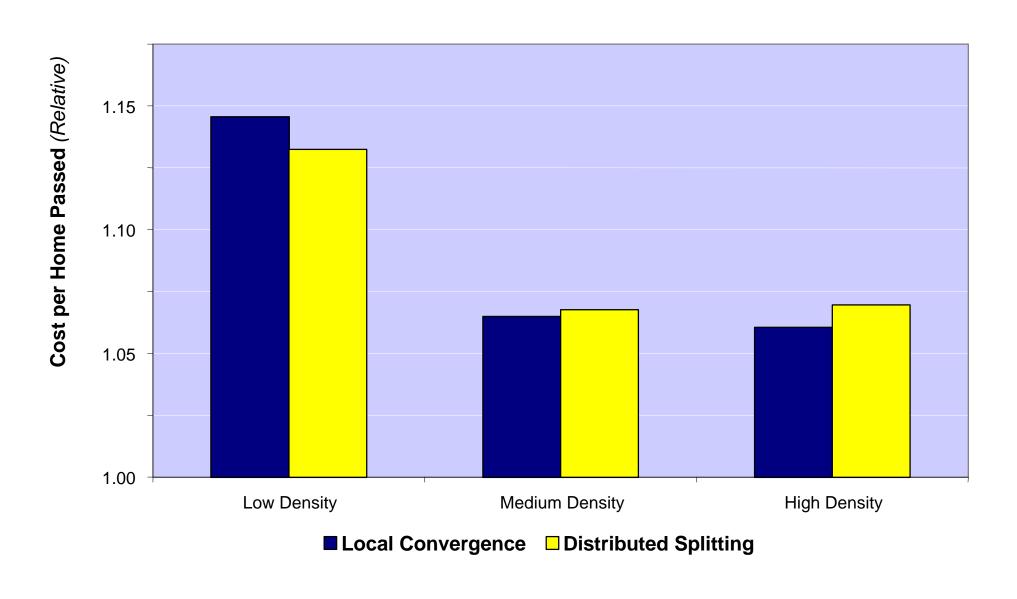
Deployment Cost Analysis

Local Convergence - 30% Penetration



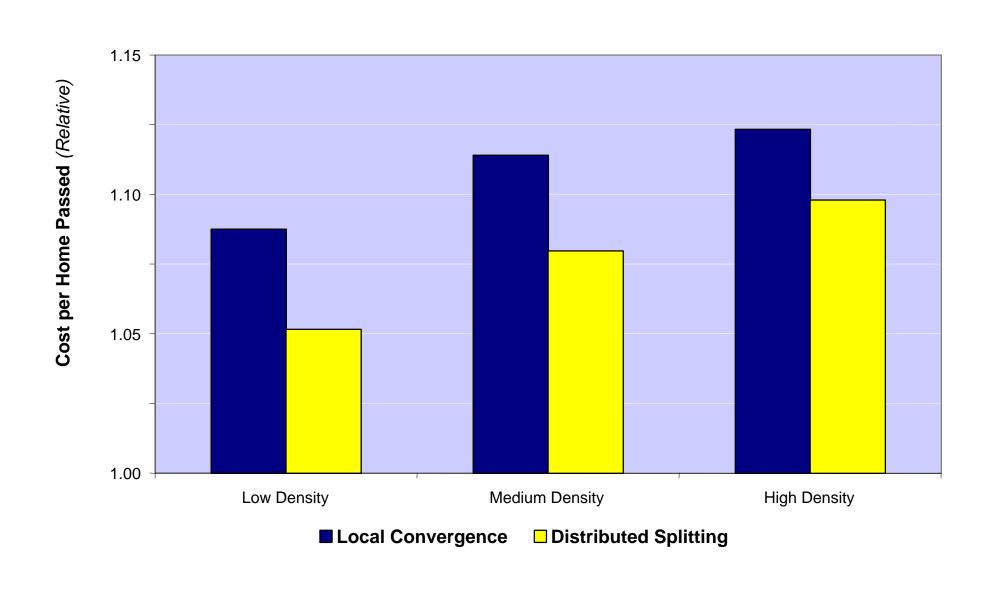
Cost per Home Passed

30% Subscriber Penetration



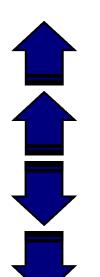
Cost per Home Passed

80% Subscriber Penetration



EFM Leverage Points

Our Customers' 'Criteria of Success!'



Subscriber Revenue

+ Miscellaneous

(Tax Credit, etc.)

- Infrastructure Cost
- Installation Cost

Return on Investment Maximizing our Customers' Success!

Conclusion

- EFM should not be distracted by the 'Tyranny of the OR'
 - There is no single solution for all of our customer needs
 - Carriers may leverage several PON & P2P designs and architectures in deploying their Access networks to cost-effectively service their customers
- Choosing the 'right' Access architecture (or combination of architectures) is critical to our customers' success!
 - Must analyze the costs & long-term implications of various PON/P2P architectures on a segment-by-segment and deployment-bydeployment basis
 - Help customers to make an informed decision the success of their business and ours depends on it!
- EFM should help carriers maximize the effectiveness of their Business plans
 - Address as many leverage points as possible to maximize success!

Contact Information



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