ITU / BDT- COE workshop

Bangkok, Thailand,

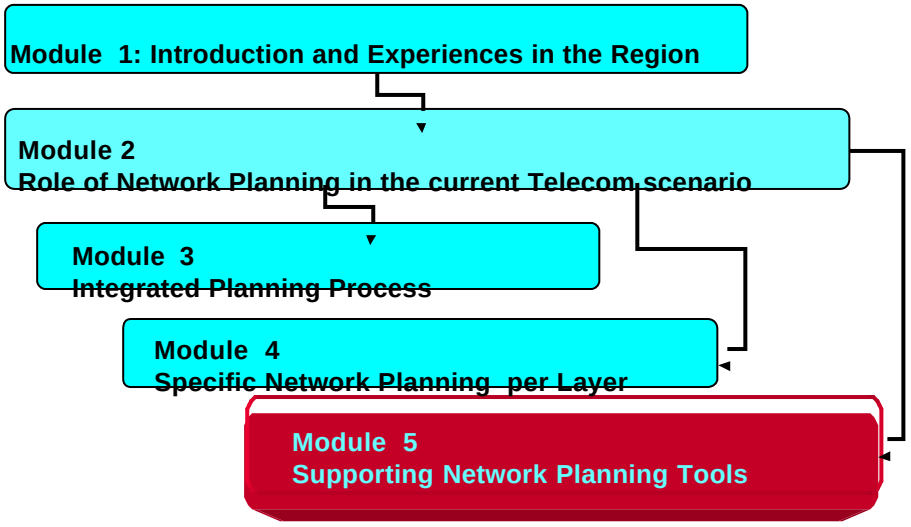
11 – 15 November 2002

Network Planning

Lecture NP- 5.1

Supporting Network Planning Tools

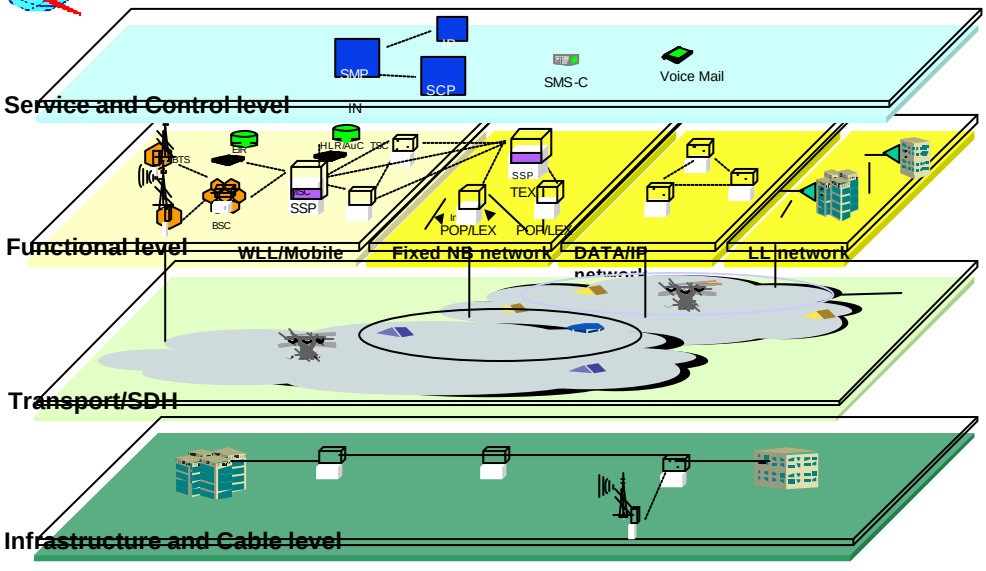
BDT - COE workshop on Network Planning



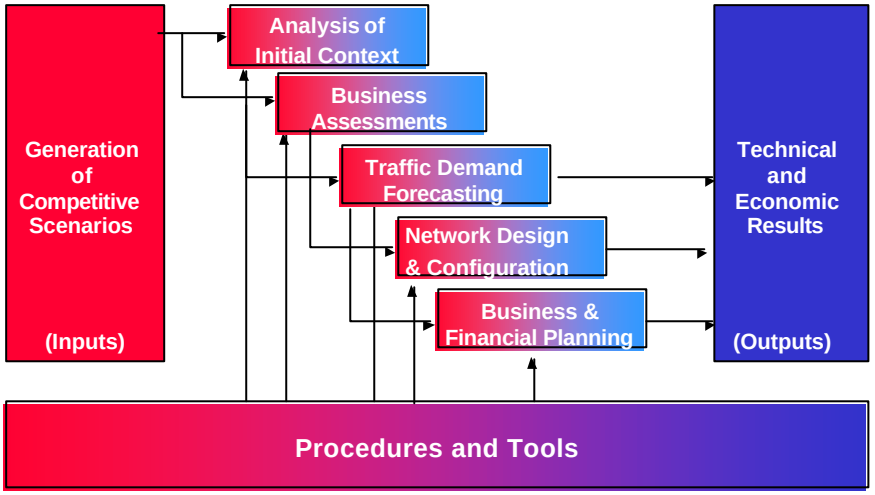
Content Chapter 5.1
Network Planning Tools

- Objectives and classification for the different tool types
  - Overall techno-economical evaluation
  - Network design and optimization
  - Network evaluation and simulation
  - Tool mapping per class

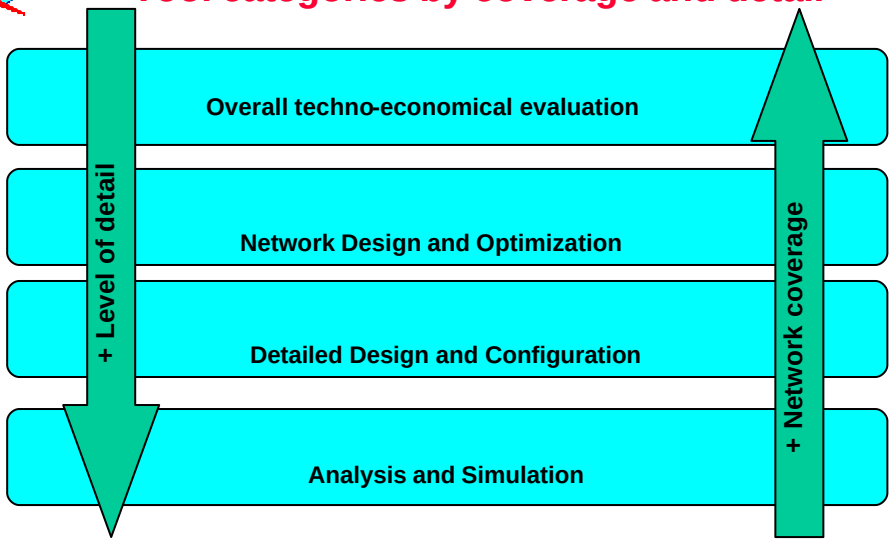
Network Planning
Strategic view: Network Layer Modeling



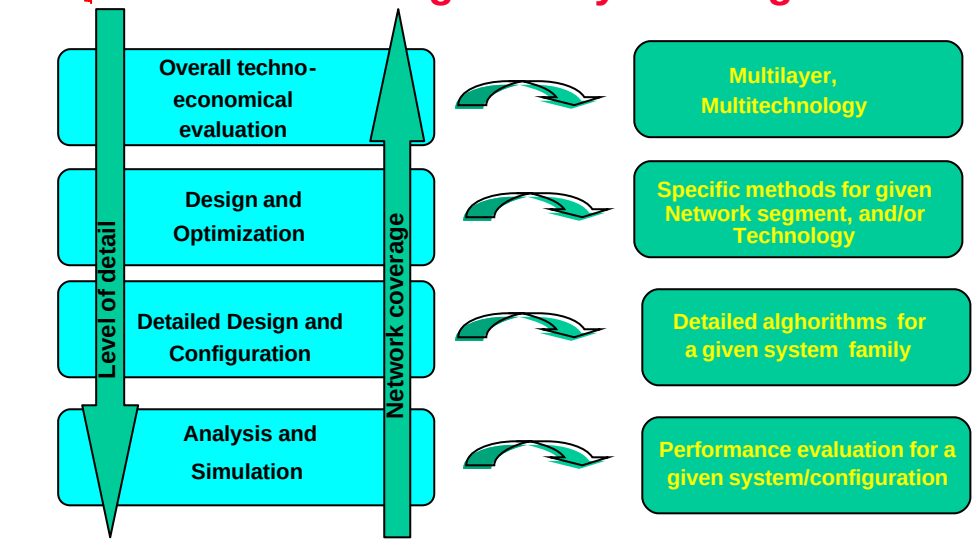
Planning Methodology: Integrated Iterative Planning Process



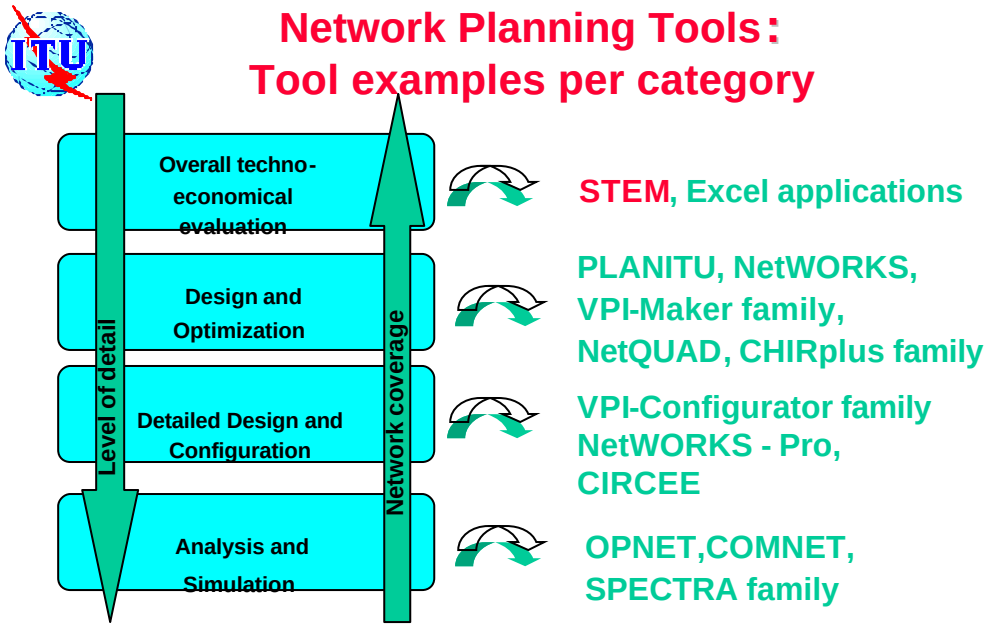
Network Planning Tools: Tool categories by coverage and detail



Network Planning Tools:
Tool categories by coverage



Network Planning Tools:
Tool examples per category



Network Planning Tools: STEM

Business Planning

Objective : STEM by "Analysys" (in Cambridge) is a business decision making support tool that enables the analysis of business models for Telecommunication Networks and services over a period of time.

Business Planning Tools: STEM

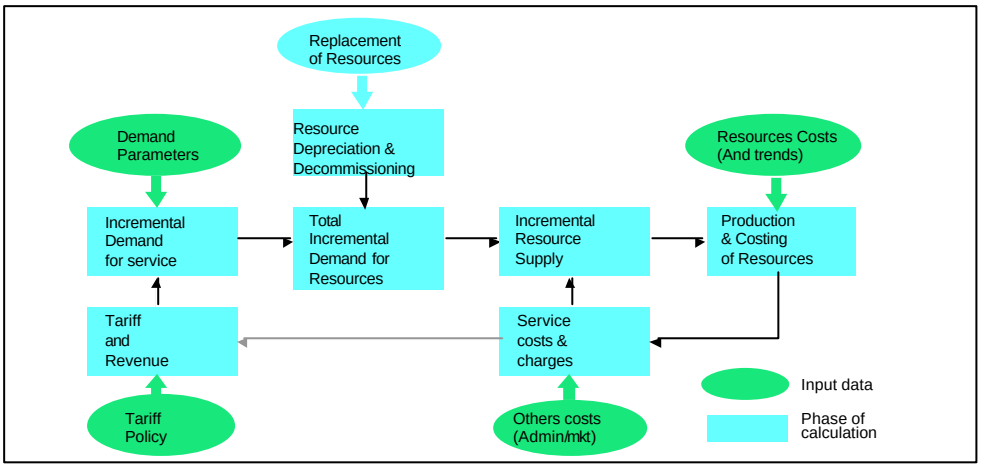
Analysys

- **Coverage**
  - –Service Demand Projection
  - –Evaluation of network investment
  - –Evaluation of revenues for given tariffs and installation rate
  - –Interrelation between network growth and operational cost
  - –Pre-programmed for Standard Telecom and Finance calculations and for facilitating the rapid development of new models
  - –Produces the standard financial results like Cash Flow, Profit & Loss, Balance Sheet.
  - –Interfacing to other MS Windows applications like Excel, Word,....

Business Planning Tools: STEM

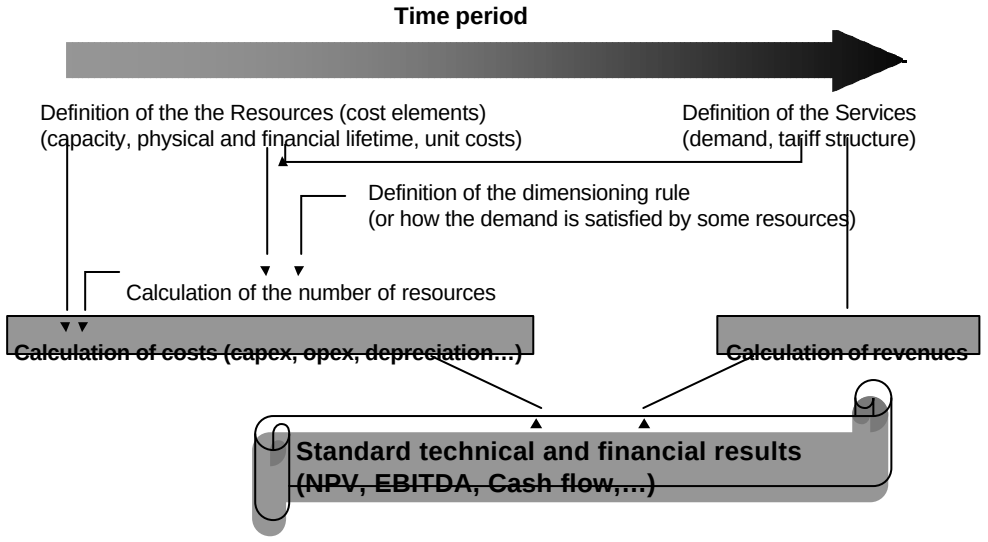
Analysys

Activity Flow:



How the STEM engine works

Analysys



Business Planning Tools: STEM

Analysys

Resources

- physical lifetime
- traffic-carrying capacity
- depreciation period
- economies of scale
- capital expenditure
- operating expenditure

Services

- subscribers
- service rates
- annual and busy-hour traffic
- Erlang or BW demand
- resources required

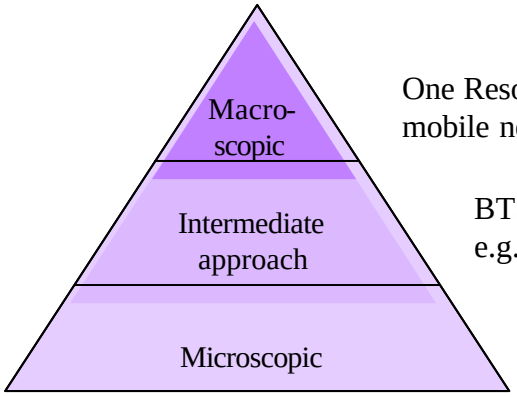
STEM*

Time

- cost-related tariffs and demand elasticity
- age-based cost profiling
- non-linear resourcing

STEM allows both a macroscopic and microscopic approach to modelling

Analysys



Examples:

One Resource used to model all BTSs in a mobile network

BTSs grouped by area type, e.g. urban/suburban/rural/highways

BTSs modelled one by one

The user must choose the level of detail to be modelled

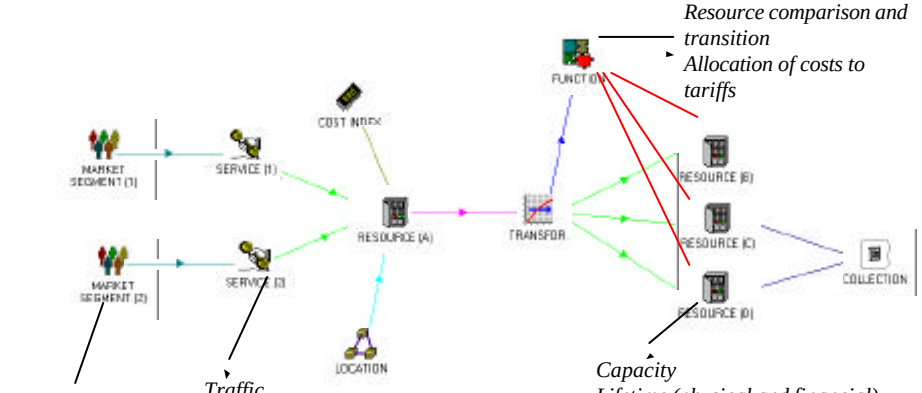
Analysys

The user decides the best level of granularity, which involves a trade-off between…

- The complexity of modelling and the large volume of input required when geographical factors are considered in great detail
- Inaccuracies involved in averaging out over sites when using the intermediate approach (e.g. urban/suburban/ rural/highways)

STEM focuses on telecoms objects

Analysys



Resource comparison and transition
Allocation of costs to tariffs

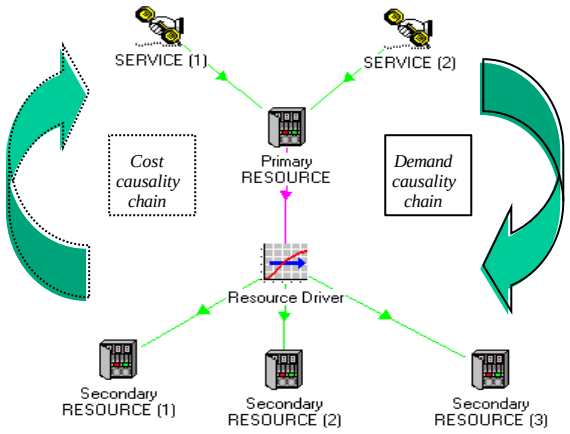
Subscribers

Traffic
Tariffs
Resource requirement
Cost dependent tariffs
Price elasticity of demand

Capacity
Lifetime (physical and financial)
Costs (capex, opex)
Age profile
Economies of scale

STEM is demand driven and allocates costs to demand

Analysys



- Demand driven
- The STEM Editor emphasises the demand causality chain between services and resources
- The cost causality chain flows in the opposite direction

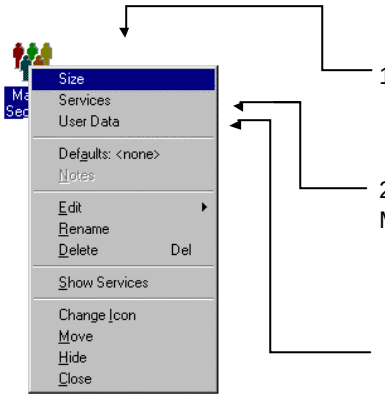
Business Planning Tools: STEM Modeling Elements

Analysys

The modelling basics

- Market Segment
- Services
- Resources
- Transformations
- Locations
- Financial model

Market Segment



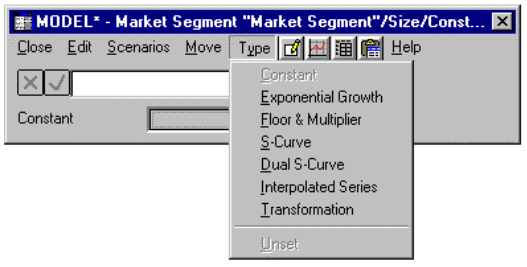
1. Choose the Size of the Market

2. Select the Service(s) to which this Market Segment is associated

3. You can define a set of inputs which can be referenced in formulae, and also in the definitions of derived results

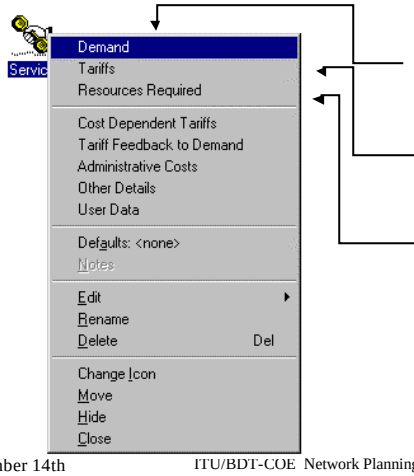
Understanding the Type menu

- The Type menu is a commonly-used menu for inputting data:
  - Constant
  - Exponential Growth
  - Floor & Multiplier
  - S-Curve
  - Dual S-Curve
  - Interpolated Series
  - Transformation



Services

A Service is anything you can draw a revenue from, such as mobile telephony, X.25, house rentals…



1. Define the Demand for this service (customer base, traffic unit, penetration rate…)

2. Define the Tariff of this service (connection, rental usage tariff)

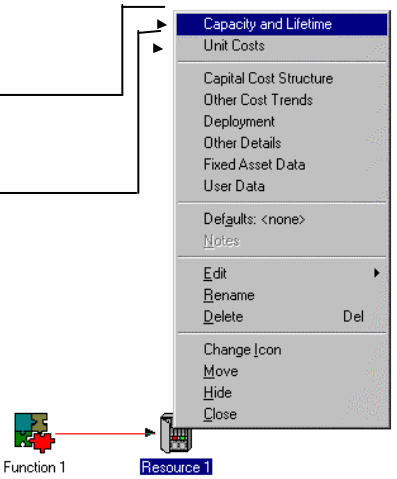
3. Select the Resources the operator must install to provide that service

Resources

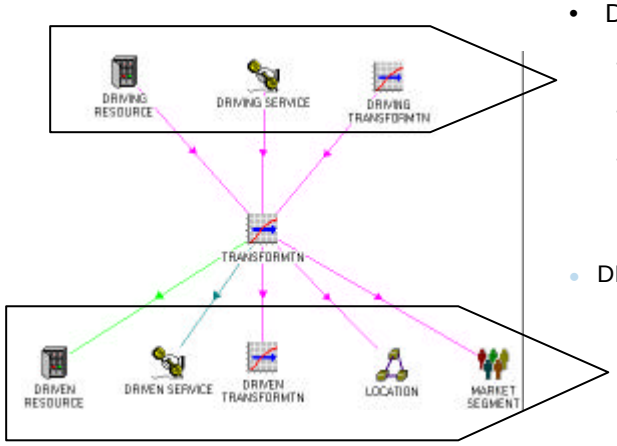
A Resource is anything that will cost you something, such as switches, leased lines, staff, a licence…

1. Define the capacity and the lifetime (physical, financial) of the Resource

2. Define the cost (capital cost, maintenance and operation costs…) of the Resource

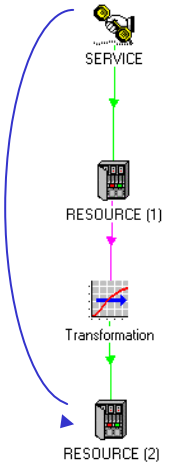


Transformations can use a variety of inputs and can drive several elements



- DRIVERS can be:
  - Resources
  - Services
  - Transformations
- DRIVEN elements can be:
  - Resources
  - Services
  - Transformations
  - Locations
  - Market Segments

Transformations allow Resources to be driven by other Resources rather than by Services



- This is particularly useful when:
  - there is a natural relationship between two Resources
    - e.g. towers are driven by base stations
  - Resources are distant from end customers and Services
    - e.g. in backbone networks
- However, all Resources in a STEM model are ultimately driven by Service demand

The rationale for Transformations is to act as secondary sources of demand

e.g. number of installed units

e.g. time lag

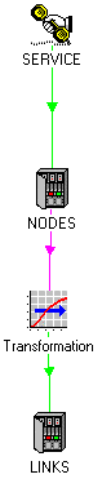
Input

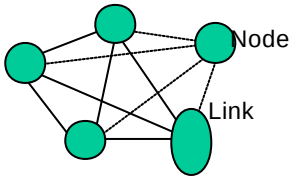
Transformation

Output

e.g. roll-out other resources

Transformation: an example





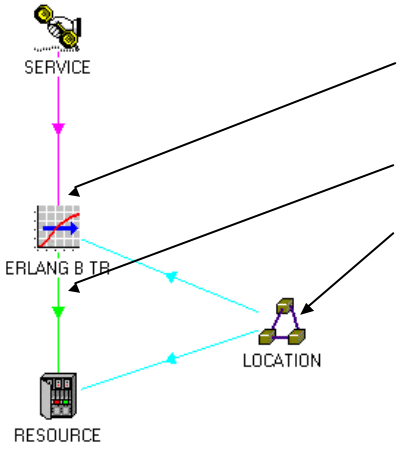
Input: *Number of Installed Units for NODES*

Transformation type: *Expression Transformation*
Expression=Input1(Input1-1)/2*

Output: *used to roll out LINKS*

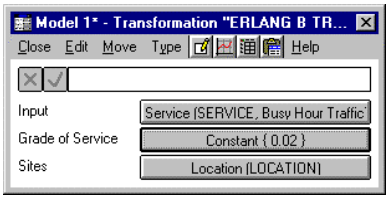
Erlang B Transformations can be used to convert Erlangs into channels

Analysys



The input to the Transformation is the Service *busy hour traffic*

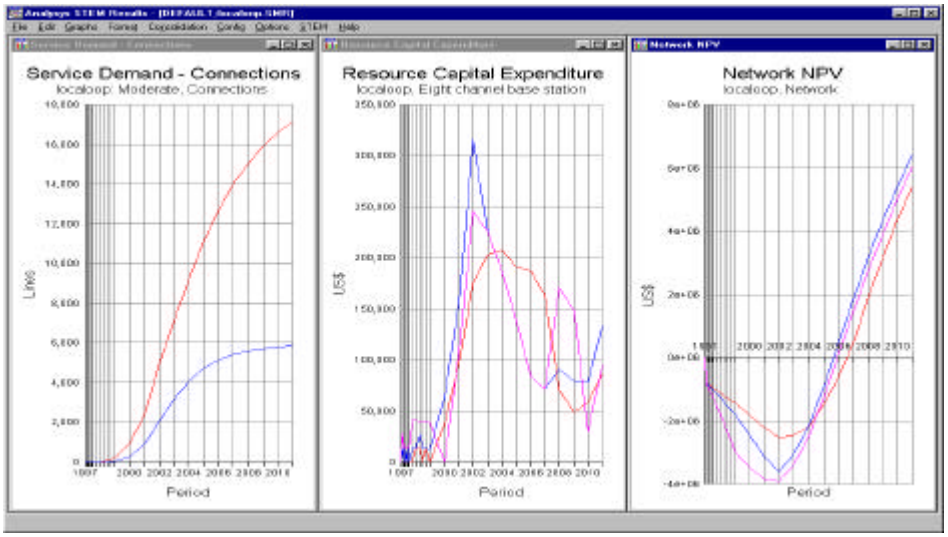
The Erlang B formula returns the *number of channels* required to meet that level of traffic (given the *GoS*) and the *number of sites* (because the formula is non-linear)



Business Planning Tools: STEM

Example of results for business analysis

Analysys



* Under licence of Analysys

Business Planning Tools : STEM
Example of results for business analysis

Analysys