

Meeting Report

Theme: 2011 035 PL KEW TEL – Lower Silesia Backbone Network (Dolnośląska Sieć Szkieletowa) - meeting report

Date:

25 April 2012

Place:

European Commission, DG Competition, Brussels

Attendees:

- Zbigniew Żach DG Competition, European Commission
- Filomena Chirico DG Competition, European Commission
- Angela Laghezza DG Competition, European Commission
- Adam Okniński Lower Silesia Marshall Office, Beneficiary of the project
- Karina Milan Lower Silesia Marshall Office, Beneficiary of the project
- dr Krzysztof Heller Infostrategia
- Piotr Rutkowski Infostrategia
- mec. Jacek Wilczewski –appointed by Ministry of Digitalization and Administration
- Joanna Knast-Braczkowska JASPERS

General Remarks

- 1. The objective of the meeting was to present the project Lower Silesia Backbone Network (Dolnośląska Sieć Szkieletowa), verify projects' readiness to proceed with formal notification, as well as to agree on the timeline and the way forward.
- The Representative of the Beneficiary presented the project and the relevant issues related to State Aid by following the presentation provided to the European Commission by email in advance of the meeting on April 23rd.
- 3. The presentation outlined the similarities to the Eastern Poland broadband projects and indicated project specific characteristics (for details please refer to the presentation)

Issues discussed / Feedback received from the European Commission:

- 1. The following points were discussed in more details with the Commission:
 - a. Presence of projects' relevant infrastructure owned by the rail company: the Beneficiary informed that based on the inventory performed, the infrastructure of the rail operator is not of sufficient capacity to allow for its lease for the purpose of the project. On the contrary, the Beneficiary expects that the infrastructure resulting from the project will be leased by the rail operator.
 - b. Consultation with telecommunications operators: the Beneficiary informed of the plans to start the third and final stage of consultations on the updated project's scope with the operators in the coming weeks. This will entail both the planned design of the network to ensure the business attractiveness of the points of access to the last miles operators; as well as the consultation on the scope of the network to ensure

that the operators do not have plans to invest in areas which are designated as traditional white or grey problematic and NGA white.

- c. Information on the status/project: the Beneficiary informed that
 - the tender for the design and built has recently been concluded and contract signed, thus minimising the risk of exceeding the investment costs. The contract has a clause which makes physical works and investment in infrastructure conditional on the state aid decision.
 - ii. the risk related to the choice of the Infrastructure Operator will be minimised by combining the purchase of the active components with the selection of the Infrastructure Operator.
 - iii. the plan is that the network will be operational in 2014/2015
 - iv. opinion from the National Regulator was obtained in November 2011
 - v. no specific provisions are foreseen for public administration using the network – public administration will be in a position to access the projects' infrastructure by tendering in line with the procurement law the services from last mile operators; or by acting as an operator and purchasing it directly from the wholesale operator.
- d. Availability of infrastructure: as regards the requirement to use the public infrastructure, the Beneficiary informed that the verification of market offer will take place in a form of a public announcement (publiczne ogłoszenie). This would differ from the approach notified for Eastern Poland, where the process would be in a form of an open tender (otwarty przetarg). The European Commission responded that this approach may be possible, but final confirmation will be possible once consulted with other services of the European Commission.
- e. *Number of nodes*: in responding to a question, DG COMP recommended to maintain information on the number of nodes foreseen in individual categories of intervention, but add a disclaimer that the number of nodes is indicative.

Conclusions / Next steps

- 1. It was acknowledged that the project is considered to be mature enough to close the prenotification phase and start the notification.
- 2. DG Competition recommended to start the preparation of the notification documents and go through the national process in parallel to the completion of the public consultations with operators. It is advised to provide DG COMP with complete notification documentation.