

NaaS

Market Brief

Edition

2

October 2026

Lumen, Comcast Business, Zayo and Megaport all went after enterprise access in Q3

Lumen bought a control plane. Comcast Business let Equinix sell its last mile. Zayo's customers now have AI agents making changes on a live network, and Megaport raised A\$827M, most of it for GPUs. We think it's all one story, and this edition tries to show why.

From the editor

As we are in the center of the NaaS revolution, where automated networks are enabling many use cases above and beyond simple connectivity, we want to help spread the word and help operators monetize their assets and sell more services per port.

Lumen, Comcast Business, Zayo and Megaport are all reaching for the same position: the place where an enterprise finds intelligence, buys it, and gets a private path to it. I wrote about that position in *Who Owns the On-Ramp to Intelligence?* This edition tracks who moved toward it, with the numbers. If you read any of it differently, tell me. It sharpens the next edition.

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In this edition

-
- 3** The quarter in numbers, and the deal sheet

 - 4** Lumen tripled its NaaS customers, then bought a control plane

 - 5** Carriers started selling through each other's platforms

 - 6** AI agents got write access to the network

 - 7** Six NaaS platforms now let a customer's AI agent in

 - 8** Most of Q3's money went into GPUs and long-haul fiber

 - 9** Operator growth came from services sold on top of connectivity

 - 10** Field notes from Austin and Boston

 - 11** Dates we're watching, and about insidepacket

 - 12** Sources

The brief comes out once a quarter. Subscribe at insidepacket.com/naas-market-brief and Edition 3 reaches you in January.

Draft marks, removed before send. An orange dotted underline marks a figure still to verify. An orange tag marks a line that waits for approval or for the embargo to lift on 13 Oct.

The quarter in numbers

The figures behind this edition.

US\$475M	What Lumen paid for Alkira, in cash. The deal closed on 7 July. ^{1,2}
3,000+	Lumen's NaaS customers in Q2. A year earlier it had 1,000. ^{3,4}
+34%	Growth in Lumen's active NaaS ports, Q2 over Q1. ³
\$0.70	Advanced solutions Comcast Business now sells per \$1 of connectivity. Three years ago it was \$0.20. ⁵¹
A\$827.3M	Megaport's raise, done by 2 July, to pay for GPUs for new AI contracts and a US\$252M GPU pool. ^{36,65}
~60%	Share of Megaport's revenue analysts expect from compute by 2030. ³⁷
17%	WAN managers who've already bought NaaS. Another 25% are looking. ⁵⁵
US\$103.4B	Active and contracted TCV in Nscale's S-1, filed for a NYSE listing. ¹⁴

Deals in the quarter

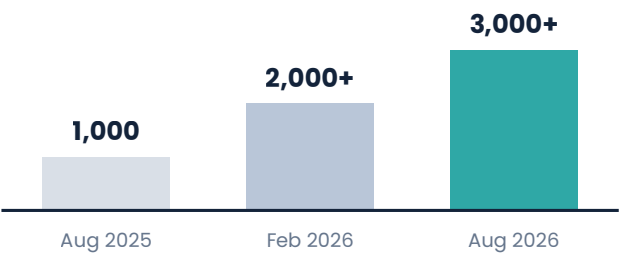
Date	Deal	Detail
18 Sep	Nscale files for a NYSE listing	US\$103.4B active and contracted TCV and about 461,000 GPUs ¹⁴
8 Sep	Mistral raises a Series D	€3B at €21B post-money, partly for compute ¹³
2 Sep	CPP Investments and Equinix complete atNorth	US\$4B, Nordic high-density data centers ¹²
20 Aug	Charter completes Cox	Spectrum Business joins Cox Business, Segra and RapidScale ¹¹
13 Jul	Zayo names a new CEO	Sowmyanarayan Sampath, effective 1 Sep ⁹
7 Jul	Lumen completes Alkira	US\$475M cash ^{1,2}
29 Jun	Verizon and BT agree a 50:50 JV	International enterprise wireline with about US\$4B in revenue, 3,000+ customers and 180+ countries. Completion is expected in 2027. ¹⁰

Our pick of the quarter's deals across NaaS, fiber, data centers and neoclouds, newest first. Missed one? Tell us.

Lumen tripled its NaaS customers in a year, then paid US\$475M for a control plane

Lumen closed the Alkira deal on 7 July, paying cash for a multicloud control plane with no fiber under it at all. A fiber company buying pure software says a lot about where Lumen expects its growth to come from.

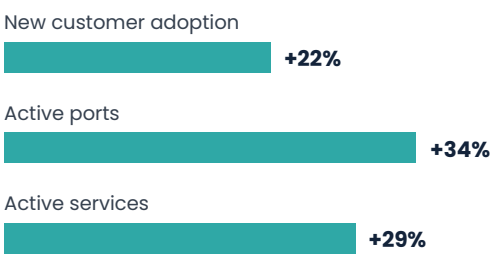
Lumen NaaS customers



Reported NaaS customers, a year apart. ^{3,4}

The plan is to fold Alkira into Lumen Connect over 18 months, ⁵ and about 4,000 Lumen people have already been trained on it. ^{1,2,7} Lumen’s CEO says the deal will “accelerate our strategic revenue growth curve”. ⁷

Lumen, Q2 against Q1



Growth in the second quarter against the first. ^{3,4}

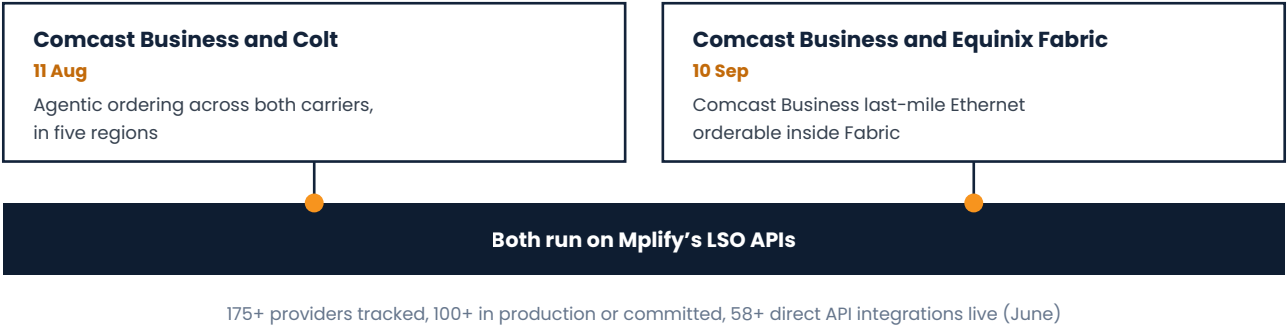
More than one in five first-time NaaS buyers were new to Lumen, ⁵ so the product is bringing in customers it didn’t have before.

On 26 August Lumen opened its Multi-Cloud Gateway to more than 10 million US business locations, ⁶ far more buildings than its own fiber reaches.

The Alkira deal is about the need to build a control plane for all connectivity, neoclouds and public clouds.

Carriers started selling through each other's platforms

Comcast Business did two deals on Mplify's LSO APIs this quarter. One lets Equinix Fabric customers order its last mile. The other automates cross-border orders with Colt.



Two new links on one standard, Q3 2026. ^{15,16,17}

Colt came first, on 11 August. It's an Innovation Lab program that builds API interoperability on Mplify LSO and uses agentic workflows to discover, order and fulfil connectivity across both carriers, in North America, Europe, Asia, the Middle East and Africa.¹⁵ So two carriers have agreed that software can place the order.

The Equinix deal is the bigger one. Since 10 September, Fabric customers can order Comcast

Business last-mile Ethernet through LSO-aligned APIs, and the stated goal is to cut delivery “from weeks to days”. Wavelengths, cloud and security are meant to follow, and Comcast Business already connects to 700+ data centers.¹⁶

The standard underneath is already in production,¹⁷ and in September Colt and Lumen took two of Mplify's awards, for inter-provider automation and for ecosystem collaboration.¹⁹

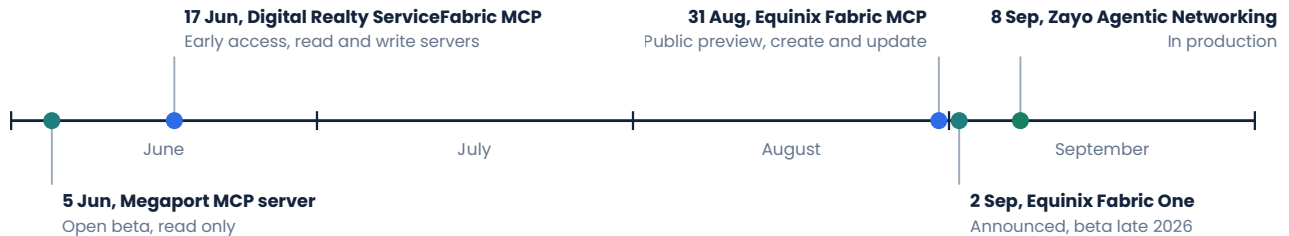
“Advantage depends increasingly on what an organization can access, combine, automate, secure, assure, and deliver across an ecosystem, not simply what it owns.”

Stan Hubbard, Mplify, 10 Sep 2026¹⁸

Partner with others, using a platform. You need NaaS tech for that.

AI agents got write access to the network

Back in June, most agent interfaces on NaaS platforms could look but not touch. By September Zayo had customers' agents making authorized changes in production, and Equinix had opened its Fabric MCP server to public preview.



Agent access on NaaS platforms, June to September 2026. [20,22,24,25,27](#)

Zayo launched Agentic Networking on DynamicLink on 8 September and called it “the industry’s first production Model Context Protocol (MCP) server built specifically for networking”. Approved enterprise agents see network state and take authorized actions, and “organizations define the information, tools, and actions available to agents”. [20,21](#) Max Clauson said it more bluntly at the launch: the future of networking “is not another portal”. [20](#)

Equinix took its Fabric MCP server from private beta to public preview at the end of August. Agents can create and update connections there,

but deleting one still means going to the portal.

[22,23](#) On 2 September Equinix also announced Fabric One, which takes “agent-based requests or natural-language prompts” to set up any-to-any connectivity. Beta later this year, general availability in 2027. [24](#)

The big carriers mostly keep their agents in-house for now. NVIDIA puts telco automation at Level 2 to 3 on TM Forum’s autonomy scale and says getting to Level 4 or 5 takes autonomous agents. [29](#) Lumen, AT&T, Verizon and Colt all run agents internally, and none of them gives customers a public agent interface yet. [30,32,33](#)

We build the platform under DynamicLink, so read this one with that in mind. Agents making changes will become the reality very fast, and will unlock many new use cases for elasticity, billing, connecting to migrations of workloads and more.

Six NaaS platforms now let a customer’s AI agent in

Only one of the six, Zayo’s DynamicLink, runs agent-driven changes in production with general availability. That one runs on our platform, so we checked every row against the provider’s own release or documentation (the last pass was on 1 October 2026).

Platform	What a customer’s agent can do	Status	Since
DynamicLink, Agentic Networking Zayo	Read network context and take authorized actions, with the customer setting the tools and actions ²⁰	Production	8 Sep 2026
ServiceFabric MCP Digital Realty	A read-only server plus a read-write server for network changes and bare metal lifecycle ^{25,26}	Early access Release says available	17 Jun 2026
Fabric MCP Equinix	Read, create and update connections and Cloud Routers. Deletes stay in the portal. ^{22,23}	Public preview No GA date	31 Aug 2026
Alkira MCP Lumen, since 7 Jul	Read, and propose changes that a person approves ^{34,2}	Launched	30 Sep 2025
Megaport MCP Server Megaport	Read only, with write access promised “soon” ^{27,28}	Open beta	5 Jun 2026
Fabric One Equinix	Agent-based and natural-language requests to provision connectivity. MCP is not named. ²⁴	Beta late 2026 GA in 2027	2 Sep 2026
Lumen Connect Lumen	No public agent interface. Support assistants only, plus an internal MCP proof of concept. ^{30,31}	Internal	Nov 2025
Console Connect, PacketFabric, Colt, AT&T, Verizon, GTT	No public agent interface found	None found	Checked Sep 2026

Since Edition 1, Zayo has launched publicly (8 September), Equinix has gone from private beta to public preview, Digital Realty has joined the table and Alkira now belongs to Lumen. Megaport is where it was.

We’ll keep updating this every quarter. If we’ve got a row wrong, tell us and we’ll fix it.

Most of Q3’s money went into GPUs and long-haul fiber

Far less went into the private connection between an enterprise and a GPU. We work on exactly that part, so of course we noticed.

Compute	Long-haul fiber	Enterprise access
Funded	Being built	Still open
Megaport , about A\$965M TCV across seven AI contracts	Zayo and NVIDIA , 8,000+ miles of new long-haul fiber along AI corridors	Lumen tripled its NaaS customers and bought Alkira (page 4)
Nscale , 1.37 GW active and contracted	Zayo and Corning , supply for 15,000 new route miles by 2030	Carriers started selling through each other’s platforms (page 5)
Equinix Inference Exchange with NVIDIA, from Q1 2027		Agents got write access to the network (page 6)
Spectrum edge compute reaching 1,000+ sites		

Where the quarter’s money went, Q3 2026. [35,36,14,38,39,43,44](#)

A few things didn’t fit the chart. GTT launched Defense Halo on 29 September, network defense running on its own AI factory with data kept in the US, UK or EU.⁴⁰ Mistral is planning up to 1 GW by 2030.⁴¹ The EuroHPC call for AI gigafactories closes on 3 December.⁴²

The utilization numbers are the worrying part. Cast AI found average GPU utilization of 5%

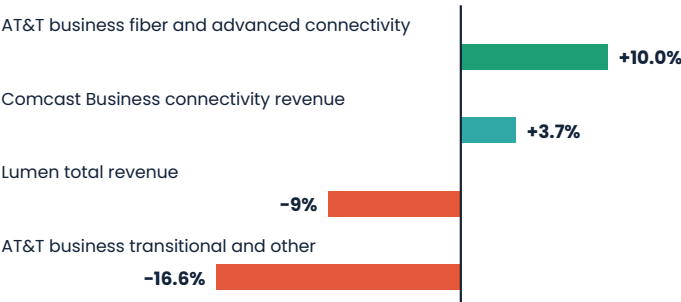
Right now a lot of these GPU builds are islands. Now you need to optimize them so they will not sit idle, and reach real profit.

across the Kubernetes clusters it analyzed,⁴⁵ and a debt-financed GPU cluster needs something like 70% to break even.⁴⁶ Meanwhile neocloud revenue was about \$25B in 2025, Synergy expects the market to approach \$400B by 2031,⁴⁷ and ABI Research expects inference to be 80% of neocloud demand by 2030.⁴⁹

Operator growth came from services sold on top of connectivity

Q2 results came out during Q3, and almost every operator we follow showed the same pattern. Legacy revenue fell. Connectivity barely moved. The growth came from advanced services and platforms. The number to watch is the share of revenue from services sold on top of the port, and it only grows when customers can order more than circuits.

Q2 2026, year on year



Same quarter, same basis. ^{52,50,3}

Comcast Business grew connectivity revenue 3.7% to US\$2.67B. ⁵⁰ On the call, CFO Jason Armstrong said Comcast now sells about \$0.70 of advanced solutions for every \$1 of connectivity, up from \$0.20 three years ago. ⁵¹ AT&T expects legacy service revenue to drop more than 20% in 2026 and to be “immaterial by the end of 2029”. ⁵² And Lumen’s revenue fell 9% in the same quarter its NaaS customers passed 3,000. ³

Buyers are moving, slowly. In TeleGeography’s WAN manager survey, 17% have bought NaaS

(up from 8% in 2022) and another 25% are researching it, while 19% decided against it. Short NaaS terms still carry a 10% to 35% premium, and Europe’s median 10G port costs US\$350 a month, 2.3 times the 1G price. ⁵⁵

The consolidation kept going, too. Charter closed Cox on 20 August, ¹¹ Verizon and BT agreed a JV for international enterprise wireline, ¹⁰ and Vertical Systems’ mid-2026 US Carrier Ethernet ranking moved Verizon to second and brought Zayo in at sixth. ⁵⁶

Megaport, FY26

+37%

revenue, to A\$312.2M

114%

net revenue retention

+27%

network ARR, constant currency

Shares touched a record A\$21.96 on results day and fell to A\$17.52 by 26 August. ^{53,54}

Field notes from Austin and Boston

We were at Metro Connect in Austin. Boston we know from the Mplify summit agenda, which was full of AI gateways and agents. London is this week, at Capacity Europe.

Austin, Metro Connect Fall, 1 to 3 Sep

On the floor, people wanted more talent, more resilience and redundancy that actually holds up. Our own takeaway (we posted it on LinkedIn) was that a second circuit doesn't count as redundancy if it shares a duct, a facility, a power dependency or an operational bottleneck with the first.⁵⁷ Metro Connect ran sessions on whether today's networks are fit for an inference-led world and whether consolidation is speeding up.⁵⁸ Outside, protesters were objecting to data center water and power use.

Boston, from the Mplify Member Summit agenda, 22 to 24 Sep

Three sessions pitched service providers on becoming the gateway between enterprise AI demand and GPU capacity, and a startup demoed exactly that, providers as the gateway to distributed GPU clusters. PCCW Global presented AI as a service through Console Connect as an "AI Gateway", and NTT DOCOMO BUSINESS put GPUaaS and NaaS together, with GPUs billed by the minute.⁶⁴

Agents were all over the program. Mplify's agentic LSO blueprint runs on MCP servers. Amartus, NTT DOCOMO and Colt showed agents troubleshooting together across providers, and another demo had AI agents negotiating deals between carriers.⁶⁴ Federation got its own sessions too, laying out a path to NaaS federation with trusted identity for agents.⁶⁴

From the operators, Comcast Business talked about "the network that provisions itself", AT&T about "the AI-grade network" and Verizon about automating wholesale partners.⁶⁴

The access layer was on the Boston agenda, pitched to service providers as gateways, marketplaces, federation and agents. Who will run it in production is still open.

This week in London, Capacity Europe, 13 to 15 Oct⁵⁹

13 Oct We launch the AI Access Platform. Embargoed to 13 Oct	14 Oct Global Connectivity Awards. We're a finalist for Best AI Innovation and for Best Network Technology & Software Development.	15 Oct Our GrowthX talk, on the Market Forces Stage.
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Dates we're watching before the next edition

October	November	December	January	February
20 Oct AvidThink AI for Networking report	1 to 3 Nov INCOMPAS Show, Nashville ⁶²	3 Dec EuroHPC AI gigafactory call closes ⁴²	17 to 20 Jan PTC'27, Honolulu ⁶²	Expected in Feb Megaport H1 FY27 results ⁶³
21 Oct AT&T Q3 results ⁶⁰	18 to 20 Nov Broadband Nation Expo, New Orleans ⁶²			
22 Oct Comcast Q3 results ⁶¹				
Late Oct Lumen's Q3, its first with Alkira, plus Verizon and Equinix. Dates to be set.				

Q4 2026
 Equinix Fabric One beta ²⁴

Q4 2026
 Zayo Europe public availability
[Zayo approval](#)

Q1 2027
 Equinix Inference Exchange available ³⁸

Some things on our list don't have dates yet. Megaport has promised agents write access "soon", ^{27,28} and Equinix hasn't said when Fabric MCP reaches general availability. ^{22,23} We want to see when wavelengths, cloud and security reach the Comcast Business and Equinix link, and whether other US cable and fiber operators open their last mile the same way. ¹⁶ We're also waiting for the first enterprise to publish a real case of its agents ordering connectivity in production. Then there's Nscale's listing, Megaport's next AI contracts, the EuroHPC gigafactory selections and Mplify's next AI-ready NaaS research. ^{14,35,42,17}

If you read the quarter differently, tell us

Just reply to the email this came with. Your answers shape the next edition.

Which of these moves matters most to your business in 2027?

Which platform should we add to the agent-readiness table?

Get Edition 3 in January

One email a quarter, and nothing in between.



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About insidepacket

We build the NaaS platform that operators, data centers and GPU providers run under their own brand, over any operator's network. We don't sell to enterprises ourselves (our customers keep that relationship and set the price), which is why our name rarely shows up on the product. Zayo's DynamicLink runs on it in production, and it won a 2026 CRN Tech Innovator Award in August. ⁸ [Embargoed to 13 Oct](#) On 13 October, at Capacity Europe, we launched the AI Access Platform. GPU, neocloud and data center providers use it to give enterprises private, on-demand access to their capacity, over any operator's network.

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