

Submarine telecommunication cables – review of terms 2010

Review of Crown Estate leases for the laying of telecommunications cables on the UK territorial seabed

The review of the standard licence terms for the laying of submarine telecommunication cables on seabed and foreshore in Crown Estate ownership was completed in late 2009. The terms were established following a period consultation with industry and we would like to thank all those who have contributed.

The previous terms and conditions of The Crown Estate's standard licence agreement for telecommunication cable installations had been in place for over ten years. Operational experience over that period suggested that parts of the standard agreement needed updating and we considered it appropriate to review the terms to better accommodate and reflect industry, The Crown Estate and general marine development circumstances.

Notice of our intention to review the standard terms was first given in February 2009 at which point system operators and interested parties were invited to make representations on:

- system definitions,
- out of service and decommissioning arrangements, and
- the basis for the calculation of rent.

Five responses were received which, in summary, proposed inclusion of the following elements in the review:

- system definitions,
- current out of service arrangements,
- the circumstances under which a system is switched off but potential remains for future reuse,
- the rent charged during different operational phases,
- indexation,
- works restriction, dredging restriction and notification zones,
- decommissioning arrangements,
- a general update of the pro-forma licence.

In undertaking the review we have sought to reflect the reasonable requirements of cable operators whilst ensuring suitable measures are in place to provide long term security and protection to The Crown Estate. The terms of the revised pro-forma document will be applied to all new

telecommunication systems. Project specific discussion will be needed in respect of decommissioning, arrangements for which are expected to vary with site conditions.

Existing telecommunication cable operators have been offered the opportunity to provide their views on our proposals for revision, and links to a copy of the letters sent to operators are available to download. There is also a document summarising the main changes together with a guidance note explaining the measures we propose in relation to decommissioning.

It should be emphasised that existing licence agreements, and any put in place up until and including 31 December 2009, will remain on the current published terms.