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Dear Ms Onwurah

PROMOTING HIGHER SPEED BROADBAND IN NEW BUILD HOUSING DEVELOPMENTS

Scottish Water welcomes the opportunity to comment on the aforementioned consultation paper.

As you will appreciate Scottish Water Horizons is not currently in a position to answer questions on the technical nature of the consultation, however we have provided an overview document of the work we are currently undertaking.

Should you require any additional information on this, or any related matter, please do not hesitate to get in touch.

Yours faithfully

John Ewen
Commercial Development Manager
Scottish Water Horizons

Scottish Water Commercial Development: Fibre Optic Cable in Waste Water Infrastructure (Fibre in Pipes)

Project Positioning Document

1.0 Executive Summary

This paper provides an overview of the commercial opportunity to reliably and cost effectively build or extend broadband networks using Scottish Water's wastewater pipe infrastructure.

Scottish Water's non-core business, SW Horizons has pioneered the use of the public sewer network through collaborative research and technical trial that shaped future strategy:

- Feasibility Study May 2001 – Water Research Council (WRC)
- Technology Appraisal Dec 2002 – WRC
- Market Analysis 2003 – Booz Allen Hamilton
- Technical Trial completed 2003 – Rosyth Europarc, Dunfermline

Following successful outcome, Scottish Water's Commercial Committee endorsed the proposal to enter into a pilot project to consider the use of our sewerage assets to support the installation of fibre-optic cables. Scottish Executive Section 25 Ministerial Consent was subsequently granted to allow installation of fibre optic cables on a project-by-project basis.

More recently, SW Horizons has confirmed interest in the use of infrastructure to support Dundee City Council's announcement as one of three candidates shortlisted by H2O Networks Ltd for launch of its 'FibreCity' concept which will bring ultra high bandwidth to homes in Tayside.

2.0 Scottish Water's Role

SW Horizons have pursued a partnering model which is in line with the desire for low risk profiles and its operational constraints.

Partnership has been sought on the basis that:

- no financial investment is required by Scottish Water
- Scottish Water staff input requirements are retained at a low level
- Scottish Water's core business and statutory duties are fully protected.

Our role under the model is to provide access to our assets in return for a share of revenue generated by our partners. Primarily this concerns our underground wastewater network, supplemented where applicable by the use of Scottish Water property assets to complete a route. We will not ourselves engage in the provision of telecoms services nor will we contract with end-users of the service.