

Caithness & North Sutherland Regeneration Partnership



14 October 2009

Mr Martin Simpson
Head of Technology and Projects (Marine Estate)
The Crown Estate
16 New Burlington Place
London W1S 2HX

Dear Mr Simpson,

It was with some concern that I read press coverage of your comments regarding the likely timescale for making announcements on the results of the competition process for the seabed licensing in the Pentland Firth.

As you may be aware, the Caithness & North Sutherland Regeneration Partnership (CNSRP) is an informal partnership for the main public agencies with a remit to tackle the economic diversification of the Caithness and North Sutherland area in the wake of the decommissioning of the Dounreay nuclear plant and the loss of some 2,000 jobs (around 25% of the local employment market). CNSRP is credited with identifying the potential to derive local economic impact from the natural tidal and wave resources of the Pentland Firth, and we have remained supportive of The Crown Estate's role in the process of leasing the seabed in the Firth since its official announcement by Scotland's First Minister Alex Salmond at the 2008 Caithness Conference.

At the 2009 Caithness Conference on 1st October a large audience - including Secretary of State for Scotland Jim Murphy MP - heard an update on this process from the Crown Estate. Nowhere in this update was there a suggestion that the final announcement was to be delayed until February 2010. Therefore, your press comments over the weekend, coming less than two weeks after the Conference, have caused huge concern within both the tidal industry and the local supply chain in Caithness.

T3|UK, Janetstown, Thurso, KW14 7XF

Tel. 01847 890017

www.cnsrp.org.uk

Email acleaver@etechb.co.uk

CNSRP is a partnership of The Highland Council, Highlands & Islands Enterprise, The Nuclear Decommissioning Authority and The Scottish Government

Given the very fragile nature of this embryonic industry, and its significant potential to provide vital sources of future employment in the North of Scotland, I am writing to you to express our very real concern that delays within The Crown Estate's processes are now putting at risk the onshore economic benefits we have worked so hard to cultivate. Our area stands on the threshold of a new industry, and can provide the skills and infrastructure to nurture it. But we now fear that unless device developers, financiers and suppliers are given confidence, the industry in the UK may be stillborn, allowing international competitors to move on and realise the global benefits of this technology.

On behalf of the Executive Board of CNSRP I would therefore urge you to publish as soon as possible, and certainly by December 2009, the likely details of Pentland Firth Round 1, including the names of successful applicants, types of applications and likely developer requirements. Only with this information can our local supply chain commit to the necessary level of expenditure needed to meet the requirements of the industry as it develops. Publication of this information would send a very significant signal both to industry and to the local community in the North of Scotland, and would go a long way towards convincing the wider public of the Crown Estate's continuing commitment to the area's socio-economic needs.

*Yours sincerely,
Tony Cleaver*

Sir Anthony Cleaver
Chairman, CNSRP Executive Board

cc Mr Ian Grant, Chairman, The Crown Estate