

Derrick Milnes Esq
DSG Socio Economic sub group, Chairman
DSG Secretariat
Dounreay.com
Traill House
7 Olrig Street
Thurso,
Caithness KW14 7BJ

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our ref: DSG(2011)C259.

Dear Mr Milnes

Thank you for your letter of 1st November on the subject of local Crown Estate presence and local stakeholder engagement in Caithness.

Based on our experience with the offshore wind sector The Crown Estate has seen that the early build out of projects will be a significant factor in achieving early local employment benefits and to this end we are working with developers and stakeholders to coordinate and de-risk the delivery of the Pentland Firth & Orkney waters wave and tidal projects. To assist in this effort we have committed to an investment of over £5m in enabling projects in the Pentland Firth and Orkney waters over the next 4 years.

On a local level we continue to work in partnership with the Pentland Firth & Orkney waters co-ordination committee (PFOGCC) to determine how local stakeholder engagement is continually improved. This remains ongoing although there is general recognition in the PFOGCC that local stakeholder engagement is best undertaken by one or more of the partners depending upon the specific purpose of the engagement i.e. HIE on local supply chain investment opportunities, or project developers on project specific issues. The Crown Estate is continuing to undertake local stakeholder engagement and an example of this is in organising (in this case jointly with HIE) the public information days that will update progress of the wave & tidal developments. This event will be held in Caithness at the end of November as a repeat of the successful information days held in November 2010.

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I would like to take the opportunity to re-state our commitment to the successful delivery of the Pentland Firth & Orkney water projects. I have asked that The Crown Estate's wave and tidal team invite you or your members to meet with them so that you may have the opportunity to be briefed in more detail on the progress of the wave and tidal developments and the enabling actions that we are undertaking in support.

I am sending a copy of this letter to John Thurso who asked me to keep him informed of our response to your letter of 1 November.

Yours sincerely,

Roger Bright

ROGER BRIGHT CB