

Minister for Business, Energy and Tourism
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Murdo Fraser MSP
Convener
Economy, Energy and Tourism Committee
The Scottish Parliament
Edinburgh
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18th February 2015

Dear Murdo,

Thank you for your letter of 21 January concerning the progress of renewable energy projects on the Western Isles. You refer to correspondence from Councillor Angus Campbell (Leader, Comhairle Nan Eilean Siar) and request an update on the work of the Scottish Islands Renewables Delivery Forum.

I agree wholeheartedly with Angus about the enormous potential of renewables projects to transform the economy of the islands. The Government and the Comhairle are united in our shared determination to seize the huge prize on offer.

I persuaded the Coalition's Energy Secretary, Ed Davey, to join unprecedented intergovernmental efforts in 2012 alongside the Scottish Government, the Comhairle and other island councils, as well as Highlands and Islands Enterprise, National Grid, Ofgem, developers and SHE-Transmission to deliver the necessary island grid connections. This collaborative effort has already delivered enhanced support for island wind projects and helped to streamline the regulatory processes for the necessary investment cases.

The Scottish Island Renewables Delivery Forum has met three times – in June and September last year and mostly recently on 15 January – and I am pleased to report significant progress is being achieved. At the January meeting, for example, Ed Davey announced that DECC would publish in July this year renewables support levels for onshore wind projects on the Scottish islands for 2019/20 and 2020/21. This will enable auctions to take place in October and the award of support contracts in early 2016.

Another key area where progress was reported in January was the submission by DECC to the European Commission of a State Aid pre-notification for the islands contracts for difference. These two announcements were very positively received by members of the Forum and I am sure they came about only because of the efforts of the Forum.

In his letter to you of 20 October, Angus notes some challenges for the transmission owner (SHE-T) and Ofgem to overcome and I agree with him that the connector project for the Western Isles presents a unique set of circumstances. However, I am encouraged that through the work of the Delivery Forum SHE-T and Ofgem are now taking action which will significantly shorten the time taken to assess the investment cases for the islands links.

The path to the delivery of the islands' renewable potential has been prolonged and difficult – and the “failure of policy in regards to key national infrastructure” mentioned by Angus rests very squarely with the energy policies of successive governments at Westminster.

I choose not dwell on these failures but instead concentrate my efforts as Energy Minister on seizing opportunities to make tangible progress. My commitment to realising the potential of renewable energy developments in the Scottish islands remains as firm as ever, and in co-chairing the Delivery Forum I will make every effort to drive forward further progress.

Yours Sincerely

A handwritten signature in black ink that reads "Fergus Ewing". The signature is written in a cursive style with a large loop at the end of the last name.

FERGUS EWING