



For the attention of David Simpson

27th November 2018

Dear David,

I hope that you are well and do not mind me writing to you in regard to support for Pembroke Dock Marine. Our Company, Marine Power Systems is an established marine energy technology business who is developing the WaveSub, a wave energy converter. Based in Swansea, the company currently employs 10 staff who reside throughout the region.

The 1:4 scale device that was supported by private investment and European Regional Development Funding, was fabricated and deployed in Pembroke Dock and maximised the local supply chain throughout the Swansea Bay Region contracting work to business' within all four local authorities. This included, but was not limited to Ledwood Mechanical Engineering, Mainstay Marine Solutions, Camplas Technology and 3K's Engineering. In the future, we envisage that European installed capacity could be constructed and delivered from the SBCR, due to our unique advantage of being able to tow the device considerable distances using modest work vessels.

Immediate plans

We are in the advanced stages of making the £20m financial investment decision for our full scale device. This decision is predicated on the outputs of Pembroke Dock Marine being available to Marine Power Systems. The next phase is expected to maintain our current staffing levels & increase headcount by circa 14 full time staff. To deliver on the creation of jobs and growth, by providing employment opportunities for those who are out of work, MPS is fully committed to the vision of a Welsh marine energy supply chain, having set itself an aim of achieving a minimum 50% Welsh supply chain content for the Operation. This was achieved for our 1:4 scale Operation.

Need for PDM

The full scale WaveSub will be a significant piece of engineering. At approximately 100m long, 40m wide and weighing several thousand tonnes, the device will require infrastructure and access infrastructure to suit. Marine Power Systems were an active consultee in both the Pembroke Dock Improvements, META and the commercial and technical feasibility study for the Pembrokeshire Demonstration Zone. The current re development plans at Pembroke Port are critical to our next phase and longer term ambitions are to have capacity in The Pembrokeshire Demonstration Zone, which would see multiple WaveSub's fabricated, deployed and maintained within from the region.

In order for us to make our next final investment decision, we need to have a degree of comfort that Pembroke Dock Marine is in a position to move forward in early 2019. Without it, there is potential risk of delay as it is unlikely that the fabrication will be able to be completed at Pembroke Dock. All of these have the potential to dent investor confidence and I would ask that you use your influence to lead this project to approval as soon as possible.

Please do not hesitate to contact me, should you wish to discuss further.

Yours sincerely,

Dr Gareth Stockman
Chief Executive Officer

