



Carnegie signs for WA wave project

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Carnegie Wave Energy is on its way to becoming the first Australian company to commercialise renewable energy technology after signing off on a 5MW wave power project to be built off Garden Island.

The small-scale commercial project, which will be the first in Australia and the biggest in the world, will produce enough power for up to 3500 homes on completion in 2011.

Garden Island was selected after a series of feasibility studies by Carnegie on the viability of its CETO wave energy technology, developed by Fremantle inventor Alan Burns, at several sites off the coast of WA, Victoria and South Australia.

The decision to proceed with the project came after the State Government yesterday formally committed \$12.5 million towards it through its Low Emissions Energy Development grant program.

The Government flagged its intention to hand over the money earlier this year, before Carnegie had decided on a final location.

Under the conditions of the deal, Carnegie must commit \$3 for every \$1 of Government funds. Chief executive Michael Ottaviano said the company

was in talks with "a number of parties" about the remaining \$38 million needed to bring the project to completion and was confident of securing the funds.

Although it is yet to secure an off-take partner for the project, Carnegie has signed memorandums of understanding with both Synergy and the Defence Department, which operates the naval base on Garden Island.

On such a small scale, wave power will be more expensive to produce than wind power, one of the only proven renewable energy sources in Australia, but Carnegie is working towards building a large-scale, 50MW project which would operate at a similar cost to wind technology.

"What this does for investors looking at Carnegie is show there's a really clear path to commercialisation," Dr Ottaviano said. "We've done the pilot plant, we'll do the 5MW project and then we've got the 50MW project."

Carnegie expects to receive final environmental approval for the Garden Island project, which will save an estimated 500,000 tonnes of greenhouse gas emissions over its 20-year lifespan, within weeks.

Its shares gained 0.5¢ to 22.5¢.