



Australian
 Wednesday 12/5/2010
 Page: 10
 Section: Budget Supplement
 Region: Australia Circulation: 131,246
 Type: National
 Size: 514.33 sq.cms.
 Frequency: MTWTF

Index: 1.2
 Brief: CARNEGIE(P)

THE FEDERAL BUDGET CLIMATE



CASE STUDY {RENEWABLE ENERGY}

MIKE Ottaviano believes Australia's southern oceans are the best on the planet to drive a renewable energy revolution that could cut the nation's greenhouse emissions and provide a reliable source of base-load electricity.

At Garden Island, off the West Australian coast, Mr Ottaviano's Carnegie Wave Energy is developing a power plant that harnesses the eternal movement of the ocean to provide emissions-free electricity.

But Carnegie has so far been denied grants as part of the federal government's renewable energy programs and the Australian-owned and -developed technology is in danger of being deployed overseas where European nations have more generous regimes to encourage wave power development.

Last November, Carnegie was beaten by Ocean Power Technologies to build a flagship wave energy plant. The market was surprised when the US company was

preferred for a \$66.5 million grant, over Carnegie Wave Energy, Bio-Power and Oceanlinx.

But Mr Ottaviano has been pressing ahead with a pilot plant for Carnegie's technology at Garden Island, though he is now eyeing overseas opportunities.

He says the Carnegie technology is "radically different" to other wave-power technologies.

The wave plant is submerged and avoids the inevitable destructive effects of wave surges.

The underwater plant pumps water to an onshore facility that uses standard hydro-electric equipment to generate electricity.

The Garden Island plant will produce enough power for 3500 homes. But beyond the first plant, where the technology is ultimately proven will depend on government policy.

"We may be forced to deploy offshore," Mr Ottaviano said.

He said the \$652 million renewable energy fund was a positive for the renewables industry

and developing technologies such as wind and geothermal.

The beauty of wave power is the ocean's constant motion means it is always able to generate electricity. This means it is able to be used for base load power generation. Other renewables, such as solar energy and wind power, are mostly unsuitable for base load generation. The Clean Energy Council has also called for tax concessions for renewable energy companies. Chief executive Matthew Warren said it wanted the commonwealth to create a geothermal, wave and tidal equivalent of the solar flagships program.

Under the \$1.5 billion solar flagships program, the government has provided one-third of the capital cost of two large solar plants.

"If it works for large-scale solar, it's logical you would experience the same in ocean wave and geothermal," Mr Warren said.

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Chief executive Mike Ottaviano of Carnegie Wave Energy, a renewable energy company that may be forced offshore to find more funding