

Ocean Energy uses waves to power funds

By Linda Daly

Cork company Ocean Energy has announced plans to raise €20 million in first-round funding, and has appointed AIB Corporate Finance and Matheson Ormsby Prentice as advisers.

It is estimated that the company's principals – commercial director John Keating, John McCarthy and Michael Whelan – have so far invested €5 million in the venture. Sustainable Energy Ireland (SEI) has made additional funding of €700,000 available to the firm over an eight-year period.

Keating said he was encouraged by the response to the company's first-ever funding round. "We started our fundraising initiative in the last two or three weeks, and have received a lot of interest. The electricity industry is a €200 billion-a-year market – and wave energy has the potential to become a significant part of that," he said.

Once established in Ireland, Ocean Energy will sell to overseas markets, including the US, Britain and mainland Europe. The firm has been operating since 2000 and employs six people. However, Keating said he expected this figure to rise significantly within 12 months. Plans to raise external fund-



John Keating

ing follow the successful completion of trials to test the company's wave power technology. Ocean Energy spent two and half years testing its OE Buoy at a government test-site off the coast of Spiddal, Co Galway.

"Effectively, what we have is a floating platform, which has been very carefully designed to optimise the air flow created by wave pressure. That air flow then turns the turbine, which generates energy and power," said Keating.

Ocean Energy went offshore with the quarter-scale device for the first time on Christmas Day 2006. The following

month, the device was hit by heavy storm conditions. "We didn't know whether our little device was going to survive it or not, but it operates sympathetically with the environment. There is no adverse affect on our device in harsh weather. However, energy from the wave will peak so we don't benefit from harsh weather as such," said Keating.

In Ireland, more than €26 million has been allocated to the wave energy sector under the sustainable environment sub-programme of the National Development Plan 2007-2013. Ireland has set wave energy targets of 75MW by 2012 and 500MW by 2020, by which time the government hopes to earn more than €1 billion per annum from it.

"State support by way of investment funding is a very important feature in allowing companies such as us to succeed. What that does is recognise the significance and the value of work that has been done to date," said Keating.

It was, he added, an exciting time for tidal power.

"We don't just want Ireland to become a centre for excellence for R&D but to take the next step and to commercialise and manufacture the products it creates. Really, we have the opportunity to put Ireland on the map as a global leader in wave power," he said.