



FINANCIAL
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Brussels backs £60m Cornish wave energy project

An artist's impression of the proposed new Wave Hub off Hayle, Cornwall © PA

An Australian company has won EU backing for a £60m project to build the first commercial wave energy project connected to the electricity grid in England.

Carnegie Wave Energy will receive £9.6m of EU regional development funds for a project at Hayle on the north coast of Cornwall that is among the most ambitious attempts yet to harness the power of ocean swells to produce clean energy.

The project shows how Britain is continuing to receive EU regional development funds — intended to “strengthen economic and social cohesion” across the EU — even after its vote to leave the bloc. Cornwall has long been among the [biggest UK recipients](#) of EU aid.

Michael Ottaviano, Carnegie’s chief executive, said he was “surprised and disappointed” by the referendum result but was reassured by public commitments from the Treasury to continue funding EU-financed projects after Brexit takes place.

Similar schemes in Scotland have [struggled](#) with financing and technology but Mr Ottaviano said he was confident that wave power could have an important role in the UK’s shift away from fossil fuels.

The Hayle scheme will be part of a testing facility called [Wave Hub](#) which is at the heart of a drive by local authorities in Cornwall to attract investment in marine energy.

Carnegie has been developing its technology in Australia for years but Mr Ottaviano said there was stronger government support for clean energy in the UK.

“Wave Hub is the best place in the world in terms of wave resource and infrastructure,” he said. “In Australia we have an embarrassment of energy resources so there has not been such strong incentives for new technology.”

The EU money will ensure the go-ahead for the first phase of the Hayle scheme, involving 1 megawatt of power due to be connected to the grid in 2018. This would be followed by a second phase intended to deliver 15MW by 2021.

As an island nation perched on the edge of the turbulent north Atlantic, Britain is an obvious place to harness energy from waves. Alex Salmond, former Scottish first minister, once said Scotland could become “the Saudi Arabia of marine power” and Mr Ottaviano said south-west England had similar potential.

Two Scotland-based wave power companies, Pelamis and Aquamarine, have gone into administration in the past two years, highlighting the difficulties of developing technology resilient enough to operate in stormy seas — and raising the money to do it.

Mr Ottaviano said Carnegie’s generating device was different to others in that it operates under water rather than on the surface, protecting it from breaking waves.

The technology requires a swell of at least 1m to generate electricity — a level which Mr Ottaviano said can be relied upon almost every day off the Cornish coast.

Wave power is not the only form of marine energy vying for financing and policy support in Britain. A tidal power scheme developed by Atlantis Resources off Scotland was connected to the grid this year and another

company, Tidal Lagoon Power, is seeking government support for a £1.3bn tidal scheme in Swansea Bay.

Mr Ottaviano said there was room for both wave and tidal. “There is no one silver bullet for decarbonisation. It will have to be a mix of technologies.”