

Hon Hekia Parata

Acting Minister of Energy and Resources



7 October 2011

Media Statement

Three marine energy projects to receive funding

The Acting Minister of Energy and Resources, Hekia Parata, has today announced that three marine energy projects will receive funding as part of the Government's Marine Energy Deployment Fund.

The projects include a wave energy device for Stewart Island, turbines to generate electricity for Parnell Baths in Auckland, and funding for a cable to link a wave energy device at Moa Point in Wellington.

"New Zealand has huge potential to generate electricity from marine energy in the future," says Ms Parata.

"This could add significantly to our renewables portfolio."

It is estimated that as much as 8000 megawatts of marine energy resources are available – nearly as much as New Zealand's current installed generation of around 9600 MW.

"The Marine Energy Deployment Fund is one way of gaining practical knowledge about the generation of electricity by wave and tidal devices in New Zealand waters. This will help us better understand how and when this technology will contribute to our electricity supply and will ultimately accelerate its commercialisation.

"The Government's commitment to developing renewable energy resources was underlined in the recently-released New Zealand Energy Strategy, which includes a target of generating 90 per cent of electricity from renewable resources by 2025.

"I am pleased to report that we are on track to achieving this target, with figures from the last two consecutive quarters showing electricity generation from renewable resources at 79 per cent," says Ms Parata.

The successful marine energy projects named today are:

- **Wave Energy Technology New Zealand Ltd (WET-NZ):** \$361,884 for the installation of a cable at WET-NZ's Moa Point Test Site on Wellington's south coast. The cable will later be available for use by other marine energy developers for further device testing.
- **Community Leisure Management Ltd (CLM): Parnell Baths Marine Energy.** \$203,000 for the installation and deployment of up to three turbines on the Tamaki Drive Road Bridge to harness the tidal flows in and out of Hobson Bay. The electricity generated by the turbines will be used to pump and re-circulate treated seawater in the nearby Parnell Baths.
- **Tangaroa Energy Rakia Amps Ltd: Tangaroa Energy/Langlee Wave Power Project:** \$312,000 for the manufacture of a 20kW wave energy device which will be installed and deployed in the eastern waters of Stewart Island.

Funding is administered by the Energy Efficiency and Conservation Authority (EECA) and is subject to the developers meeting certain milestones, including obtaining all necessary resource consents and sufficient finance. The projects are expected to be built within the next two years.

The Minister also announced that funding for the first phase of Crest Energy's Kaipara Harbour installations has been withdrawn.

\$1.85 million from the fund was set aside in 2008, for a 3 MW pilot tidal stream generator project in the Kaipara Harbour, which was a precursor to their larger 200 MW project.

"Crest Energy is unable to meet the time lines associated with the funding and as a result have agreed to forego it."

"I understand that Crest Energy is still committed to the project, and EECA will continue to work with the company to learn from the project as it proceeds," says Ms Parata.

Wave Energy Technology - New Zealand (WET-NZ) and Chatham Islands Marine Energy (CHIME) already have projects underway. WET-NZ are currently testing a half scale wave device near Akaroa, while CHIME is on track with its project of installing a wave device near the Chatham Islands.

More information about the fund can be found at EECA: www.eeca.govt.nz/marine-energy-fund <<http://www.eeca.govt.nz/marine-energy-fund>>

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