

# OREGON WAVE ENERGY TRUST UTILITY MARKET INITIATIVE

## TASK 1: UTILITY ENGAGEMENT



[www.oregonwave.org](http://www.oregonwave.org)



[www.peventuresllc.com](http://www.peventuresllc.com)

The Utility Market Initiative was prepared by *Pacific Energy Ventures* on behalf of the Oregon Wave Energy Trust.

DECEMBER 2009

This work was funded by the Oregon Wave Energy Trust (OWET).

OWET was funded in part with Oregon State Lottery Funds administered by the Oregon Business Development Department. It is one of six Oregon Innovation Council initiatives supporting job creation and long term economic growth.

This Utility Market Initiative was prepared by Pacific Energy Ventures on behalf of the Oregon Wave Energy Trust.

For information about this project, please contact Justin Klure at Pacific Energy Ventures:

Phone: (503) 475-2999

Email: [jklure@peventuresllc.com](mailto:jklure@peventuresllc.com)

#### About Oregon Wave Energy Trust

The Oregon Wave Energy Trust – (OWET) - with members from fishing and environmental groups, industry and government - is a nonprofit public-private partnership funded by the Oregon Innovation Council in 2007. Its mission is to serve as a connector for all stakeholders involved in wave energy project development - from research and development to early stage community engagement and final deployment and energy generation - positioning Oregon as the North America leader in this nascent industry and delivering its full economic and environmental potential for the state. OWET's goal is to have ocean wave energy producing 2 megawatts of power - enough to power about 800 homes - by 2010 and 500 megawatts of power by 2025.

## TASK 1.0 UTILITY ENGAGEMENT

### Objective

Establish effective mechanisms to engage utility planners and industry to identify and address issues in order to accelerate market growth.

### Background

In the last three years, Oregon has experienced firsthand the rapid emergence of the wave energy industry, with two demonstration projects and eight preliminary permit applications for commercial scale wave projects. While the wave energy industry is still in the early stages of development, renewable portfolio standards, interest in carbon management, and government financial incentives have and will continue to support the acceleration of renewable energy. Recent advances by the wind energy industry in the Northwest have had significant impacts to the management of the regional power system, resulting in considerable direct and indirect costs to regional utilities. Regional utilities are currently establishing integration requirements, allocating costs, and scheduling procedures for variable/intermittent power generation projects. These circumstances present a valuable opportunity for early engagement between utilities and developers to work together to determine the optimal approach to integrating these resources into the power system.

### Information Gaps

Because most utilities and power system planners neither know the resource potential nor understand the technologies, wave energy is currently not being contemplated in regional power planning efforts. Further, there is little understanding of the resource characteristics and how that translates into technical integration requirements or business arrangements.

### Approach

The PEV team established a **Utility Advisory Committee** to engage the wave energy industry and utility community at a policy and leadership level. This Utility Advisory Committee guides and oversees efforts in three key areas necessary for successful integration of wave energy into the electric grid; resource potential, business model, and integration requirements.

