



Draft Strategic Roadmap Key Recommendation 4.5

Collaboration to reduce costs and plan deployment

Prepared for:

Forum Open Session Conference
23-24 February 2016, Edinburgh

OEF Session 7

Day 2 Wed 24 February 2016 1445-1600hrs

Menteith Room Level -1

Document produced by;	Ocean Energy Forum Secretariat with Tony Lewis (University College Cork) Secretariat Advisor – V1. 18 February 2016
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Context;	Following publication of the Forum's <i>Draft Strategic Roadmap</i> in October 2015 (where 6 key recommendations were outlined to help develop the ocean energy sector), the Forum has been tasked with producing action plans for each recommendation to help realise the aims and ambitions of the Roadmap. The actions plans will be reflected in the final Strategic Roadmap due to be published in November 2016.
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1. Industrial Roll-out: Collaboration to reduce costs and plan deployment

The Challenge

If any ocean energy technology is to become commercially viable, the cost of capital needs to be reduced, optimised and grid infrastructure and financing should be amended to maximise access.

The Approach

Reducing the capital burden can be achieved through access to loan guarantees, and revenue support systems designed to deliver income security, market visibility while minimising public spending and avoiding costs overruns. Reducing insurance cost will come from reduced uncertainties on device production/operation as well as capacity building in the insurance industry.

The Benefit

A collaborative approach offers potential cost savings across the sector which will assist in achieving the stage of industrial roll-out and a subsequent shift from investment support to revenue support.

Action for the ocean energy sector (industrial players)

- Devise standards for ocean energy roll-out based on learnings from the first demonstration and pre-commercial farms.
- Create working groups with the insurance and banking communities to increase knowledge, reduce costs and ease access to commercial debt, with a specific focus on loan guarantees.

2. Approach for Forum session in Edinburgh

The session will be led by Tony Lewis from University College Cork.

Forum Steering Committee Chairs will be in attendance.

The session will start discussions to gain a consensus on what and how to develop an action plan that can help realise the ambitions of this key recommendation.

There will be presentations from the following project representatives (order tbc) where we will not only hear about the projects but seek to learn lessons, understand the challenges and share best practice:

- Collaboration with the US Department of Energy – *John McCarthy, OCEANENERGY*
- EU-funded project DTOcean for enabling deployment – *Henry Jeffrey, University of Edinburgh*
- OCEAN-ERANET international collaboration to promote development with companies and researchers – *Karen Fraser, Scottish Enterprise*
- Collaboration for deployment projects – *Speaker tbc MEYGEN*
- Experience of collaboration in cost reduction - *Max Carcas, CAELUM (ex Pelamis)*