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**SCOTLAND'S AWS OCEAN ENERGY SECURES MAJOR INVESTMENT FROM ALSTOM**

*International power company makes first-ever investment in wave energy*

AWS Ocean Energy Ltd, one of Scotland's pioneering wave energy companies, today announced that it had secured a major investment from Alstom, a global leader in power generation, power transmission and rail infrastructure. Alstom acquires a 40% equity stake in Inverness-based AWS Ocean Energy. This will give the company the financial strength to expand its operations and accelerate the development of its AWS-III wave power technology. It is Alstom's first-ever investment in the wave energy sector.

The announcement was made this evening (June 21<sup>st</sup> 2011) at Edinburgh Castle, at an event hosted by Alex Salmond, Scotland's First Minister.

Alex Salmond, the First Minister, said: This is a hugely significant investment announcement that brings together a pioneering Scottish marine energy developer with one of the world's leading power generation and transmission companies, which is entering the wave energy market for the first time. It is a strong vote of confidence in the innovation and engineering capabilities of AWS and their partners and underlines the growing strength of Scotland's renewables industry as we look to harness our unrivalled wave, tidal and wind sources.

"We are determined to provide the optimum environment for the development and deployment of clean energy technology, working with private and public sector partners to forge a truly low carbon economy both in Scotland and further afield. I'm very pleased that the Scottish Government's enterprise agencies have been able to support AWS as it has developed its technology and business. It is clear that in the global race to harness energy from our seas and oceans, Scotland rules the waves."

In welcoming Alstom, Simon Grey, AWS Ocean Energy's Chief Executive, said "Alstom's investment is a significant boost for AWS Ocean Energy and Scotland's wave energy sector as a whole. Alstom's decision to invest in our company, as well as the support of the Scottish Government, is an endorsement of what we have achieved so far, and a major source of motivation to accelerate the commercial development of our technology.

"With Alstom as a major backer, AWS Ocean Energy has a delivery capability which our utility customers will need in order to realise their major wave energy projects in Scotland and elsewhere. Alstom's investment provides us with the stability we need in order to attract top talent to work for us and so today we are launching a recruitment campaign to expand our engineering team at Inverness."

Alstom's Senior VP of Hydro and Wind, Philippe Cochet, said: "We are extremely excited about entering the wave energy market at this pivotal time. Our engagement with AWS today forms an important part of the strategic development of our recently created business activity, Alstom Ocean. Having reviewed many different technologies, and undertaken further detailed analysis with the most promising, we are absolutely confident that AWS-III is a technology that perfectly complements our existing ocean

activities: tidal energy and offshore wind, while further reinforcing Alstom's position as a leading supplier of clean energy solutions."

Alstom becomes a shareholder in AWS Ocean Energy alongside the Shell Technology Ventures Fund 1 (managed by Kenda Capital) and Scottish Enterprise/Scottish Investment Bank.

Lena Wilson, Chief Executive of Scottish Enterprise, said: "AWS-III technology is a great example of innovative Scottish energy engineering and this latest investment from Alstom underlines confidence in the company and its technology as a viable future renewable energy source. Scotland's renewables sector is going from strength to strength and we are delighted that both the WATERS grant and our Co-Investment Fund, through the Scottish Investment Bank alongside Shell Technology Ventures, has helped contribute to the company's growth and development."

Calum Davidson, Highland & Islands Enterprise Energy & Low Carbon Director, added: "This is a major step forward in the development of the wave energy industry in Scotland. Alstom has carefully examined new wave technologies from around the world and we are absolutely delighted that a global business of this scale has clearly identified the potential of the AWS team and their device. Alstom's backing will now provide the business with the resource to take the next steps in developing their technology - a full-scale prototype demonstrator. Scotland is a clear leader in wave and tidal energy, with the Highlands & Islands now the clear location of choice for testing and deploying these technologies. This move is a further vote of confidence in the innovation and ability of our people and businesses."

John Anderson, Chairman of AWS Ocean Energy, said "Today's announcement is due to so many factors: the hard work and commitment of Simon Grey and the rest of the AWS team in Inverness, the vital support of our existing shareholders, the collaboration with partners and suppliers such as the University of Strathclyde and the encouragement of people within the Scottish Government and Highlands & Islands Enterprise. With Alstom's investment and industrial pedigree, AWS is on course to be a major technology provider to the international wave energy sector."

## Notes to Editors

### **AWS Ocean Energy** ([www.awsocan.com](http://www.awsocan.com))

1. AWS Ocean Energy Ltd is based in Inverness, and currently employs 14 people (primarily engineering and research analysts). Its core business is marine energy technology: creating, commercialising and delivering enabling technologies and related services to the emerging marine energy sector through R&D, engineering and commercial expertise.

2. AWS's lead product is the AWS-III, a multi-MW offshore wave energy generator evolved from the award-winning Archimedes Waveswing™ technology, first deployed and tested in Portugal in 2004. A 1/9<sup>th</sup> scale prototype of the AWS-III was trialled last year (2010) in Scotland's Loch Ness and the company plans to deploy and test a full size single cell of the AWS-III multi-cell prototype in Scottish waters next year (2012) and are aiming to deploy their first AWS-III in 2013/14.

3. A single utility-scale AWS-III, will be capable of generating up to 2.5 Megawatts (MW) of power, providing customers with an affordable solution to generating bulk energy from the ocean waves. The AWS-III system is a

12-sided floating device which sits on the surface of the ocean and uses the action of the waves to produce electricity. The rising and falling motion of the waves forces air forward and backwards through a number of air turbines installed inside the device. These turbines activate the electrical generators to which they are attached to produce electricity.

4. To date, the company and its R&D work has been financed by a combination of private and public sector investment, and government grants. In July 2010, AWS Ocean received £1.39 million of funding support through the Scottish Government's WATERS programme (Wave and Tidal Energy: Research, Development and Demonstration Support) and in the same month, AWS and its project partner, the University of Strathclyde, received a £350,000 grant from the UK Government sponsored Technology Strategy Board. The investments made by Shell Technology Ventures Fund 1 and Scottish Enterprise/Scottish Investment Bank were made in February 2010.

#### **Shell Technology Ventures Fund 1**

Shell Technology Ventures Fund 1 B.V. (the "Fund"), managed by Kenda Capital B.V. ("Kenda"), is a unique large scale investment fund focused on reducing the cost of energy by accelerating the development and deployment of new technologies. Kenda and the Fund have solid energy sector expertise, fostered through a unique technology relationship with the Shell Group. Major investors in the Fund are the Royal Dutch Shell Group, Collier Capital and the Abu Dhabi Investment Authority.

#### **Alstom ([www.alstom.com](http://www.alstom.com) / [www.alstom.com/power](http://www.alstom.com/power))**

Alstom is a global leader in the world of power generation, power transmission and rail infrastructure and sets the benchmark for innovative and environmentally friendly technologies. Alstom builds the fastest train and the highest capacity automated metro in the world, provides turnkey integrated power plant solutions and associated services for a wide variety of energy sources, including hydro, nuclear, gas, coal and wind, and it offers a wide range of solutions for power transmission, with a focus on smart grids. The Group employs 93,500 people in around 100 countries, and had sales of over € 20.9 billion in 2010/11.

#### **Scottish Investment Bank**

The Scottish Investment Bank is a division of Scottish Enterprise which operates Scotland-wide, in partnership with Highlands and Islands Enterprise. It operates a suite of funds including: the Scottish Seed, the Scottish Co-investment, the Scottish Venture and the Scottish Loan Fund to support Scotland's SME funding market to ensure that businesses with growth and export potential have adequate access to growth capital, see [www.scottish-enterprise.com/sib](http://www.scottish-enterprise.com/sib).

#### **For further information**

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