



## **PRESS RELEASE**

**April 4, 2003**

### **Clallam County PUD Announces Offshore Wave Energy Purchase Agreement With AquaEnergy Group Ltd.**

Port Angeles, WA – Clallam County PUD has finalized an agreement to purchase electricity generated by an offshore wave energy pilot plant, to be developed by Mercer Island, Washington-based AquaEnergy Group, Ltd. The pilot plant will consist of four wave energy converters called AquaBuOYs™ to be placed in Makah Bay. The buoys have an expected capacity to produce 250 KW of electrical power each by mid 2004 - enough energy to light approximately 150 homes. Clallam County PUD will purchase the energy generated by the pilot plant and re-sell it to its customers at standard rates.

“Clallam County PUD is committed to exploring and capitalizing on technologies that can generate alternative energy,” said Fred Mitchell, Clallam County PUD Telecommunications & Power Resources Manager. “AquaEnergy is a worldwide pioneer in harnessing offshore wave energy for power generation. They have been conducting ocean research in support of the environmental assessment for this new technology in Makah Bay. We have agreed to participate in the pilot program to assess feasibility of wave energy conversion.”

“We applaud Clallam County PUD for being the first public utility in the nation to execute a power purchase agreement for offshore wave energy,” said Alla Weinstein, CEO of AquaEnergy Group Ltd. “The combined support of our partners, suppliers, and the local community has been overwhelming, as has the interest and support of Senator Patty Murray and Congressman Norm Dicks in getting this project headed toward completion. We are glad that the Pacific Northwest will be part of the exploration of offshore wave energy, especially in this time when the United States can greatly benefit from alternative sources of energy.”

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“The AquaEnergy system will use four buoys anchored about 3.2 miles off shore in Makah Bay,” said Weinstein. “As each buoy rides up and down ocean waves, the motion of the ocean will operate an internal hose pump mechanism, which will pump water within the buoy to turn a small turbine. The turbine will drive a generator, with electricity brought ashore via a cable on the ocean floor.”

Surveys have shown the Makah Bay region offers consistently powerful waves close to shore, said Weinstein. This scenario offers a reliable source of energy and a short path of transmission to a shore collection point – both vital ingredients for siting economically feasible ocean wave power stations.

AquaEnergy launched a wave monitoring buoy and other measurement devices in Makah Bay in November, 2002. With the assistance of the Makah Nation and suppliers Thales GeoSolutions (San Diego), Evans-Hamilton (Seattle) and AXYS Environmental (Sidney, BC), AquaEnergy obtained oceanographic and geophysical data necessary to determine the best route to bring generated power to shore, said Weinstein. Initial help to gain necessary permits for the project was provided by a consortium that includes Northwest Energy Innovation Center, Bonneville Power Administration, Energy Northwest, Washington State University and Battelle Memorial Institute.

Other consortium members include the Makah Indian Nation, Clallam County Economic Development Council, and Clallam County PUD.

#### About Clallam County PUD

Since 1944 Clallam County PUD has supplied the county with reliable and affordable water and electric services. In 1990 Clallam PUD was authorized to offer sewage system services. In 2002 Clallam PUD added a fourth utility, telecommunications, for its own benefit and public access. Clallam PUD serves 25,000 customers with electric service and has offices in Port Angeles, Sequim, Forks, and Clallam Bay/Seki. Clallam PUD's strategic plan emphasizes acquiring energy from renewable resources, especially within its service territory.

#### About AquaEnergy Group Ltd.

AquaEnergy Group Ltd. is a technology leader for the production of low-cost, renewable energy. AquaEnergy has developed AquaBuOY™, a patented device to generate clean electricity from the energy of offshore ocean waves at competitive prices. AquaEnergy has successfully solved the issues historically affecting the wave-power technology: survivability, cost, and environmental impact.

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