
The Potential of
Wave Power

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April 28, 2021

Wave power is a type of hydroelectric power that relies on the capture of energy held by ocean waves. Like wind and solar power, wave power has the potential to be a valuable part of the energy transition.

The potential of wave power lies in the immense amount of kinetic energy at stake. Wave power has far greater energy density than wind or solar. It generates up to 24-70 kW per meter of wave, with peak near-shore power ranging from 40-50 kW per meter. The world’s total wave resource has been estimated to be as much as 2 terawatts (TW) of energy— the equivalent of world's electricity consumption.[[1]](#endnote-1) T=The annual energy potential off the coast of the United States (US) alone is approximately 2.640 terawatt hours per year, which is equivalent to 65% of US annual electricity consumption.[[2]](#endnote-2)

Ultimately, the question that will determine the role of wave power in the energy transition is how much of it can actually be recovered and harnessed into power. At present, that estimate is understood to be around 0.5TW.[[3]](#endnote-3) The reasons for this include developing a system that can cope with extreme conditions of the open waters, as well as the high costs associated with wide scale deployment. The projections of worldwide installation capacity are also varied. While the Ocean Energy Systems assessments project the worldwide installation capacity of 337 gigawatts (GW) by 2050, International Energy Agency (IEA) estimates a 63 GW installation capacity by the same year.[[4]](#endnote-4)

Wave power energy generation is in a comparative state of infancy to wind or solar. Several different types of wave energy converters are being tested extensively at kW scale. One of the better-known technologies is an attenuator, which is a floating offshore device consisting of five separate sections with four flexible joints. Ocean waves make the panels flex, which in turn pump hydraulic oil into high pressure accumulators. This turns a hydraulic motor and generates electricity. Pelamis, the first offshore WEC to generate capacity into the grid, is the perfect example of this technology. Although Pelamis did not enjoy commercial success, the peak power of a single attenuator is estimated to be around 750kW (this can vary drastically depending on the location).

Other examples of WECs include oscillating wave columns and oscillating wave converters (with the latter often being shore based), as well as point absorbers and over topping terminators—a plant in Toftestallen, Norway built in 1985 is an example. The Toftestallen plant operated for three years before being destroyed by a severe winter storm in 1988.

PRIVATE SECTOR INVESTMENT

While private sector investment has been largely earmarked for tidal energy and offshore wind farms, there has been a notable increase of activity around wave energy power generation. This includes pilot projects, patents, ocean wave resource assessments and deployment of new WEC technologies.[[5]](#endnote-5) Large utility companies, such as France’s EDF and Spain’s Iberdrola, along with engineering firms including ABB Group and Mitsubishi Heavy Industries, have recently entered the wave energy market. Indeed, a report by IRENA estimates that installed wave power capacity has reached 2.31MW in 2020 and another 100MW is expected to be added in the coming years.[[6]](#endnote-6)

The US issued its first ever wave energy lease for federal waters off the West Coast in February 2021. The research lease concerns a proposed $80 million open ocean wave energy test center near Oregon. It is expected to cover approximately 2.65 square miles and will consist of four test berths supporting the testing of up to 20 WECs, with an installed capacity of up 20 MW. This is a significant development which follows the assessment completed towards the end of last year by the Pacific Northwest National Laboratory, which identified the coastlines of Washington and Oregon as the most promising areas for extracting clean power from the West Coast waves.

The United Kingdom (UK) is also at the forefront of the global wave energy sector. Organizations such as the UK Marine Energy Council, Scottish Renewables and the European Marine Energy Centre, are aiming to secure revenue support and create a more accessible way forward for the sector. According to a report by Scottish Renewables issued in 2019, the UK now has 23 wave developers.[[7]](#endnote-7) Given its net zero targets for 2050, exploitation of marine energy resources, including wave power, is likely to play a growing role in reducing emissions.

In Europe, developers focus their efforts on piloting wave power technology on a smaller scale, with the aim of pushing it towards greater economic competitiveness. The Swedish company Eco Wave Power, for example, in 2014 launched its trial project in Israel, which generates 100 kW for the country’s grid. In 2019, it partnered with EDF and now appears to target future projects in Morocco, Vietnam and Australia.

KEY CHALLENGES

The harnessing of wave power is still an emerging technology. Owing to its optimal characteristics, such as the modular nature of devices, wide availability of resource and low emissions, it attracts interest from both the energy industry and academia globally.

However, due to its complexity, no single device design has emerged as optimal. As such, although wind technology boasts a sustained degree of R&D and investment, wave power continues to lag behind.

Among the core obstacles facing the wave power industry is developing technology which is capable of withstanding harsh environmental conditions and extreme ocean weather, energy storage, and consistency of supply in sufficiently large amounts.

Size density of WEC systems is another challenge. The focus here is on building wave energy farms capable of demonstrating capacity upwards of 20 MW, while utilizing new technology that occupies minimum space yet provides a sufficiently large output.

WECs are also expensive to maintain. In fact, it has been estimated that the operational expenses can account for as much as 10% of the total cost of investment.[[8]](#endnote-8)

Innovation is not just a matter of developing new devices; it also relies on the development of new policies allowing deployment of innovations to the market at a rapid enough speed.[[9]](#endnote-9) To that end, a clear system governing marine spaces and marine resource management rights allocation is crucial to increase investor confidence and facilitate eventual commercialization of this technology.

WHAT’S NEXT FOR WAVE POWER?

Ultimately, the degree of private sector investment, including debt financing, is going to depend on the bankability of these projects. This in turn depends on a favorable policy landscape, reliable forecasts, demonstrable efficiency and steadiness of supply. While the comparable novelty associated with the sector provides challenges to success, the global efforts to accelerate transition to net zero are giving wave power generation a new lease on life.

Provided that reliable technology, methods of forecasting and cost-efficient operations can be established, the road ahead could be exciting. To that end, companies such as Eco Wave Power are already driving technology innovation, including developing software to monitor wave power generation in real time, which should help enable rapid commercialization.[[10]](#endnote-10)

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