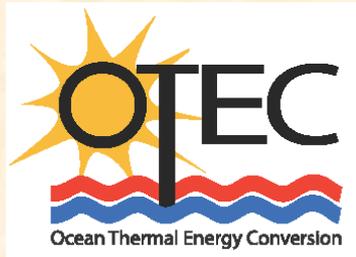




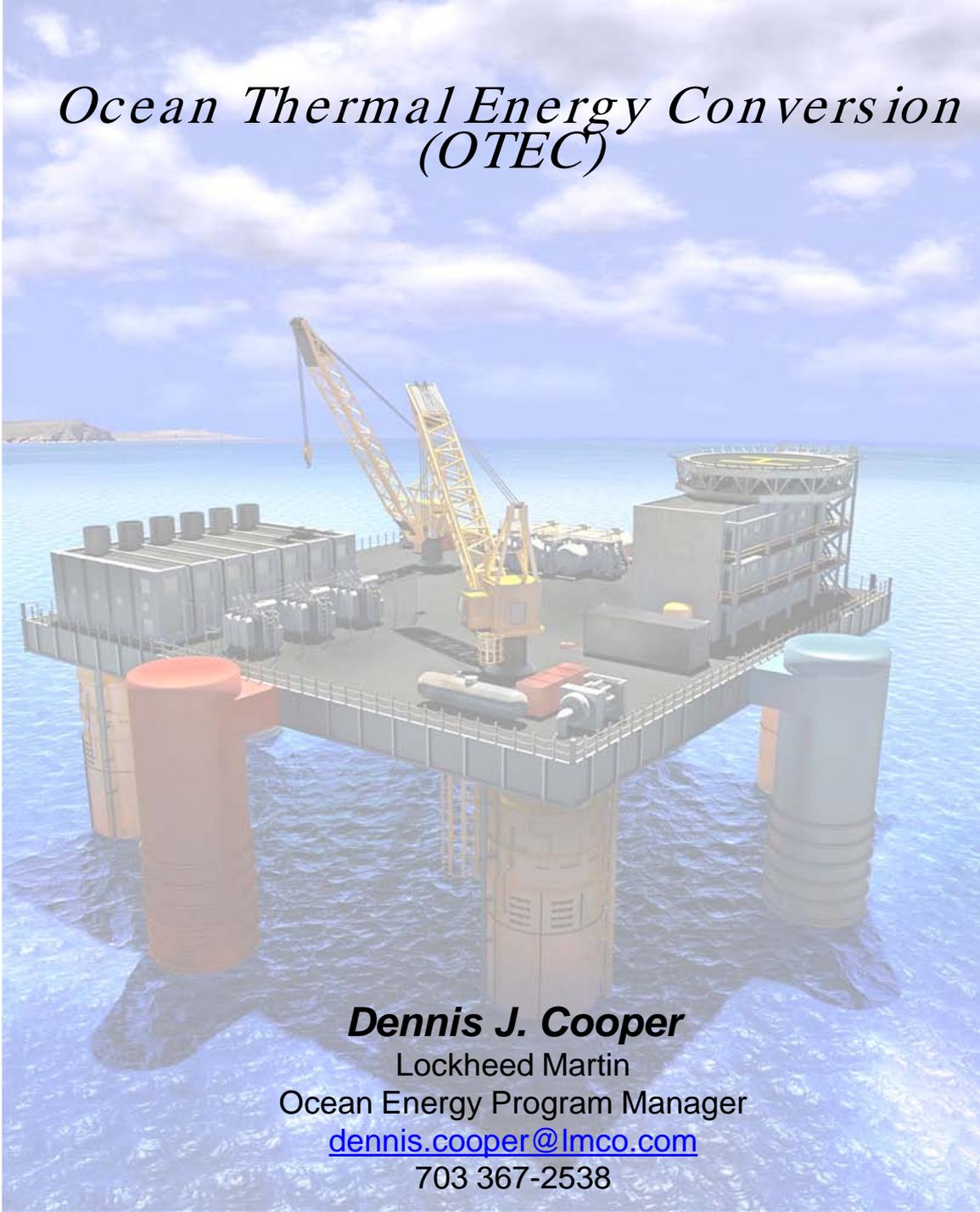
• August 15-18, 2010 • Dallas, Texas •
• Dallas Convention Center •



**Ocean Thermal Energy
Conversion (OTEC)**



Ocean Thermal Energy Conversion (OTEC)



Dennis J. Cooper

Lockheed Martin

Ocean Energy Program Manager

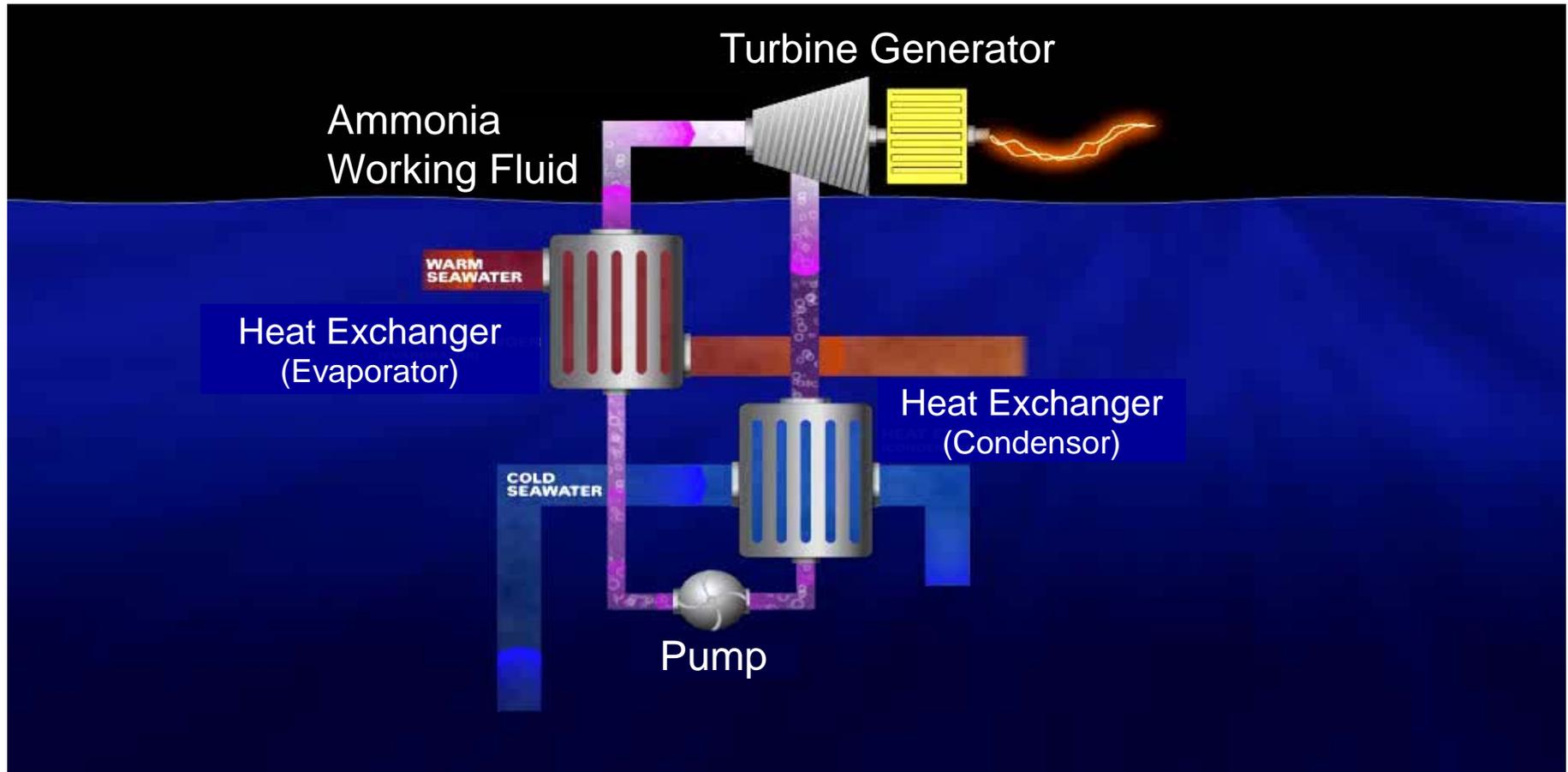
dennis.cooper@lmco.com

703 367-2538



GovEnergy 2010

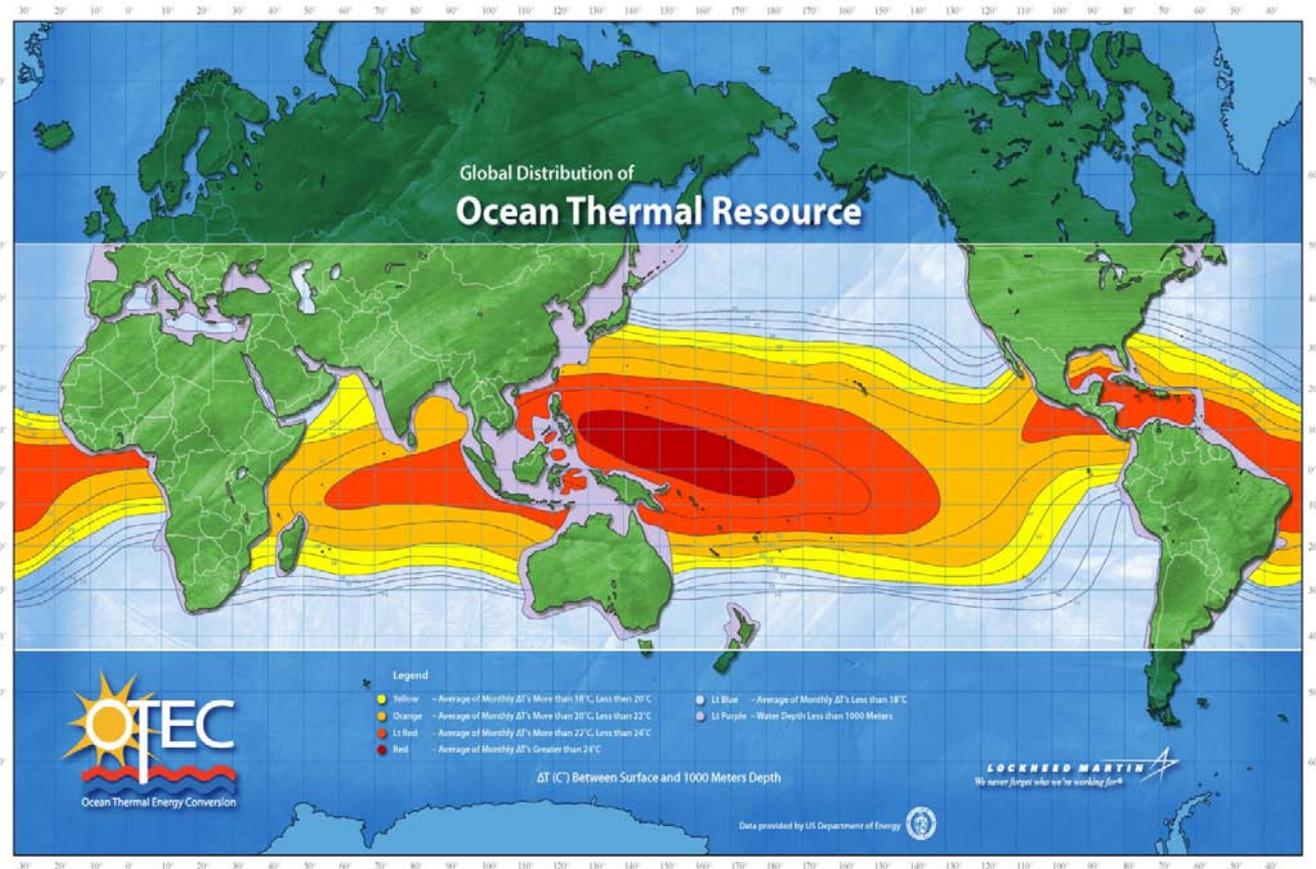
Ocean Thermal Energy Conversion (OTEC) Process



A Standard Rankine Cycle

The OTEC Resource

- ✓ **Large Renewable Energy Source**
 - At least 3-5 Terawatts*
- ✓ **Base Load Power**
 - Available 24/7
- ✓ **Energy Security**
 - A Secure Energy Source
- ✓ **Climate Friendly**
 - No Fossil Fuel Emissions
- ✓ **Facilitates Water Desalination**



* A Preliminary Assessment of OTEC Resources ASME 3/2007

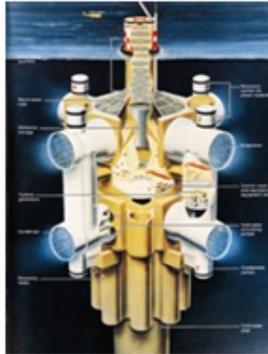
A New Clean Renewable 24/7 Energy Source

OTEC History

1974: Hawaii established Natural Energy Laboratory (NELHA)



1975: NSF OTEC Scientific Study (Lockheed Martin)



1979: 50 kW Mini-OTEC (Lockheed Martin & Makai)



1983: 8ft Pipe At Sea Test (TRW for DOE)



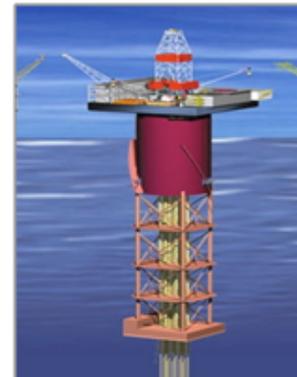
1993: 250kW Open Cycle (NELHA)



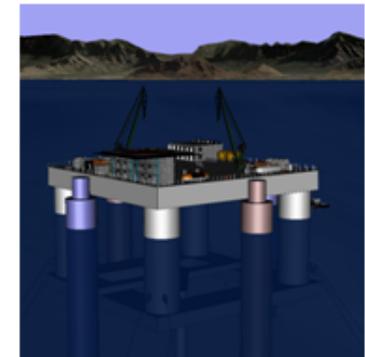
1996-2000: 50KW Hx testing (NELHA)



2005: Diego Garcia Feasibility (OCEES SBIR)



2006: OTEC Study (Makai SBIR)



2007-present: Pilot Plant Design (Lockheed Martin Team)

Georges Claude built the first OTEC plant, in Cuba in 1930

What has Changed

30 YEARS AGO

- Global warming, energy security not in public consciousness
- Different economic and political environment
- Large capital construction cost
- Offshore technology not mature at requisite scale

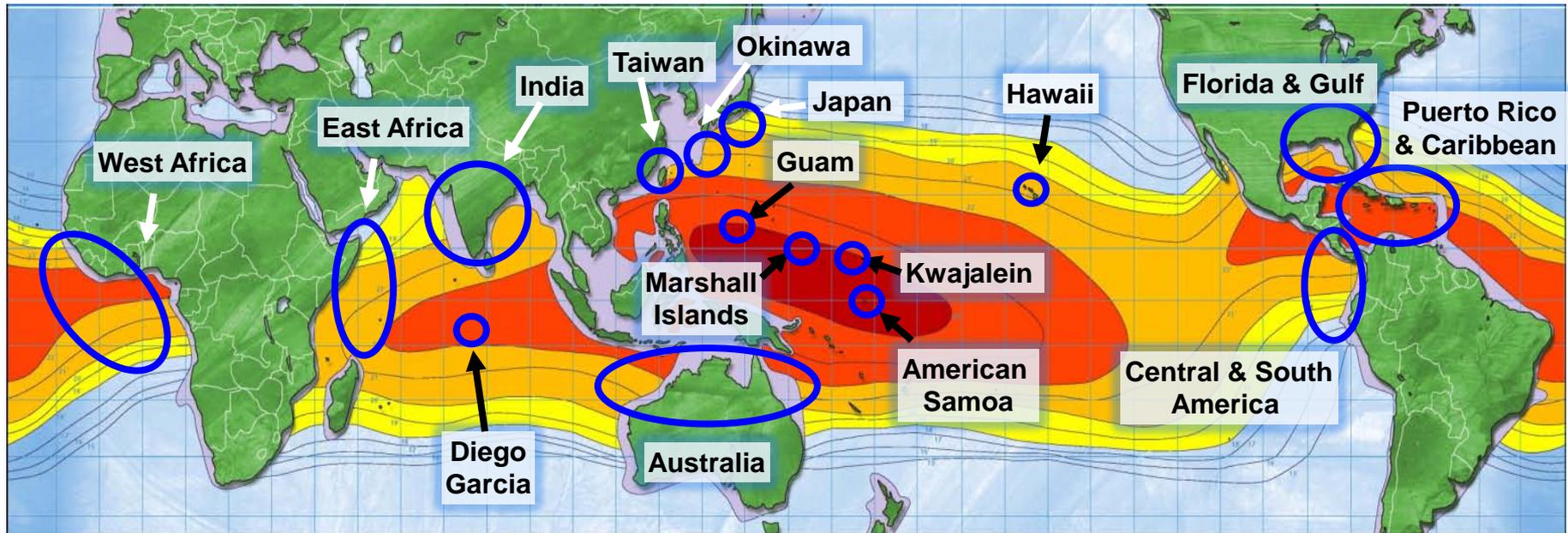
TODAY

- Energy security serious concern
- Growing concern for air pollution & global warming
- Widespread renewable mandates
- Current political focus on new jobs, energy, and environment
- New composite materials and construction techniques address high-cost components (Cold water pipe and heat exchanger)
- Mature offshore technology at requisite scales in deep water

“We know the country that harnesses the power of clean, renewable energy will lead the 21st century.” – President Obama

OTEC is a Solution for

***A New Secure Renewable Energy Source
For Defense and Commercial Applications***



Over 84 Countries have access to the OTEC Resource

OTEC Benefits for the DoD/US Navy

Electricity & Fresh Water for DoD Bases

- OTEC can generate clean **secure** electrical power plus potable water source for isolated DoD bases
 - DoD/Oahu
 - Diego Garcia
 - Kauai (PMRF)
 - Guam
 - Kwajalein



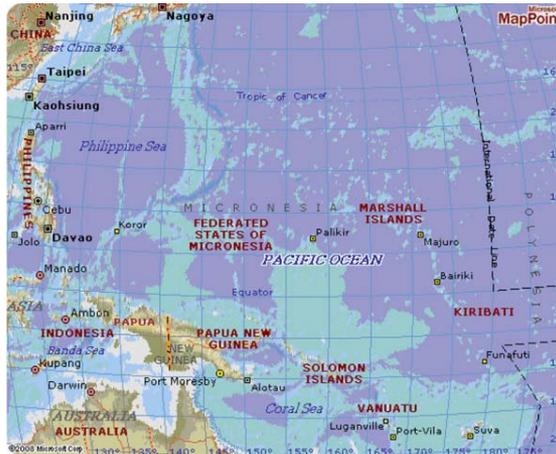
Pacific Missile Range Facility (PMRF)



Diego Garcia

Expanded DoD Mission: Nation Building

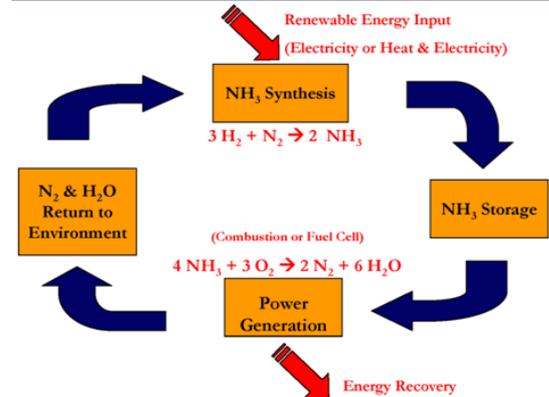
- OTEC can generate power and water to assist developing economies
 - 84 Nations "touch" the OTEC Resource



Fuel Production

- Fuel Production
 - Ammonia
 - Hydrogen
 - Synthetic Fuels

Green Ammonia – a Renewable Cycle



All Naval facilities to be powered by 50% renewable energy by 2020

Why OTEC



**Each 100MW
OTEC Plant**

SAVES



**1.3M Barrels
Oil / Yr**

\$130M / Yr
(**\$100 / Barrel**)

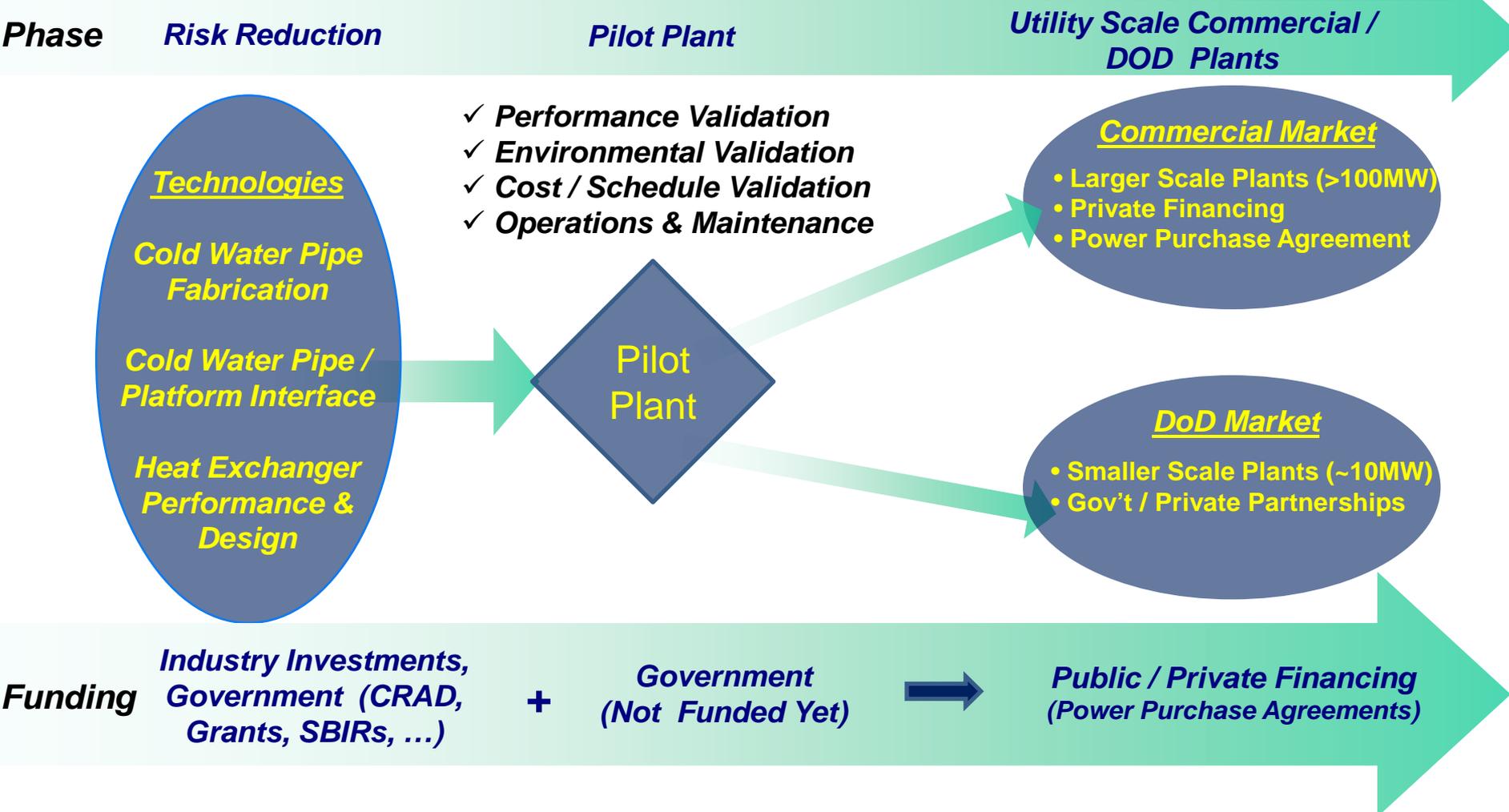


**0.5M Tons
CO₂ / Yr**

\$15M / Yr
(**\$30 / Ton
Carbon Credit**)

A Game Changer

Commercialization Roadmap



Pilot Plant Support Needed for Commercialization

OTEC Vision

Federal Seed Funding
For Pilot Plant

Electric Utility
Market

Transportation Fuels
Market

Pilot
Plant

100MW OTEC
COMMERCIAL
PLANTS

- Hawaii
- Florida
- Puerto Rico
- Gulf States

10MW OTEC
PLANTS

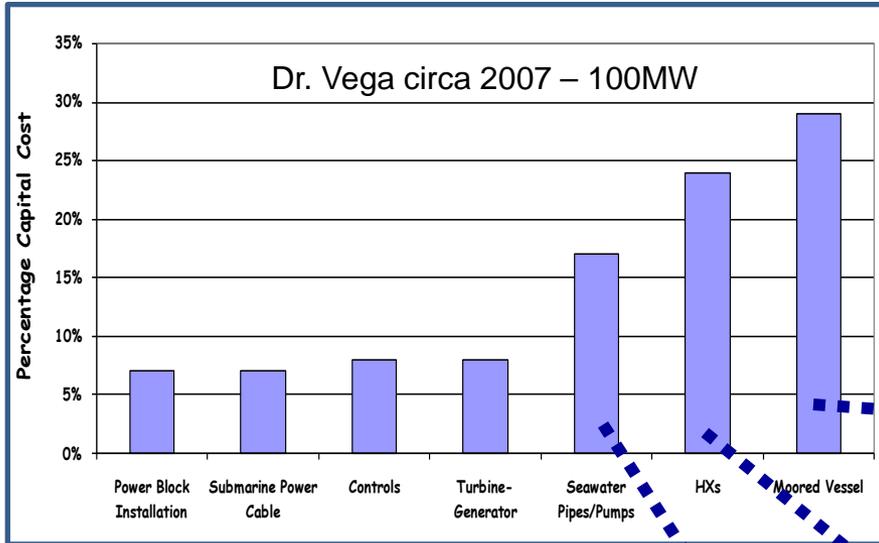
- DOD Bases
- US Territories
- Other

400MW OTEC
OPEN OCEAN
ENERGY
PRODUCTION
PLANTS

- All US States

OTEC is Poised to be a Global Energy Resource

OTEC Technology Challenges



Platform

- Survivability
- Stability

Cold Water Pipe

- Deployment
- Survivability
- Scalability

Heat Exchangers

- Performance
- Corrosion Control
- Biofouling

Focused on Addressing Key Costs and Technical Challenges

LM OTEC Team



G Noland & Assoc

NAVATEK



J Halkyard & Assoc

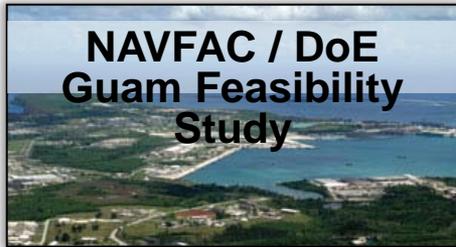


E³Tec



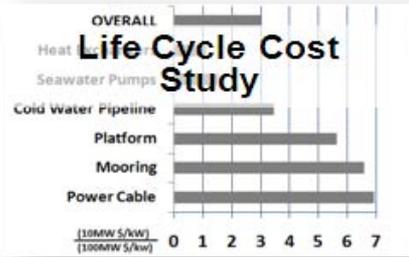
Strong Team with International Recognized Expertise

Risk Reduction OTEC Activities

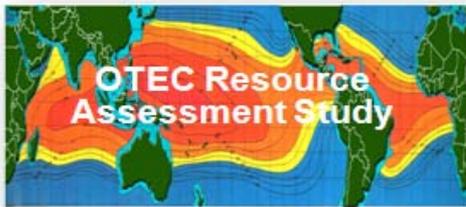


**NAVFAC / DoE
Guam Feasibility
Study**

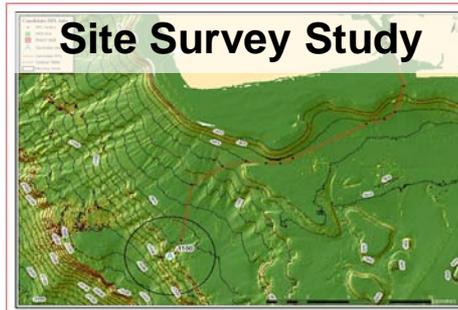
NAVFAC - \$0.15M



DOE - \$.5M

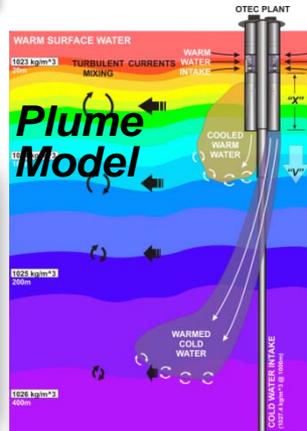


DOE - \$.5M



Site Survey Study

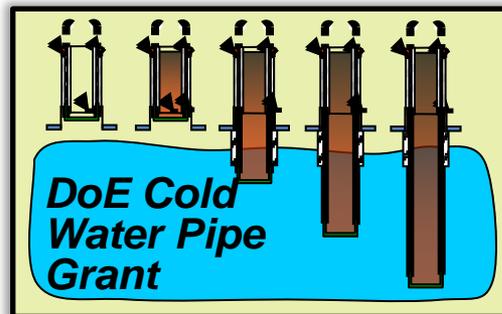
NAVFAC - \$1.0M



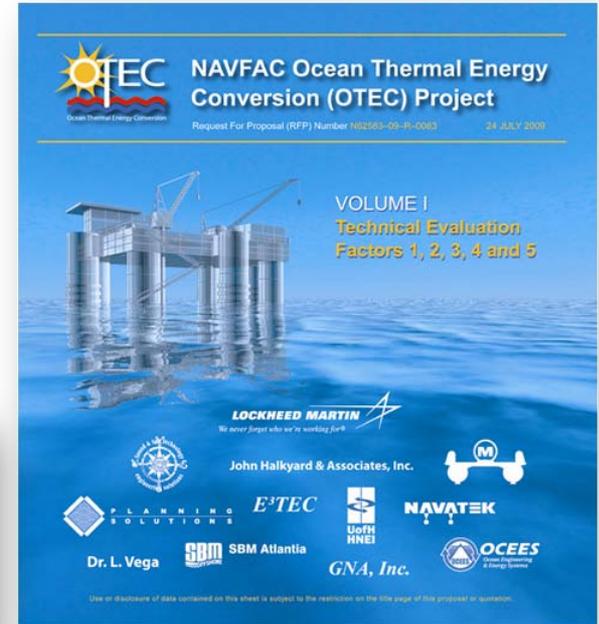
CEROS - \$0.5M



**ONR - \$5.0M
DOE - \$0.9M
NAVFAC - \$1.7M**



DOE - \$1.2M



NAVFAC - \$8.12M



**Lockheed Martin
R&D Investment**

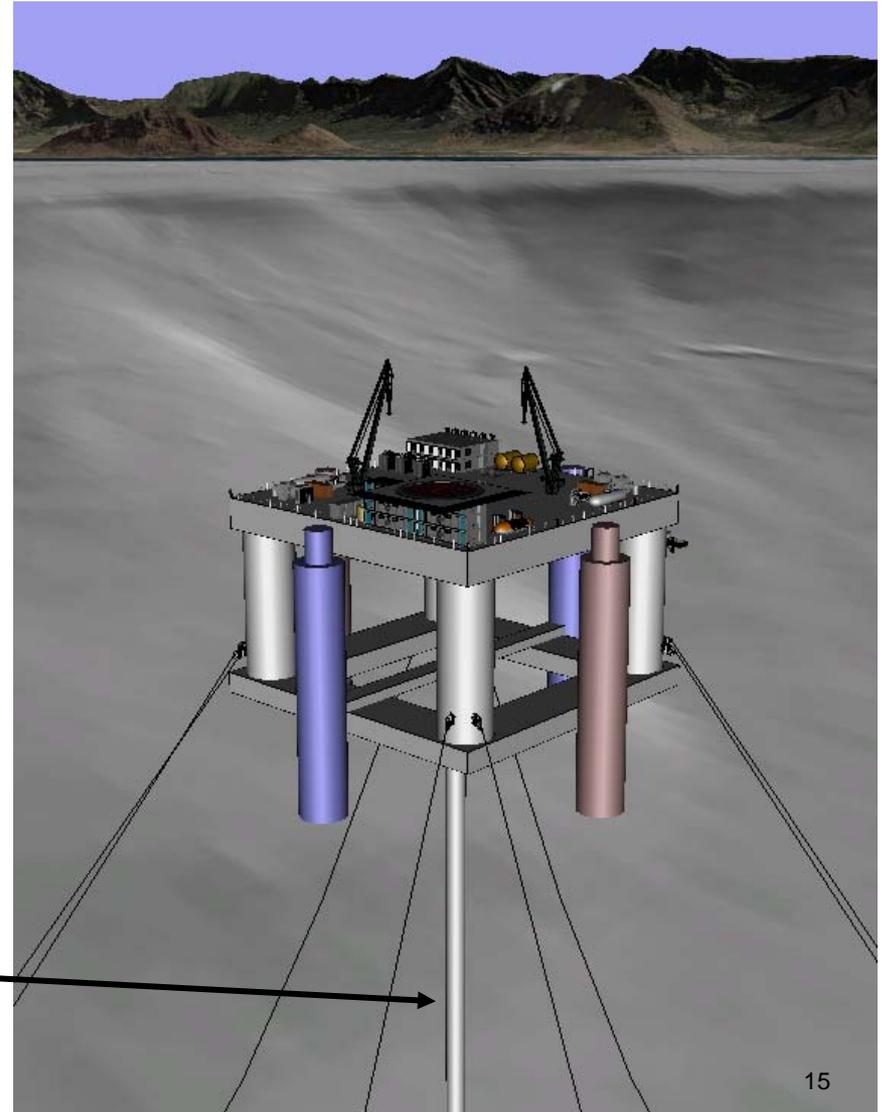
GovEnergy 2010

Getting a Feel for a Hawaii OTEC Plant

10 MW SYSTEM PARAMETERS

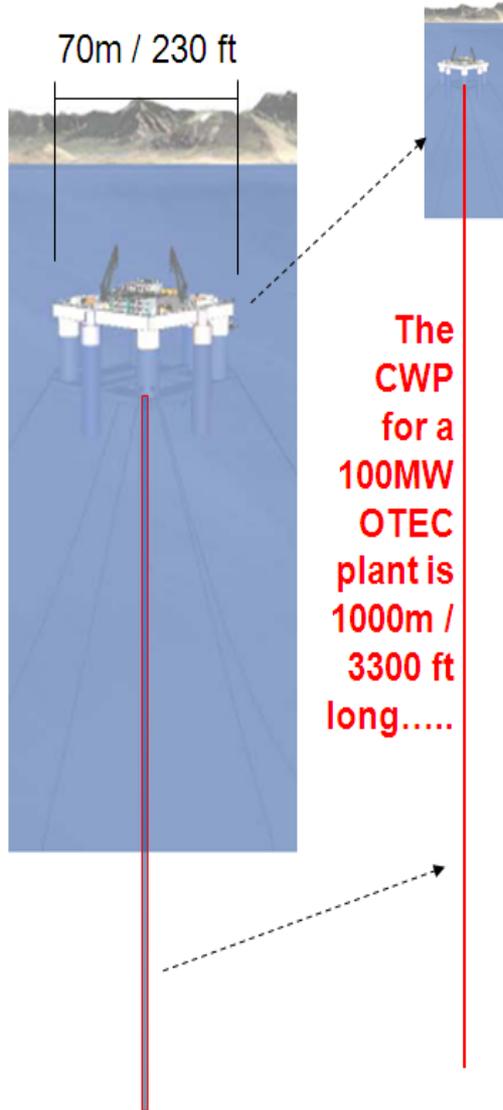
| | |
|-------------------------------------|----------------|
| Cold Water Intake Velocity(m/s) | 2.6 |
| Cold Water Pipe Flow (gallon / sec) | 4,200 |
| Warm Water Intake Depth (m) | 20 |
| Warm Water Intake Velocity(m/s) | 0.15 |
| Water Discharge Depth(m) | 50 |
| Warm Water Flow (gallon / sec) | 6,100 |
| Hull Size (m x m) | 55 x 55 |

**4m diameter x 1,000m long
Cold Water Pipe**



15

The Cold Water Pipe

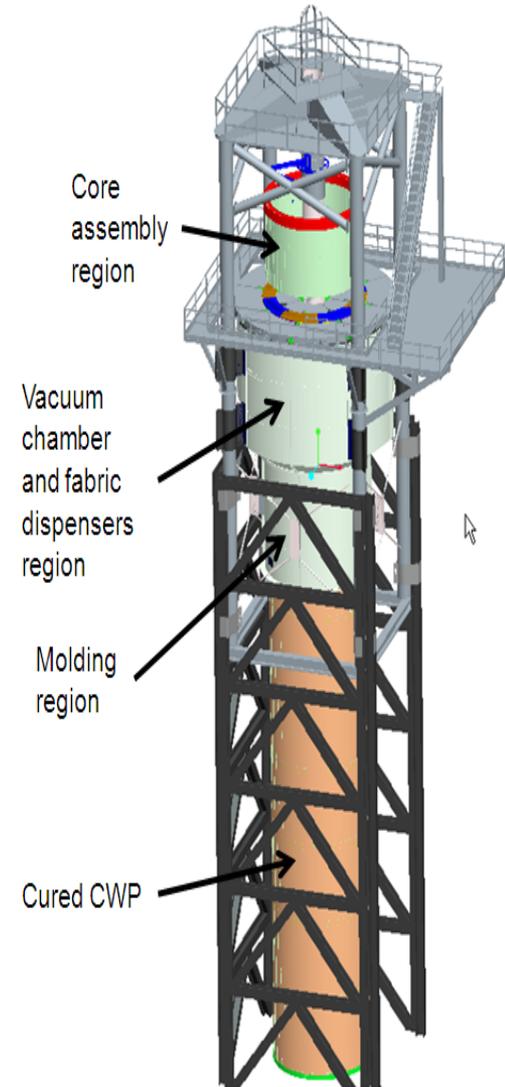


Empire State Bldg is 1472 ft. to top of antenna

.....by 10m / 33 ft in diameter



10m / 33 ft is about the width of a modest 2-story house



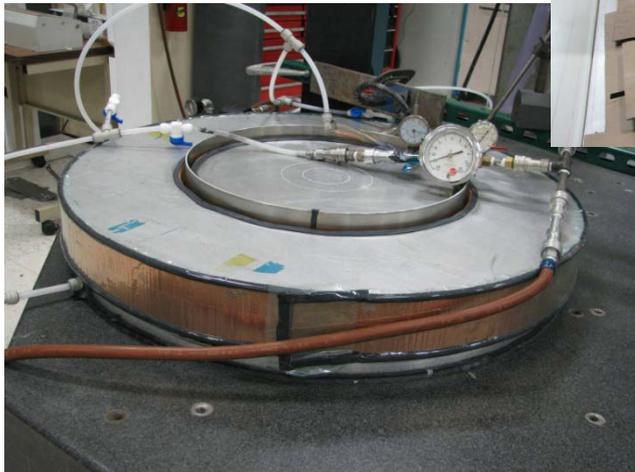
OTEC Cold Water Pipe



Inner & Outer Face Sheet



Inner Face Sheet



Vacuum Lid Test

Protrusion



Shear Key Ring

GovEnergy 2010

OTEC Cold Water Pipe



Inner and Outer Molding Region



Installing inner soft tool onto inner hard shell



Installing inner hard shell with soft tool into the outer hard shell



Completed Assembly

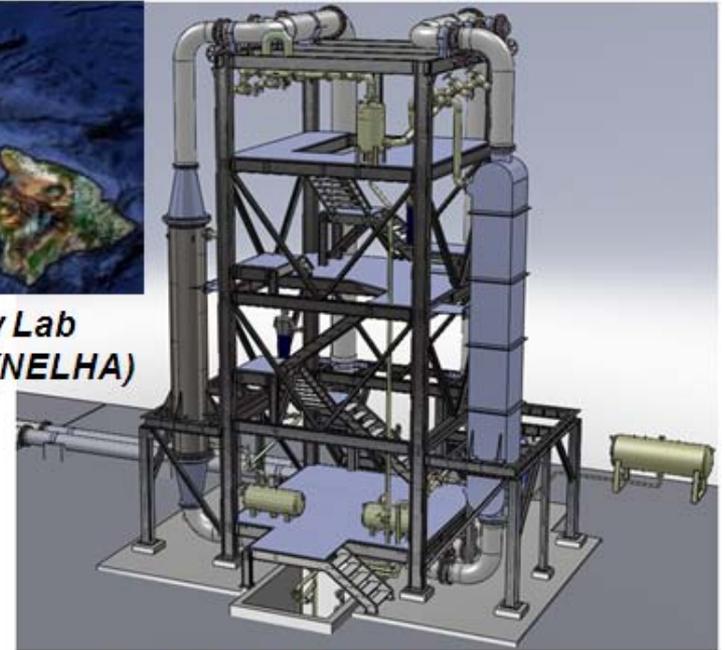
OTEC Heat Exchangers



LM Manassas 1KW Hx Test Stand



**Natural Energy Lab
Hawaii Authority (NELHA)**



NELHA 40KW Hx Test Stand



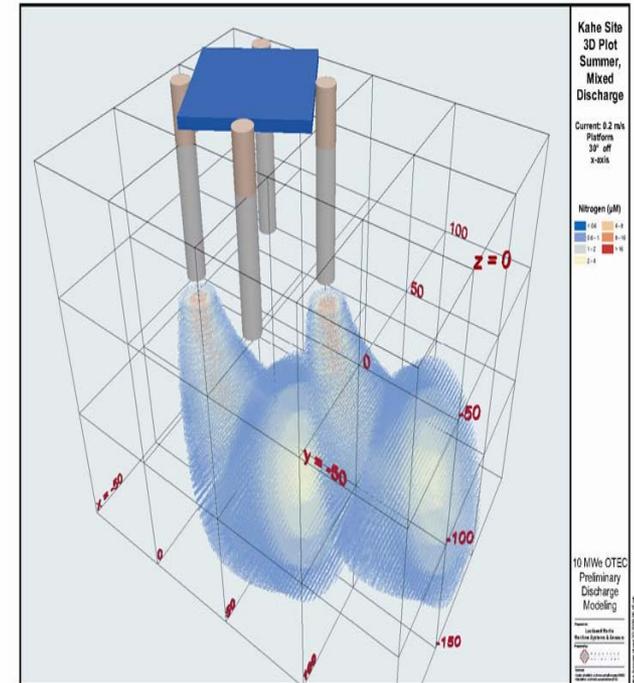
Friction Stir Welding (FSW)



Heat Exchanger Test Article

License/Permitting Strategy for Pilot Plant

1. Identify & Meet with Stakeholders early & often
2. Pursue “Demonstration Project” designation from DoE for Pilot Plant
 - OTEC Act of 1980 allows for a demonstration plant to proceed without commercial license
3. Model plume discharges and gather baseline data
4. Monitor Pilot Plant Operation
 - Monitor impact to baseline environmental data
 - Develop commercial plant impact predictions



Address Environmental Impacts Early in the Design Process

OTEC Benefit Summary

ENERGY

- **Baseload power source**
Continuous power (24/7)
- **No storage/backup generation**
Fewer grid integration issues
- **Unexploited resource**

NATIONAL SECURITY

- **Reduce dependence on unstable sources of oil**
- **Provides military bases with secure electricity and fresh water**
- **Power/water to developing nations**

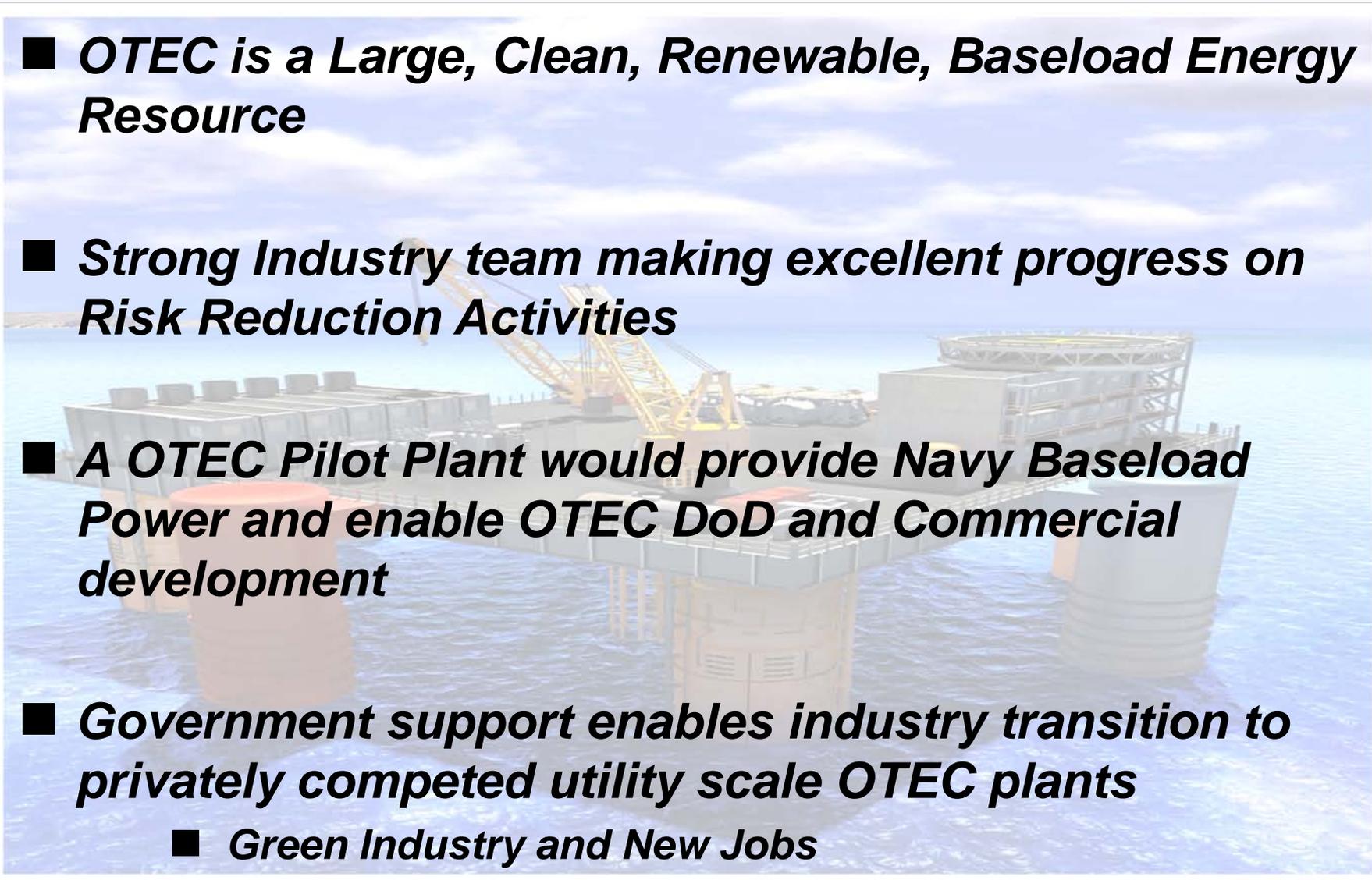
ENVIRONMENTAL

- **Minimal CO₂ emissions**
- **Sea-based plant reduces land needs**
- **Designed to minimize impact on ocean environment**
- **Fresh water production**

ECONOMIC

- **Commercial products (fresh water, air conditioning, fuels)**
- **Leveraging and advancing existing technology**
- **Create new industry; green jobs**
- **Significant export opportunity**
- **Cost Competitive Electricity**

OTEC Summary

- 
- A 3D rendering of an OTEC (Ocean Thermal Energy Conversion) pilot plant structure in the ocean. The structure is a large, rectangular platform supported by several thick, cylindrical legs. It features various equipment, including a yellow crane and a large cylindrical tank. The background shows a blue sky with light clouds and a calm sea.
- ***OTEC is a Large, Clean, Renewable, Baseload Energy Resource***
 - ***Strong Industry team making excellent progress on Risk Reduction Activities***
 - ***A OTEC Pilot Plant would provide Navy Baseload Power and enable OTEC DoD and Commercial development***
 - ***Government support enables industry transition to privately competed utility scale OTEC plants***
 - ***Green Industry and New Jobs***

