

## WATER POWER IS PUT BACK TO USE

A fledgling Devon engineering firm has made a splash in the renewable energy sector by installing its first hydropower turbines. Tiverton-based Hydro Generation was established two years ago to capitalise on new Government targets set for green energy production.

The innovative company now designs and installs hydro-electric turbines in water mills around the South West.

Its first two installations have been completed in Somerset and bosses at the firm are planning to convert another six mills in the next year.

Managing director Phil Davis said the firm's future was bright because of the long-term demand for environmentally-friendly sources of energy.

The Government has also pledged £10m to its Clear Skies Initiative which gives grants to homeowners for renewable energy systems.

Mr Davis said small-scale hydro power was the most cost-effective of all renewable resources at suitable sites. He said: "Concerns about climate change and fuel security are encouraging greater interest in small, decentralised renewable energy systems."

He added: "Micro hydropower is clean, reliable and cost-effective. It was the mainstay of power generation in this country for hundreds of years before fossil fuels were harnessed at the start of the industrial revolution.

"The UK has tens of thousands of old mill sites waiting to be reactivated using micro hydro technology.

"They have the potential to supply environmentally friendly renewable energy and to provide a useful contribution to the UK's power needs and a steady income from electricity sales for their owners."

Hydro Generation supplies and installs turbines capable of generating up to 100 kilowatts at a cost of around £25,000.

The mill owner then sells the power generated to national energy firms to help them meet targets set by the Government.

The Office of Gas and Electricity Markets, the energy regulator, has declared that 10 per cent of all energy must come from renewable sources by 2010. At the moment, that figure is 4.9 per cent.

Hydro Generation estimates it will take mill owners around eight years to break even on their investment. But because of low maintenance costs, the firm says the deal is a good long-term investment.

Hydro Generation was founded with help from Business Link Devon and Cornwall. The company employs two people and contracts a multi-disciplinary team of specialist hydropower engineers to help on installations.

Business Link innovation and technology counsellor Tony Randel said: "These ventures are good examples of how environmental technology companies can benefit from Business Link support."