Ocean Power Technologies Completes Successful Trials of Underwater Substation Pod

November 2, 2009
PENNINGTON, N.J., Nov 02, 2009 (BUSINESS WIRE) -- Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) ("OPT" or the "Company") announces the successful completion of trials of its Underwater Substation Pod ("USP") product in Spain. The USP, based on the Company's proprietary design, has been developed to facilitate the collection, networking and transforming of power and data generated by up to ten of its PowerBuoys for transmission to a shore-based electricity grid by one subsea power cable. It has been built as an open platform, and can therefore provide "plug and play" connectivity for any offshore energy device linked to it.

Underwater trials of the USP included pressure testing, running electric power to and from the system, and verification of data communication capabilities.

The completion of this significant milestone by OPT is part of an Engineering, Procurement and Construction contract with Iberdrola Marinas de Cantabria, a special purpose company whose shareholders include:-

- Iberdrola S.A., the major Spanish utility company;
- Sodercan, the regional development agency for the Cantabria region of northern Spain;
- IDAE, the energy agency of the Spanish government; and
- Total, the oil and gas company.

OPT believes that the USP is a unique product in the offshore market and creates a potentially new revenue stream for the Company from sales to third parties engaged in marine power development and other offshore activities. Current sources of OPT's revenues are PowerBuoys designed for utility-scale power generation projects and autonomous applications such as offshore homeland security.

The USP was designed and developed entirely by the Company from concept to manufacture and successful underwater testing. The majority of offshore energy systems generate electricity at low voltage and need to step-up to medium or high voltage for efficient transmission to shore. Additionally, offshore power projects typically have a number of devices (wind turbines, wave energy converters, tidal devices) that need to be networked offshore so that a single subsea cable can export the power and data to the shore. OPT has fully analyzed these requirements and developed its innovative USP to meet these performance demands. In order to minimize the cost and complexity of marine operations, innovative connections and disconnections have also been designed to be undertaken at the sea surface using standard vessels.

Stuart Bower, Engineering and Projects Director of Ocean Power Technologies Limited, who led the development team of this exciting new product, stated: "This project has been a true engineering challenge of converting an idea on a "whiteboard" into reality and demonstrates how the Company's technical base can be used to create valuable intellectual property. Comparable products used in the offshore oil and gas industry do not have the USP's advantages for higher power capacity, longer life expectancy, fewer moving parts, a passive cooling system, lower cost per MegaWatt, and the ability to accommodate many power generation devices. We are delighted at the potential value the USP can bring to wave power projects and other offshore energy markets."

Forward-Looking Statements

This release may contain "forward-looking statements" that are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company's current expectations about its future plans and performance, including statements concerning the impact of marketing strategies, new product introductions and innovation, deliveries of product, sales, earnings and margins. These forward-looking statements rely on a number of assumptions and estimates which could be inaccurate and which are subject to risks and uncertainties. Actual results could vary materially from those anticipated or expressed in any forward-looking statement made by the Company. Please refer to the Company's most recent Form 10-K for a further discussion of these risks and uncertainties. The Company disclaims any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this release.

About Ocean Power Technologies

Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) is a pioneer in wave-energy technology that harnesses ocean wave resources to generate reliable, clean and environmentally-beneficial electricity. OPT has a strong track record in the advancement of wave energy and participates in a $150 billion annual power generation equipment market. The Company's proprietary PowerBuoy(R) system is based on modular, ocean-going buoys that capture and convert predictable wave energy into low-cost, clean electricity. The Company is widely recognized as a leading developer of on-grid and autonomous wave-energy generation systems, benefiting from over a decade of in-ocean experience. OPT's technology and systems are insured by Lloyds Underwriters of London. OPT is headquartered in Pennington, New Jersey with offices in Warwick, UK. More information can be found at www.oceanpowertechnologies.com.

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