MEDIA MONITORS

Age
Saturday 7/11/2009
Page: 9
Section: General News
Region: Melbourne Circulation: 292,300
Type: Capital City Daily
Size: 270.28 sq.cms.
Published: MTWTFS-

Brief: LAKESOIL

High hopes for geothermal amid funds push

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ABOUT nine kilometres north of Anglesea there is a rolling piece of land waiting to be broken open. A drilling rig will crack the surface and churn through 3.5 kilometres of crust and rock until it hits an aquifer.

There, the brine boils at a temperature approaching 200 degrees. Steam will be brought to the surface and fed through a turbine to produce electrons.

They will be directed into the electricity grid, where their greenhouse-free electrons will mix freely with the greenhouse-heavy electrons of the Anglesea brown-coal power station up the road — or replace them. Either way, it will lower Australia's carbon footprint.

For the moment, this geothermal energy scenario lives only in the mind of Mark Miller, managing director of Greenearth Energy, and his shareholders.

Consultants SKM have confirmed the Anglesea site has the potential to drive a 140 megawatt baseload power station. "This would have the ability to displace about 1.3 million tonnes a year of carbon dioxide," Mr Miller said. "According to the City of Geelong, that is about 59 per cent of its annual industrial emissions."

According to Federal Energy and Resources Minister Martin Ferguson, this project is only a fraction of what's beneath the surface. Earlier this year he quoted Geoscience Australia's mind-boggling estimate that just 1 per cent of the country's hot rock capacity would meet national annual energy demands 26,000 times over.

In short, it could replace coal.

The need for a rapidly accelerated geothermal industry is one of the issues being highlighted by the Run for a Safe Climate — a marathon trek down the eastern seaboard during November by 25 emergency services workers to draw attention to climate change's projected threats and potential solutions.

Susan Jeans, chief executive of the Australian Geothermal Energy Association, says geothermal is in an "interesting position" — widely referred to as the "long-term emissions-free baseload solution", but mostly stuck in first gear.

"We are in the difficult position of being widely predicted by most analyses to be the lowest cost emissions-free solution. The problem is this hump that we face now. Until we have built enough to demonstrate that the risks can be overcome, we can't get the funding."

Ms Jeanes was talking before yesterday's announcement by Mr Ferguson that two geothermal projects in outback South Australia would share in $153 million to set up demonstration plants — a step she welcomed. It was drawn from a long-promised $500 million fund shared across prospective renewable energy industries. Wave and hydro projects were the other winners.

There is also $35 million in funding pending for five exploratory drilling projects. But the industry says government support for geothermal pales when compared with about $4 billion in total on offer for "flagship" carbon capture and storage and solar thermal plants. "Our concern is that after these long-term funding announcements ... there will be no more money left," Ms Jeanes said.

Critics of geothermal say its biggest problem is that the best sites are inaccessible to the power grid, requiring extraordinary investment in transmission lines. A recent industry study, however, found it would cost just $171 million in public backing to roll out power lines to remote plants in northern South Australia.

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