



MEDIA RELEASE

MARTIN FERGUSON

Minister for Resources and Energy
Minister for Tourism

9 June 2009

09-083

GEOTHERMAL DRILLING PROGRAM ROUND TWO CALL FOR APPLICATIONS

Geothermal companies are being urged to submit their applications for funding of up to \$7 million under the Australian Government's *Geothermal Drilling Program* which opened for applications 10 June 2009.

In launching Round Two of the *Geothermal Drilling Program*, the Minister for Resources and Energy, Martin Ferguson AM MP, said the funding will provide grants of up to \$7 million on a matching-funding basis to support the drilling of deep geothermal wells. Funding will also help finance geothermal proof-of-concept projects.

Minister Ferguson said: "Geothermal energy is an exciting low-carbon, renewable energy source, especially for Australia. There is enormous potential but the initial costs are high. Because of these costs, the Australian Government is supporting drilling at the first stage of development under the auspices of the \$500 million Renewable Energy Fund.

"The *Geothermal Drilling Program* is one of a suite of programs designed to further the development of lower-carbon energy sources in Australia. In addition to being a clean energy source, geothermal energy also has the potential to add baseload power to the Australian energy grid. This would diversify Australia's energy supply and add to our overall energy security.

"I urge geothermal companies to take advantage of the funding available and get their applications in to take geothermal energy to the next stage of development."

Geothermal energy producers pump water below ground (sometimes as deep as 5 km), where it is heated by 'hot rocks'. The heat energy is then used to generate electricity.

Geoscience Australia estimates that if just one per cent of Australia's geothermal energy was extracted it would equate to 26,000 times Australia's total annual energy consumption.

Applications for Round Two funding close on Tuesday, 4 August 2009. Program documentation including the GDP Applicant Information Guide and GDP Application Form can be obtained from the Department of Resources, Energy and Tourism www.ret.gov.au or by contacting the GDP Program Management Team on (02) 6276 1658.

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