

GEELONG REGION HEATS UP AS A HUB FOR GEOTHERMAL

From the Minister for Environment & Climate Change

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The Brumby Labor Government will provide up to \$25 million for a major clean energy project that could create Victoria's largest demonstration geothermal power plant.

If successful, the Geelong Geothermal Power Project could eventually power more than 120,000 homes with clean, renewable energy.

Energy and Resources Minister Peter Batchelor and Environment Minister Gavin Jennings today announced that Greenerth Energy's proposal was the first to share in \$72 million for large-scale, pre-commercial, sustainable energy demonstration projects.

"Our Government is continuing to move towards a low-emissions energy future by driving investment in cleaner energy projects throughout Victoria," Mr Batchelor said.

"The Greenerth Energy project, located about 11 kilometres north-west of Anglesea, will be planned in two stages.

"We will provide \$5 million immediately for stage one, which involves work to confirm the extent and quality of hot sedimentary aquifers at the project site. The company will drill to depths of up to 4000 metres to test temperatures.

"If the geothermal resource meets expectations, the Brumby Labor Government will provide a further \$20 million towards the construction and demonstration of a \$64 million 12MW geothermal power plant that can feed renewable power into the local grid.

"This would be Victoria's largest demonstration geothermal power plant connected to the grid.

"Importantly, the location is close to crucial electricity grid infrastructure and heavy industry, which is important to the expansion and commercialisation of the project."

Geothermal energy is a clean and green renewable energy source generated from naturally occurring heat from hot rocks and water reservoirs deep beneath the earth's surface.

Preliminary work by Greenerth shows that the geothermal resource at the site is capable of supporting greater than 140MW of renewable base-load power generation.

Mr Jennings said providing funding for sustainable energy projects was just one of the ways the Government was driving investment in cleaner energy sources.

"Geothermal energy is a renewable energy source that has the potential to provide a constant

flow of base-load power to the state's electricity grid," Mr Jennings said.

"Government investment in this exciting project underscores the Brumby Government's commitment to ensuring Victoria is a leader in renewable and clean energy development.

Member for South Barwon Michael Crutchfield said the announcement was great news for the Geelong region.

"Victoria's south-west is rapidly emerging as a cleaner-energy hub and projects like Greenerth's are creating a climate of opportunity for regional Victoria," Mr Crutchfield said.

"The development of projects like this is great news for all Victorians who will see not only the environmental benefits from developing cleaner electricity generation, but the economic benefits from new renewable energy jobs."

Mr Batchelor said the Government awarded three geothermal exploration permits, covering almost 19,000 square kilometres, to Greenerth Energy in May 2007.

These permits enable the company to explore and develop geothermal resources in the Latrobe Valley and Gippsland, Bellarine Peninsula and Surf Coast and the Geelong/Daylesford area.