

## QUESTION ON NOTICE

No. 691

asked on Tuesday, 22 May 2007

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**MS MALE** ASKED THE MINISTER FOR MINES AND ENERGY (MR WILSON)—

QUESTION:

- (1) Will he inform the House of actions that have been taken by the Beattie labor Government to further the prospect of the use of geothermal energy as a sustainable alternative energy source?

ANSWER:

The first step in making geothermal energy a sustainable alternative energy source, is to make land available for exploration and production.

The *Geothermal Exploration Act 2004* and the *Geothermal Exploration Regulation 2005* commenced on 25 March 2005. The *Geothermal Exploration Act 2004* provides a tender process for releasing land. The first geothermal release in Queensland was announced on 26 October 2005 and closed on 3 March 2006; and the second geothermal release for ten areas was announced on 1 December 2006 and closed on 5 April 2007.

We have now commenced a process to amend the existing *Geothermal Exploration Act 2004*, so that it can also deal with the production of geothermal energy. The amended legislation will enable the granting of production tenures, and a mechanism whereby an explorer who has identified geothermal resources may retain land for a defined period until production becomes economically viable. There will be further consultation with the public on a draft bill later in 2007 or early in 2008.

Electricity generation using geothermal energy is predicted to provide substantial base-load electricity for the State once further research, development and demonstration is undertaken. Areas for further development include efficient and cost-effective drilling, fracturing, heat exchange, transmission and water management technologies. In addition to helping the geothermal industry to access the resource, the recently announced *ClimateSmart 2050* policy platform specifically targets geothermal energy technology development through the \$50 million Renewable Energy Fund, by providing \$5 million to investigate additional sources of geothermal energy close to existing transmission lines.

Once geothermal electricity generation technology is commercialised, further incentives will be available through the 10% Renewable and Low Emission Energy Target scheme, that will require electricity retailers to purchase a proportion of their electricity from renewable and low emission generation sources. In addition to emissions trading from as early as 2010, this will help to place geothermal energy on a level playing field with traditional fossil fuel-based power stations.