



## Media Release

20 June 2013

### Working together to discover Australia's geothermal potential

The Australian Renewable Energy Agency (ARENA) has announced almost \$13 million through the Emerging Renewables program for Petratherm to undertake a \$27 million applied research project to prove the commercial potential of its geothermal energy technology.

ARENA CEO Ivor Frischknecht said Petratherm will build on the success of its geothermal technology development to date and is now looking to prove its commercial potential as a precursor to building a 7 megawatt pilot geothermal power station.

"This project aims to drill a well, connect it with an existing well and test the temperature, flow rate and other characteristics of hot water flowing between wells to produce energy," Mr Frischknecht said.

Mr Frischknecht said in addition, ARENA and Petratherm have agreed to reduce the size of the planned 30 megawatt power station at the Paralana site on the Frome Plains, 600 kilometres north of Adelaide, South Australia to a 7 megawatt project with \$24.5 million funding.

Mr Frischknecht said these changes reflect the latest information on geothermal project costs and the challenges these create for the industry.

"ARENA will continue to review projects in the context of the market and act to support the development of renewable energy technologies, making them more affordable and ultimately increasing their use in Australia."

To enable ARENA to support the project through ERP, ARENA and Petratherm have agreed to terminate the remaining funding available under a separate \$7 million grant through the former Geothermal Drilling Program.

Mr Frischknecht said the Paralana project is one of two advanced Engineered Geothermal Systems projects aiming for large scale generation in Australia.

"The next step for Petratherm is to prove a commercialisation pathway by providing viable off-grid energy supply where there is enough demand.

"If this is successful, ARENA sees a great opportunity for Paralana to impact the energy mix in the high energy growth market of South Australia."

For further information about ARENA and the projects supported, visit [www.arena.gov.au](http://www.arena.gov.au)

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Media contact:

**Sarah Beames**  
**0407 482 513**

[media@arena.gov.au](mailto:media@arena.gov.au)

**For more  
information**  
[arena.gov.au](http://arena.gov.au)