



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

**AUSTRALIAN CENTRE FOR
RENEWABLE ENERGY BILL 2009**

Second Reading

SPEECH

Wednesday, 25 November 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Wednesday, 25 November 2009</p> <p>Page 25</p> <p>Questioner</p> <p>Speaker Rishworth, Amanda, MP</p>	<p>Source House</p> <p>Proof Yes</p> <p>Responder</p> <p>Question No.</p>
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Ms RISHWORTH (Kingston) (11.25 am)—We heard a lot from the previous speaker about cognitive dissonance—that is, two competing beliefs. While the now opposition were in government, although they said that they had a belief in supporting solar energy, that belief was never actioned or delivered on the ground. We have seen this government deliver more solar panels on schools, on community centres and on houses than were ever delivered by the previous government.

But I rise to speak on the Australian Centre for Renewable Energy Bill 2009. This is a very important bill because it is designed to assist the development of renewable energy industry in Australia. It provides a strong indication that we are in the process of adapting to and harnessing the harsh Australian conditions. For decades we have heard many times in this House and in Australian literature what a sunburnt country we are. We are one of the hottest and driest continents on earth. So we really need to look at how we can harness our natural environment to help us adapt to these harsh Australian conditions.

Recently this House passed the Carbon Pollution Reduction Scheme—which cannot be said for the other chamber—outlining the framework for Australia's low-carbon future. What we need to realise is that, if we make the right choices and investment now, the extreme Australian conditions could become one of our greatest assets as we move forward into a new era of carbon consciousness and accountability. As the government sets in place the framework for Australia's low-carbon future, it is promising to see that life is beginning to be injected into the renewable energy industry in this country. Over the last two years this government has been doing significant amounts of work in delivering in these areas. Obviously one of our biggest movements has been to increase the renewable energy target, which I know—and the member for Franklin has often told me—has unleashed billions of dollars of investment into the renewable energy area.

The Australian Centre for Renewable Energy board set up under this bill will play a significant role in helping Australia harness its renewable energy potential for commercial consumption. The bill outlines the establishment of the board and the appointment of the Chief Executive Officer of the

Australian Centre for Renewable Energy. It outlines the functions, constitution and membership of the board, as well as other formalities such as voting and annual reporting. The main function of the board will be to provide advice to the minister on renewable energy technologies, including strategies to fund and promote the development, commercialisation and use of renewable energy technologies in Australia.

I would like to use this opportunity to illustrate the importance of the Australian Centre for Renewable Energy by talking about geothermal energy as one source of renewable energy that has immense potential here in Australia. As we know, the surface temperature of our continent can get very hot. But deep under our feet there are also very high temperatures. Geothermal power offers the potential for electricity to be produced from the circulation of water in closed circuits through deep wells drilled into the earth's crust.

The great value of geothermal technology is that it offers vast amounts of baseload power 24 hours a day every day of the year. Once we get the technology right it will undoubtedly form a significant part of Australia's baseload energy mix in the future. For example, the Australian Geothermal Energy Association predicts that geothermal technology could provide up to 2,200 megawatts of baseload capacity by 2020, representing about five per cent of Australia's current generating capacity. As a South Australian member I find it very pleasing to see that South Australia is taking the lead in the development of this very important energy source, with the Cooper Basin being the current centre of activity in this sector in Australia. It is promising to see the development of Geodynamics Ltd, which recently drilled a well of more than 4,000 metres into the hot fractured rock at the site in the Cooper Basin. They have just completed construction of a one-megawatt power station which will be commissioned in 2010 to provide power to the nearby town of Innamincka. This town is in the far north-eastern corner of South Australia and currently gets its electricity from diesel generators. This is a really exciting possibility that I am very pleased to see taking place.

If all goes to plan, this proof-of-concept project will be scaled up to a 50-megawatt plant which will be capable of providing electricity to 50,000 households.

The company is in the process of conducting feasibility studies into transmitting the energy from the Cooper Basin to major load centres in Adelaide, Brisbane and Sydney. The importance of this project in north-eastern South Australia is that its success as the first commercial geothermal power station in Australia will encourage much needed private investment in the geothermal industry. It will also bring the potential of geothermal power into the public domain. These are two major challenges facing the industry, as outlined by the Geothermal Industry Development Framework released in August 2008.

In light of these and other challenges, much work needs to be done before we can effectively harness the geothermal energy potential of this country. These challenges are not unique to geothermal energy; they also stand in the way of the development of other sources of renewable energy. It is to overcome these challenges through strategic planning and advice on government support for emerging industries that we need the board of the Australian Centre for Renewable Energy. It is a sign of our times that a remote town like Innamincka will next year shift from one of the most polluting and inefficient means of energy generation to one of the cleanest known to exist. It will use some of the most advanced technology in this field in the world. Through the experience of this town, we are about to find out that geothermal energy is not a distant pipedream but a tangible source of energy lying beneath our feet.

With, hopefully, the passage of the CPRS, and when dealing with the issue of climate change, it is important that Australia moves towards a low carbon future. Doing so will require creative thinking, entrepreneurship and targeted government support. The establishment of the Australian Centre for Renewable Energy will facilitate this process and ensure that Australia capitalises both on its natural wealth as a continent of extremes and on the global leadership we have already shown in renewable energy technology. I commend the bill to the House.