



The Infrastructure Coordinator  
Infrastructure Australia  
GPO Box 594  
CANBERRA ACT 2601

15 October 2008

To The Infrastructure Coordinator

**RE: Infrastructure Australia - Call for Submissions**

The Australian Geothermal Energy Association (AGEA) represents the leading geothermal energy exploration and development companies and the equipment and service suppliers to the industry. AGEA is pleased to contribute to the work of Infrastructure Australia. This submission focuses on the need to develop national clean energy generation infrastructure and transmission infrastructure to deliver that energy to market. This focus is in line with the commitment of all Australian Governments to emissions reduction goals which need to occur at a time when increasing levels of electricity will need to be generated to meet future demand predictions.

The Australian geothermal energy industry is still in its early stages of development but its development program will be rolled out over the period in which the work of Infrastructure Australia is focused. AGEA has sought an independent assessment of the potential capacity and of the predicted cost of geothermal energy out to 2020. This work was undertaken by McLennan Magasanik and Associates (MMA) in order to assist AGEA contribute to the various government policy processes currently underway around the nation relating to energy supply and climate change. A copy of the report is attached to this submission.

The MMA Report finds that it is reasonable to expect that up to 2200MW of installed generation capacity will be built by the Australian industry at a cost from \$80/MWh, under current national policy settings. AGEA asserts that the pace of development could be increased significantly with new policy settings in line with additional policy goals relating to energy security, climate change response and national development needs yet to be determined.

AGEA is currently participating in an industry advisory capacity to the Australian Energy Market Commissions' review of the Energy Market Frameworks in light of the Carbon Pollution Reduction Scheme (CPRS) and the 20% Renewable Energy Target (RET). Once finalised, this process will provide important information to assist Infrastructure Australia identify Infrastructure priorities.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Susan Jeanes', is written in a cursive style.

Susan Jeanes  
Chief Executive