

Shallower Drilling Could Deliver In Hot Rocks Project

South Australian company Petratherm is hoping to generate geothermal power at its Paralana-1 well north-east of Port Augusta from a shallower depth than first envisaged. Chief executive Peter Reid says the company will resume drilling its Paralana-1 well this month. The well has been found to have one of the hottest temperature gradients of any hot-rocks target in Australia, says Reid. "If the second and final third-stage drilling of this well deliver the results evident in the first stage, then we are confident of achieving the right temperature system at no deeper than 3.5 kilometres to generate electricity. The next stage would be to drill a production well to that depth to supply small, local consumers." Reid says the company is aiming to connect to the electricity grid near Leigh Creek, servicing BHP Billiton's Olympic Dam mine which, if a proposed expansion goes ahead, will consume about 20 per cent of the State's electricity. "We will initially establish a small demonstration plant to provide power to local consumers and if that is successful, scale up to 80-120 MW," says Reid. Petratherm has also announced the appointment of Terry Kallis as managing director. Kallis has previously worked in the Australian electricity industry as a consultant and senior executive. He held senior executive roles with ETSA, primarily as chief financial officer and subsequently was executive manager of the network division at ElectraNet SA.

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