



TRUenergy Australia Pty Ltd
ABN 96 071 611 017
Level 33, 385 Bourke Street
Melbourne Victoria 3000

18 August 2006

Committee Secretary
Standing Committee on Science and Innovation
House of Representatives
PO BOX 6021, Parliament House
Canberra ACT 2600

By email (scin.reps@aph.gov.au)

TRUenergy comments on inquiry into the science and application of geosequestration

The Minister for Education, Science and Training has requested that the House of Representatives Science and Innovation Committee inquire into the science and application of geosequestration technology in Australia. TRUenergy welcomes the Minister's initiative to establish a technical inquiry into what is likely to be an important technology consideration in response to the challenges posed by climate change.

While TRUenergy has no direct experience or expertise in geosequestration *per se*, we do have extensive experience and expertise in geological storage, specifically with regard to natural gas.

TRUenergy is a pioneer in operating Underground Gas Storage (UGS) in Australia. Our Iona UGS facility injects hydrocarbon gas into the porous Waarre reservoir located about 1150m-subsea. The facility has 5 injection/withdrawal wells and 2 observation wells. TRUenergy has management plans in place to ensure the safety and long-term storage integrity of the reservoir and associated field equipment.

Geosequestration, the long-term storage of CO₂ in underground geological reservoirs, is analogous to UGS. At TRUenergy's Iona UGS facility gas is stored in a depleted gas reservoir. Similarly CO₂ can be stored in depleted oil or gas reservoirs. The technical evaluation and processes for Iona UGS can readily be applied to geosequestration.

TRUenergy has experienced the full cycle of the UGS process.

- (a) Feasibility studies, including:
- technical evaluation of the geological structure;
 - evaluation of down-hole equipments; and

- evaluation of associated surface facilities.
- (b) Regulatory processes, which involve working closely with regulators in defining the requirements of the regulations applicable to UGS.
- (c) Development, commissioning, and operational processes.
- (d) Development of the full scope of management, implementation, monitoring and evaluation processes necessary to ensure safety and reliability of the UGS facility.

TRUenergy would welcome the opportunity to provide supplementary technical information on any particular aspect(s) of this process during the course of the inquiry, should the Committee consider experience in the UGS process of value to its inquiry into geosequestration.

Please contact me on (03) 8628 1183 to facilitate further information if required.

Your Sincerely,

Steve
Regulatory Manager, Environment