

May 10th 2019

The Geothermal Energy Project

Introduction

On Monday May 6th 2019, the ULP administration launched the exploratory drilling of geothermal wells, with an excellent and impressive ceremony at Bamboo Range in the La Soufriere area. Hundreds of Vincentians from all walks of life, journeyed to the area to witness history in the making, as the government launched this game-changing project. To be sure, geothermal energy has been on the lips of many a person over the years, but it took the vision and leadership of the ULP to start this process.

The geothermal project will revolutionize the delivery of electricity to the people of St. Vincent and the Grenadines. It will provide stable and predictable energy pricing to businesses and investors, save foreign exchange, and at the same time reduce our carbon footprint. It is an accepted fact that the high cost of energy is a major constraint to economic and social development, especially to small states in the region.

A lot of preliminary work has gone into the preparation of this project. Since the third term of the ULP in office, Prime Minister Dr. Ralph Gonsalves has been involved in discussions of geothermal, looking particularly at getting partners to support the government in this venture. There have been meetings and conferences, major research, the preparation of concept papers, critical discussions with stakeholders, and negotiations with financial agencies.

In short, all this has resulted in a project to commence exploratory drilling to ascertain the quality of the geothermal source. The leadership provided by the ULP in this exercise, is a testimony to the number of critical funding partners that the government was able to attract to this venture. These include the Abu Dhabi Fund for Development, the UK Department for International Development, the Inter-American Development Bank, the Caribbean Development Bank and the Government of New Zealand.

Another critical component in this process is a company called Reykjavik Geothermal, a company that specializes in identifying high quality geothermal sources for development. This company will work alongside the St. Vincent Geothermal Company Limited, in bringing this project to actuality.

The Project

Geothermal will be a game changer in the provision of electricity in St. Vincent and the Grenadines. With hydro providing about sixteen percent of the electricity, geothermal will provide up to fifty percent of the current electricity supply. With the expanding role of solar energy, it is expected that eighty percent of the energy of St. Vincent and the Grenadines will be provided by renewable sources, solar, geothermal and hydro.

That is why the project is called a game-changer. Can you imagine that by 2021, when the geothermal plant is completed, that Vincentians could see a significant drop in their electricity costs? This is certainly good news for all consumers and in particular, the private sector and investors.

The drill pads for the production and reinjection wells have been constructed and there is a dam and pipe installation to provide the water that is necessary for the drilling and production process. A few weeks ago, there was tremendous excitement when the convoys began transporting the drilling equipment from Port Kingstown to Lot 14 in the La Soufriere area. Now the exploration is about to take place, and there is high expectation about the quality of the resource, which will be discovered.

The Opposition to the Project

It is true to say that the NDP made a feeble attempt to engage in some sort of exploration into the possibility of discovering a geothermal resource at La Soufriere. This fizzled away badly because of a poor approach. In 2012, the ULP administration began pursuing geothermal as an active project, and began a series of consultations and discussions with key resource people about geothermal.

The world took notice when in August 2015, the ULP administration took a Geothermal Bill to Parliament, and succeeded in getting it passed. It was at this point that the NDP signaled its opposition to the Project. Arnhim Eustace, the then leader of the NDP, stated in Parliament, that there was no way that his party was going to support geothermal.

Here was a political party stating that it was opposed to a strategy that would see the energy costs of Vincentians being reduced by at least twenty five percent, by the year 2022. This is almost criminal in nature.

Four members of the NDP turned up at the ceremony last Monday, in an apparent attempt to show some sort of support for the project, but this was just a little too late. In fact on their radio station, Nice Radio, the NDP continues to ridicule the attempt by the ULP administration to provide geothermal energy to the people of St. Vincent and the Grenadines.

Conclusion

We end with a quotation by Jan Hartke of the Global Centre on Climate Resilience.

“May 6, 2019 is a day of triumph for the people of St. Vincent and the Grenadines. Geothermal power will be a game- changer for the country. I worked along with the Government, Reykjavik Geothermal, and the communities to see the dawn of this new day.

I never doubted that this day would come. The irresistible political will of Prime Minister Ralph Gonsalves swept away all barriers. As in all his other endeavors, such as his educational milestones and the Argyle International Airport, Prime Minister Gonsalves and his outstanding governmental team have proven that small islands can attain globally significant achievements. The world now has an example of a country moving dramatically away from fossil fuels and mobilizing the resources to establish a clean, renewable energy system across its sovereign domain.

I have worked on clean energy and climate issues for over thirty years. This experience has taught me that many factors must come together to achieve success. Public and private partnerships do not happen by accident. It takes exceptional political leadership. It takes a strong, visionary leader like Prime Minister Gonsalves”.