Cascade Institute recognizes Alberta Drilling Accelerator as a Major Milestone for Geothermal and Energy Sector

On Monday November 25th, the <u>Government of Alberta announced</u> up to \$50M to support the Alberta Drilling Accelerator (ADA).

The Cascade Institute recognizes the importance of this announcement for the geothermal sector and the Canadian energy industry.

Geothermal power is well-positioned to benefit from a test centre focused on drilling. Drilling is a major component of geothermal project costs and is expected to increase as projects drill deeper in search of higher temperatures. This underscores the need for rapid improvements in drilling. These improvements could spill over into benefits for other energy technologies such carbon management, critical minerals, hydrogen, helium, and existing energy resources.

The Alberta Drilling Accelerator will leverage Alberta's world class drilling expertise to advance leading-edge drilling technologies that can unlock greater depths and higher temperatures. These innovations will position Alberta to compete in geothermal and enhance the competitiveness of existing industries.

As outlined in the <u>Ultradeep Geothermal Roadmap</u>, test centres provide a critical anchor for energy innovation ecosystems. By providing the infrastructure to test innovative technologies, test centres crowd-in private investment where risk is too high otherwise. For example, the US <u>Frontier Observatory for Research in Geothermal Energy (FORGE)</u> has worked with industry to achieve a series of <u>breakthroughs</u> on enhanced geothermal.

The ADA provides an opportunity to build on the success of initiatives like FORGE, with a tailored focus on Canada's natural and industrial advantages.

Beyond the importance of test centres, the Cascade Institute recognizes the design of the ADA as a public-private partnership that will operate as an open-access industry-led hub. While the Government of Alberta has not yet announced the full details, the high-level design echoes best practices from successful examples such as the <u>Alberta Oil Sands Technology and</u> <u>Research Authority (AOSTRA)</u>.

AOSTRA played a defining role in establishing Alberta's oil and gas sector. By de-risking steam assisted gravity drainage—the technology behind in situ oil sands production—AOSTRA sparked an industrial revolution that continues to generate benefits today. At the heart of this success was a collaborative innovation framework that enabled AOSTRA members to share both risks and rewards.

Those rewards have been enormous. In fact, Alberta's oil sands industry is on pace to reach <u>one trillion dollars in cumulative spending</u> at some point this quarter. This milestone is the perfect backdrop to launch the next wave of Alberta-driven innovation.

The Alberta Drilling Accelerator represents a pivotal step toward a more innovative and diversified energy future. By building on Alberta's proven strengths and fostering open public-private collaboration, the ADA has the potential to redefine energy innovation and position Alberta as a global leader in geothermal and beyond.

* In April, the <u>Government of Alberta announced it would provide \$750,000</u> for Canadian geothermal firm Eavor to lead a feasibility study for the ADA. The Cascade Institute played a small role in supporting the development of the feasibility study.



