

2011: A milestone year in progressing the shale to liquids industry in Australia

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In 2010, the Queensland State Government in Australia approved QER constructing a small-scale oil shale processing plant that would produce small volumes of ultra low sulphur diesel and other high quality transport fuel products. QER commenced operating the plant in August 2011. This is a milestone development and represents the first step in QER's planned development of commercial-scale shale to liquids industry in Australia. The centerpiece of QER's plant is the Paraho II™ vertical retort for processing oil shale. This is the first time this processing technology has been used in Australia and is also the first new Paraho® retort built anywhere in the world for more than 30 years. The demonstration plant, while small in terms of oil shale throughput and production volumes, is a complete end-to-end plant and has advanced significantly both the technology involved and knowledge of the complexity of constructing such an innovative, advanced oil shale processing plant. With a faltered history of shale oil development in Australia since the end of World War II, this is an important and timely technology development. Building political and public support for construction and operation of the plant has therefore been painstaking and absolutely necessary. The paper will provide an overview of how QER has managed to build and operate an oil shale demonstration plant in 2011 when the industry was in serious decline following the cessation of the SPP project in 2004 and outline proposed developments over the next decade.