

President Obama Announces \$350 Million in Recovery Act Funding for Geothermal Energy Projects

WASHINGTON - President Obama announced on May 27 that \$350 million from the American Reinvestment and Recovery Act will be committed to expand and accelerate the development, deployment, and use of geothermal energy throughout the United States. The funding announced represents a substantial down payment that will help the geothermal industry to overcome technical barriers, demonstrate new technologies, and provide support for clean energy jobs for years to come. The announcement supports the Obama Administration's strategy to increase American economic competitiveness, while supporting jobs and moving toward a clean energy economy.

"We have a choice. We can remain the world's leading importer of oil, or we can become the world's leading exporter of clean energy," said President Obama. "We can hand over the jobs of the future to our competitors, or we can confront what they have already recognized as the great opportunity of our time: the nation that leads the world in creating new sources of clean energy will be the nation that leads the 21st century global economy. That's the nation I want America to be."

"We have an ambitious agenda to put millions of people to work by investing in clean energy technology like geothermal and solar energy," Energy Secretary Steven Chu said. "These technologies represent two pieces of a broad energy portfolio that will help us aggressively fight climate change and renew our position as a global leader in clean energy jobs."

Geothermal Energy

Geothermal energy is a clean source of renewable energy that harnesses heat from the Earth for heating applications and electricity generation; geothermal plants can operate around the clock to provide significant uninterrupted "base load" electricity, or the minimum amount a power utility must provide to its customers.

The Recovery Act makes a \$350 million new investment in this technology, dwarfing previous government commitments. Recovery Act funding will support projects in four crucial areas: geothermal demonstration projects; Enhanced Geothermal Systems (EGS) research and development; innovative exploration techniques; and a National Geothermal Data System, Resource Assessment and Classification System.

***Geothermal Demonstration Projects (\$140 Million)**

Funding will support demonstrations of cutting-edge technologies to advance geothermal energy in new geographic areas, as well as geothermal energy production from oil and natural gas fields, geopressured fields, and low to moderate temperature geothermal resources.

***Enhanced Geothermal Systems Technology Research and Development (\$80 Million)**

Funding will support research of EGS technology to allow geothermal power generation across the country. Conventional geothermal energy systems must be located near easily-accessible geothermal water resources, limiting its nationwide use. EGS makes use of available heat resources through engineered reservoirs, which can then be tapped to produce electricity. While the long-term goal of EGS is to generate cost competitive clean electricity, enabling research and development is needed to demonstrate the technology's readiness in the near-term.

***Innovative Exploration Techniques (\$100 Million)**

Funding will support projects that include exploration, siting, drilling, and characterization of a series of exploration wells utilizing innovative exploration techniques. Exploration of geothermal energy resources can carry a high upfront risk. By investing in and validating innovative exploration technologies and methods, DOE can help reduce the level of upfront risk for the private sector, allowing for increased investment and discovery of new geothermal resources.

***National Geothermal Data System, Resource Assessment, and Classification System (\$30 Million)**

The long-term success of geothermal energy technologies depends upon a detailed characterization of geothermal energy resources nationwide. In 2008, the United States Geological Survey (USGS) conducted an assessment of high temperature resource potential in the Western United States. To fully leverage new low-temperature, geopressured, co-production, and EGS technologies, DOE will support a nationwide assessment of geothermal resources, working through the USGS and other partners. Second, DOE will support the development of a nationwide data system to make resource data available to academia, researchers, and the private sector. Finally, DOE will support the development of a geothermal resource classification system for use in determining site potential.