



March 4, 2019

The Honorable Richard Shelby
304 Russell Senate Office Building
Washington, DC 20510

The Honorable Nita Lowey
2365 Rayburn House Office Building
Washington, DC 20515

The Honorable Patrick Leahy
437 Russell Senate Office Building
Washington, DC 20510

The Honorable Kay Granger
1026 Longworth House Office Building
Washington, DC 20515

Dear Chairmen Shelby and Lowey and Ranking Members Leahy and Granger,

The Geothermal Resources Council is a non-profit professional association for the geothermal industry and community in the USA and abroad. We were founded in 1972 and are headquartered in Davis, California. We have over 1,300 members from around the world and are working to advance our industry by supporting the development of geothermal energy resources through communication of robust research, knowledge and guidance. We write with our priorities for federal funding in the FY2020 budget cycle.

First, the Department of Energy's Geothermal Technologies Office has a history of supporting the development of new technology that is critical for the geothermal industry. GTO's support has helped the industry expand by enabling power product from moderate-temperature geothermal resources, more than doubling the number of states with geothermal power production. Costs of power production have decreased substantially in the past decade due in part to the strategic investments by DOE GTO. But more can be done to address the high risk of conventional resources and ultimately allow more states to produce geothermal. In particular, the DOE FORGE program, which named its winning site in Utah in June 2018, is creating a one-of-a-kind research laboratory to research Enhanced Geothermal Systems, or EGS. EGS will open up vast swaths of lands previously unsuitable for geothermal, an opportunity which promises to be as transformative for geothermal as hydraulic fracturing has been for the natural gas industry.

We recommend that EERE GTO be allocated \$90 million for FY20. This budget would include a full \$30 million for FORGE activities in Utah and a balanced R&D program on other high-value geoscience priorities, including activities to help reduce drilling costs and risks, develop better processes for exploration and characterization of geothermal resources with precision, developing new strategies for extracting strategic minerals from geothermal fluids, supporting scaled experiments of EGS concepts, exploring new strategies for co-production of geothermal with oil and gas, and evaluating new applications for direct-use geothermal heating.

Within the Interior/EPA Subcommittee, we urge the Committee to retain county payments from geothermal production royalties on public lands. We believe that county payments help developers ensure that we have strong partnerships in the rural western counties where we work. In many counties geothermal is one of largest revenues streams to local government.

We also recommend that permitting agents within the BLM Fluid Minerals Division, which is back in charge of geothermal permitting and siting after a reorganizational step taken in 2018, be allocated adequate funds to continue to permit geothermal projects in a timely and safe manner. Similarly, BLM permitting staff focused on transmission rights-of-way should be adequately resourced in FY20 to ensure transmission is available for renewable electricity in the coming decade.

Because the U.S. Geological Survey conducts research and mapping activities that support a clearer understanding of the subsurface, we generally support the USGS Coalition's request of \$1.2 billion in topline funding for the Survey.

We thank you for your consideration. I am available to discuss further at your convenience. Please contact me at wpettitt@mygeoenergy.org with any questions.

Respectfully,

Dr. Will Pettitt
Executive Director
Geothermal Resources Council

Cc:

Senator Lamar Alexander, Chairman, Senate Energy & Water Subcommittee
Senator Dianne Feinstein, Ranking Member, Senate Energy & Water Subcommittee

Representative Marcy Kaptur, Chairman, House Energy & Water Subcommittee
Representative Mike Simpson, Ranking Member, House Energy & Water Subcommittee

Senator Lisa Murkowski, Chairman, Senate Subcommittee on Interior, Environment and Related Agencies

Senator Tom Udall, Chairman, Senate Subcommittee on Interior, Environment and Related Agencies

Representative Betty McCollum, Chair, House Subcommittee on Interior, Environment and Related Agencies

Representative David Joyce, Ranking Member, House Subcommittee on Interior, Environment and Related Agencies