



August 13, 2020

The Honorable Anthony Portantino
Chair, Senate Appropriations Committee
State Capitol, Room 4140
Sacramento, California 95814

RE: AB 1657 (E. Garcia) Lithium Extraction: Blue Ribbon Commission – Support

Dear Chairman Portantino:

On behalf of the Geothermal Resources Council (GRC), an international association represented in over forty countries, we are writing to express strong support for AB 1657 (E. Garcia) which would establish a Blue-Ribbon Commission on Lithium Extraction in California.

Founded nearly fifty years ago, the GRC's mission is to advance the development of geothermal technologies globally through fact-based communication of robust research, knowledge and guidance. Advancing the role of geothermal in California will be necessary for the state to meet its laudable 2030 and 2045 climate goals and RPS targets.

California has long been America's leader in the production of geothermal energy – clean, renewable energy that comes from reservoirs of hot water below the Earth's surface. Our geothermal plants produce electricity 24 hours a day, 7 days a week, regardless of weather conditions. Moreover, the geothermal wells adjacent to the Salton Sea in southern California's Imperial Valley are sitting on a gold mine – or, more precisely, a lithium mine. This is a co-benefit that should not be ignored.

Harnessing geothermal energy results in more than 40,000 gallons of water per minute to cycle through a geothermal facility. This extracted water is mixed in with other elements, like dissolved metals- specifically lithium. Lithium is found in our pockets, on our desktops, and on roadways around the world as the necessary component to power our cell phones, our computers and electric vehicles. As California and the world moves forward to electrify the transportation sector, increased electric vehicle development and demand will be a linchpin to that success. And as the state considers economic recovery in the wake of a once in a generation pandemic while meeting its climate goals, it only makes sense to ensure we are doing all we can to advance the in-state development and procurement of lithium in the areas like the Imperial Valley, where we can be assured its extraction will occur under the safest and most stringent methods.

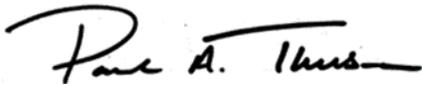
AB 1657 would require that the California Energy Commission (CEC) establish a Blue Ribbon Commission on Lithium Extraction in California. Members of this Commission would review,

investigate, and analyze certain issues and potential incentives, as described, regarding lithium extraction and use in California before submitting a final report to the to the Legislature discussing and documenting its findings, recommendations, and action plans on or before October 1, 2022.

The development of this Commission is a first and necessary step for the state to advance what stands to be a \$4 billion industry up for grabs. Without taking this immediate action, the state stands to lose out on the opportunity to provide lithium resources not only to the twelve EV manufacturers currently based in California, but for the world. If we delay, there is no doubt other countries will move forward, extracting lithium through more costly processes and selling it back to the US at an increased cost. Even prior to the severe recession we are experiencing, the Imperial Valley was already suffering from a depressed economy, with consistent double-digit unemployment numbers and low-income residents accounting for over half of the year-round population. Continued building of the geothermal industry in that area, and the addition of a new industry based on the lithium extraction, would have significant positive impact on the economy and people in that area as well as more widely across California and the USA.

California has been the leader in advancing aggressive policies to tackle our climate crisis and advance clean energy goals; and now is the time to lead once again, rebuilding our economy, increasing our energy independence and becoming a global leader on safe, thoughtful development and extraction of lithium – an element found in nearly every technology used to make the world go round. For these reasons we write in strong support of AB 1657 and urge your support.

Sincerely,



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