



February 12, 2025

The Honorable Jason Smith
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

RE: Unleash Geothermal Energy Through the Technology Neutral Tax Credits

Dear Chairman Smith and Ranking Member Neal:

We write in support of the technology-neutral clean electricity credits Sections 45Y/48E. These credits provide a crucial pathway for the geothermal industry to provide reliable and affordable electricity to meet rising demand.

Geothermal Rising is a leading trade association dedicated to the advancement and promotion of geothermal energy. Geothermal Rising is a key player in the global geothermal industry, promoting the development and use of geothermal energy as a vital component of the world's clean energy future. Through its various programs and initiatives, the association supports the industry's growth, fosters innovation, and helps shape policies that benefit the environment and society.

In addition to longstanding generation from hydrothermal resources, next-generation geothermal companies have pioneered a new era of technological development by adapting technologies long used in the oil & gas industry to engineer the right subsurface conditions to access heat.

For the first time, Congress has enacted policy that places all forms of zero-emission power production on the same playing field. Geothermal is now eligible for the same incentives that other forms of renewable energy have long benefited from. As committee leadership, we ask that you preserve these existing incentives to catalyze new investment into the geothermal energy industry.

- Predictability is essential for companies in the geothermal industry to bring more baseload power onto the grid to meet rising demand
- Current Treasury guidance confirmed that geothermal qualifies for the credits, enabling the industry to rapidly attract new capital investment as such projects are capital-intensive with a long lead time for development
- The technology-neutral structure allows geothermal to compete on a level playing field with other resources



GEOTHERMAL RISING POLICY
ENERGIZING OUR RENEWABLE FUTURE.

The U.S. is experiencing unprecedented energy demand growth, which means the U.S. needs to rapidly deploy new generation like advanced nuclear and geothermal to meet that demand and preserve grid reliability. Over the next decade, demand growth is expected to increase by up to 18%, according to the latest data from the North American Electric Reliability Council (NERC).¹

President Trump's first administration set in motion an agenda to make America the leader in all forms of energy, including clean energy innovation. President Trump has doubled down on the importance of unleashing American energy, including geothermal, through his Day One Executive Orders. Tax incentives will help drive investments to address this demand growth and support grid reliability needs.

With proper incentives in place for innovative emerging energy technologies, including next-generation geothermal, the U.S. will be able to deliver reliable, affordable energy for our economy's demands. Many of the new energy projects needed to meet this demand will be located in states with permitting and tax policies that support private-sector energy development.

The aforementioned tax policies are essential for encouraging innovation, deploying carbon management technologies in our states, and unleashing American energy. We look forward to collaborating with you to protect these critical incentives.

Thank you for your leadership on this important issue.

Sincerely,



Bryant Jones, Ph.D.
Executive Director
Geothermal Rising
www.geothermal.org

¹ https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf