



GEOTHERMAL RISING POLICY

May 5, 2025

RE: Support for Section 80111 (Annual Geothermal Leasing) and Section 80112 (Geothermal Royalties) - FY25 Budget Reconciliation

As the largest and longest-running trade association of the geothermal industry in the United States, representing over 100 organizations, *Geothermal Rising* writes in support of Section 80111 and 80112 of the House Natural Resources Committee Legislative *Proposals for Compliance with H. Con. Res. 14, the Concurrent Resolution on the Budget for Fiscal Year 2025*.

Geothermal Rising builds and empowers the geothermal industry by championing American geothermal technologies and applications, including heating and cooling, direct-use geothermal, thermal energy networks, and electricity generation from geothermal resources to widen the frontiers of geothermal energy. Our industry harnesses the heat of the earth to provide abundant, secure, 24/7 baseload power, heat, and cooling.

Geothermal energy is critical to meet the rapidly rising demand for reliable baseload power in the United States. However, the current requirement for the Department of the Interior to hold geothermal lease sales only once every two years is insufficient— industry requires more frequent sales to minimize project timelines and enhance certainty and investor confidence.

Section 80111 would directly address this problem by requiring annual lease sales and replacement sales of nominated parcels eligible for geothermal development and utilization— thus preventing potentially viable areas from being arbitrarily deferred, and allowing the market to determine interest through a competitive, more efficient and transparent process.

We also strongly support the proposed amendments to Section 5(a)(1) of the Geothermal Steam Act of 1970, as outlined in SEC. 80112. By clarifying that royalty payments are to be assessed “with respect to each electric generating facility producing electricity” and calculated based on the output “by such facility,” this provision provides greater transparency and consistency in royalty calculations. and clarifies that royalties are equitably assessed on a per-facility basis. It also helps prevent cross-subsidization between projects and aligns royalty obligations with actual production, fostering a more predictable financial environment for developers while protecting federal revenue.

Geothermal Rising believes these straightforward reforms are necessary, market-driven, and of little-to-no downside.

Sincerely,

Dr. Bryant Jones,
Executive Director
Geothermal Rising