



Staff Report - Item 06

To: Sonoma Clean Power Authority Community Advisory Committee

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Issue: Receive Geothermal Opportunity Zone Update

Date: April 17, 2025

Background

The Geothermal Opportunity Zone (GeoZone) is SCP's initiative to secure affordable, reliable clean energy for our customers by building 600 megawatts of new geothermal power capacity in Sonoma and Mendocino Counties. This will eventually enable SCP to phase out its dependence on natural gas power plants for reliability. The Community Advisory Committee (Committee) meetings are a regularly scheduled public forum for the community to receive updates and provide input on the GeoZone. The updates provided to the Committee each month, and minutes from any discussion are posted on SCP's website at <https://sonomacleanpower.org/geozone-public-updates>. Staff incorporate any feedback received from the Committee presentation into the monthly updates to the Board of Directors. Additional background on the GeoZone can be found on the GeoZone webpage at <https://sonomacleanpower.org/geozone>.

Cyrq Termination

In the March Committee meeting, staff briefed the Committee that all three GeoZone partners have shared that their agreed-to milestones in SCP's GeoZone cooperation agreement were at-risk given projects risks and delays. Cyrq Energy's project was particularly at risk, given its earlier milestones and need to secure support from an existing site host. Cyrq Energy has also undergone leadership changes and pivoted their corporate strategy away from emerging technologies to focus on maintaining their existing assets. Following the Committee meeting, staff learned that the key staff

member supporting Cyrq's involvement in the GeoZone left the company.

Given the circumstances, staff asked the Board in their April meeting to approve terminating the cooperation agreement with Cyrq to allow SCP to refocus efforts on sustaining momentum on geothermal legislation, partnerships and local community outreach. The Board approved the staff's recommendation.

Staff have collected lessons learned from the partnership with Cyrq to start planning the structure and requirements of potential new public-private partnerships in the GeoZone, including opportunities to support and expand the capabilities of existing resources at The Geysers. As part of that effort, staff have begun reaching out to Calpine. Calpine has expressed an interest in continuing to discuss opportunities with SCP beyond the scope of the Cyrq project while it continues to honor its contractual relationship to supply geothermal power from The Geysers to SCP.

Geothermal Rising Exhibit

Sonoma Clean Power is a member of Geothermal Rising, the main professional and educational association for the geothermal community and public. One of their efforts includes a traveling geothermal museum exhibit that moves around between members.

Geothermal Rising reached out to SCP with the offer to house the exhibit for a 2-6-month period. Staff are currently working through the logistics and determining an area in the Customer Center where the exhibit could be placed. If all goes to plan, SCP will receive the exhibit within the next month and use the opportunity to invite customers and the community to visit the display. The timing of Earth Day and outreach around SCP's GeoZone initiative align well.

The exhibit highlights three main uses of geothermal: 1) power generation, 2) heating and cooling, and 3) agriculture and industry. So far, the exhibit has spent time in Imperial Valley and Kona Hawaii. SCP's Customer Center will be its third destination.