



Staff Report - Item 03

To: Sonoma Clean Power Authority Board of Directors

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Issue: Receive Geothermal Opportunity Zone Update

Date: September 18, 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>.

Clean Air Task Force Report: Unlocking California's Geothermal Potential

Clean Air Task Force (CATF), an environmental organization focused on technology and policy solutions that drive emissions reductions, released a report called "Unlocking California's Geothermal Potential" over the summer (linked here). The report included recommendations well aligned with SCP's current legislative and regulatory initiatives including setting a strategic plan for the State, improving permitting processes, modernizing regulations, providing more ability for geothermal projects to interconnect, and providing more public funding. CATF has

been a valuable thought partner to SCP in addressing key barriers to geothermal investment in California and the report, a webinar they hosted (linked here – SCP participated as a panelist), and advocacy in Sacramento on geothermal has broadened awareness of the opportunity next-generation geothermal could present for California.

The Climate Center: Advanced Geothermal in California

The Climate Center, an environmental organization that works to position California as a leader toward a climate-safe future, hosted a discussion on August 28th on advanced geothermal technologies (webinar recording linked here). The webinar included remarks by Assemblymember Diane Papan, the author of SCP's AB 1359 last year and co-author of SCP's AB 526, AB 527, and AB 531 this year. It also included a presentation by Claudia Sisomphou from SCP, Neil Ethier from Eavor (one of SCP's GeoZone partners), and Chris Snyder from the International Union of Operating Engineers Local 3. The Climate Center convened over 200 people on the call and allowed a forum for climate-motivated organizations and advocates to understand the role geothermal energy could play in decarbonizing California's grid.

Geothermal Industry Updates

In August, the United States Bureau of Land Management (BLM) held the first auction in nearly a decade for geothermal leases on federal land in California (link to LA Times article). The sale generated \$2.75 million in proceeds and although the leased acreage was outside the GeoZone (most was in Imperial County, with one parcel in Modoc/Lassen County), represents a large vote of confidence in the future for geothermal development in California. SCP has previously engaged the BLM on federal leasing opportunities in the GeoZone and identified collaboration between the state of California and BLM as an important component of a strategic plan for advancing geothermal power in California.

Grant Funding & Research

SCP is still awaiting news on whether Sonoma County will be selected to be awarded for its application to the California Energy Commission's (CEC) Geothermal Grant and Loan Program. SCP worked with Sonoma County in submitting an application in January to fund a pro-active planning project that includes subsurface modeling by the National Renewable Energy Laboratory (NREL), coordination with Mendocino County's planning department, and geospatial and biological field work to identify

prospective geothermal sites in the region and augment the skills and experience of local permitting staff. SCP understands the announcement for an award is imminent.

In August, SCP submitted a research concept proposal to the CEC for the next round of it's Electric Program Investment Charge (EPIC) program ([link to submission](#)). In the submission, SCP asks the CEC to dedicate EPIC funds to fund drilling an initial set of higher-risk calibration wells to collect subsurface data and operational learnings to advance next-generation geothermal development in the state. SCP will continue advocacy at the CEC and other forums for a dedicated stream of funding for attracting in-state geothermal development.

SCP has also been in early discussions with the Pacific Northwest National Laboratory (PNNL) on applying cutting edge techniques and large datasets to evaluate siting suitability for geothermal development in the GeoZone. Although a specific funding opportunity has not yet been identified for the partnership, PNNL could be a potential partner in future grant opportunities.

Partner Updates

There are no major updates to share on SCP's GeoZone partners. Eavor continues to be focused on finishing its project in Geretsreid, Germany—which will be online later this year and deliver 8.2 MW of electric power and 64 MW of thermal energy to the neighboring community. Eavor will be better positioned to rededicate resources to progressing its GeoZone project following startup in Geretsreid. SCP staff hosted Chevron at SCP's headquarters in August and are actively discussing contractual options given the expectation that Chevron will not meet its cooperation agreement milestones by their due date in March 2026. Staff anticipate providing the Committee a recommendation on SCP's partnership with Chevron in the October meeting.