



Staff Report – Item 04

To: Sonoma Clean Power Authority Community Advisory Committee

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Issue: Receive Geothermal Opportunity Zone Update

Date: May 21, 2026

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>.

Partner Updates

Staff have no substantive updates to share on GeoZone partnerships. Collaboration between SCP's Capital Projects team and SCP's GeoZone partner Eavor is ongoing. The Committee, Board, and public are welcome to share ideas on compatible sites for developing closed-loop geothermal projects. The team is looking for areas that could accommodate 15-30 acres of land disturbance for well pads and locating power plant equipment, but with subsurface access to up to a square mile of property that is consolidated under one or only several owners. Sites that are away from fault lines, near high-voltage transmission, and demonstrate minimal surface constraints (topographic/ecological/cultural) are more prospective.

Meanwhile, staff are planning a roadshow as early as mid-June to pitch prospective developers on partnerships in the Geothermal Opportunity Zone. Staff have had informal conversations with many industry partners but are scheduling a more organized campaign to identify the best opportunities. Any new GeoZone partnerships that arise from SCP's bilateral discussions with industry will be subject to Board approval.

California Community Power Geothermal Offtake and Development Engagement (GEODE) Agreements

In April, California Community Power (CC Power - the joint procurement agency formed by 9 CCAs, including SCP) publicly announced the execution of Geothermal Offtake and Development Engagement (GEODE) agreements with three industry partners: Atlantica, Zanskar, and XGS ([link to press release](#)). The GEODE agreements are modeled after GeoZone partnerships and enable collaboration between CCAs and industry on navigating commercial, regulatory, and infrastructure constraints to unlock geothermal scale-up. Similar to the GeoZone's focus on local development, the GEODE agreements specifically target in-state development—which aligns with the procurement needs and preference of CC Power's member CCAs. SCP staff have been integrally involved in the design of the GEODE agreements and are also exploring the compatibility of GEODE agreements with future GeoZone partnership opportunities.

Clean Air Task Force Report

In the upcoming weeks, Clean Air Task Force (CATF) will be releasing a report called *Build Here: How Targeted State Investment in Geothermal Can Fill California's Clean Firm Gap* on the importance of in-state geothermal development, and the specific need for early-stage funding for exploration and appraisal from the state. CATF is holding a webinar on June 2nd discussing the report's findings ([link here](#)), which include results showing that geothermal can reduce California's annual electric supply costs by over \$10 billion by 2045—and even more so if development occurs in-state. Staff are excited to have CATF's report as an advocacy tool for SCP's request for state funding and permitting reform to attract investment in next-generation geothermal.

Agency Goals

The GeoZone activities are directly related to the 2026 agency goal to continue progress on the GeoZone, which SCP sees as a key initiative in supporting deployment

of technology that will be critical to meeting long-term climate goals, addressing affordability, and providing reliability while creating local economic opportunities.

Attachments

- None.