



### Staff Report - Item 03

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**To: Sonoma Clean Power Authority Community Advisory Committee**

**From: Ryan Tracey, Director of Planning & Analytics  
Geof Syphers, Chief Executive Officer**

**Issue: Receive Geothermal Opportunity Zone Update**

**Date: May 19, 2022**

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The Geothermal Opportunity Zone (GeoZone) was established by the SCP Board of Directors and the Boards of Supervisors in Sonoma and Mendocino Counties to explore expanding local geothermal power capacity. The purpose of the GeoZone is to develop the resources necessary to allow SCP to stop relying on natural gas power plants altogether. To that end, the GeoZone is seeking to sustain existing local geothermal production and add 500 MW of new geothermal capacity.

Given the activity in the GeoZone initiative, staff is now including regular updates in Board and Committee packets and will also continue to provide updated information and materials at <https://sonomacleanpower.org/geozone>.

To accomplish the goals of the GeoZone, SCP is seeking to form a public-private partnership with a geothermal company or companies to provide technology, experience and capital. The public-private partnership will be modeled on the partnership developed by Redwood Coast Energy Authority to progress their offshore wind project.

Staff released a Request for Information (RFI) for prospective partners on March 14, 2022. Responses to the RFI were due on April 29, 2022. A team of SCP staff, experienced geologists, a member of a local permit agency, and a representative from the Department of Energy has been assembled to assess the technical merit of proposals. The current objective is to shortlist potential partners in May. As part of the selection process, SCP plans on asking respondents to participate in interviews with stakeholders from the community in late June. SCP will use results from these

interviews and input from the technical evaluation team to bring recommended partners to the Committee and Board this summer.

SCP will then enter negotiations in forming a partnership agreement that will establish expectations for SCP's power offtake and the shared contributions in pursuing GeoZone development.

In parallel to SCP's process, the Department of Energy issued an RFI on April 19 soliciting feedback on attributes and outcomes that should be evaluated in their consideration of recipients for portions of an \$84 million grant from the Bipartisan Infrastructure Law to fund geothermal demonstration sites. The grant is expected to be released later this year. SCP staff submitted a response to the RFI to advocate for alignment with the GeoZone objectives (e.g., use of low-water technologies for new capacity). In the likely case that the GeoZone applies for the DOE grant, SCP will seek letters of support from local communities and organizations.