



May 27, 2025

"Letting Off Steam: Unleashing Geothermal Energy Development on Federal Land"

Chairman Stauber:

Ormat applauds the work of members of House Committee on Natural Resources for their leadership in regulatory reform to geothermal development barriers in the United States. Further, Ormat appreciates the opportunity to respond to two additional questions pertaining to the field hearing titled, "Letting Off Steam: Unleashing Geothermal Energy Development on Federal Land" held on Monday, May 12, 2025, in Cedar City, Utah.

*Legislation is now under consideration that mandates annual geothermal lease sales in all states with known geothermal resources on federal land. The legislation also requires that all eligible acreage (pursuant to a land use plan) nominated by industry be offered for lease – without leaving any opportunity for public input into leasing, site-specific analysis, or scoping to address potential resource or land use conflicts prior to a lease auction. Land use plans are often woefully outdated – some are over 40 years old and no longer accurately reflect existing resource conflicts. Please explain how the industry will work with stakeholders to ensure nominations will avoid, minimize, mitigate, and compensate for any resource conflicts?*

The proposed amendment to the geothermal leasing legislation does not alter the requirement that all nominated parcels must undergo an Environmental Assessment (EA) prior to being offered at a lease sale. This process continues to provide opportunities for public input and environmental review. While the EA conducted at the leasing stage does not include site-specific analysis or scoping for development-level impacts, those evaluations are appropriately addressed during the EA or Environmental Impact Statement (EIS) process associated with subsequent development plans. The intent of the amended language is to ensure that states conduct comprehensive, statewide annual lease sales rather than limiting offerings to specific districts or geographic areas, thereby improving consistency and access to geothermal resources. Ormat Technologies supports this approach and remains committed to responsible development. We proactively engage with local communities, Tribal governments, and environmental stakeholders prior to nominating parcels, using modern geospatial tools and environmental data to avoid or minimize conflicts. Where impacts are unavoidable, we support mitigation and compensation strategies to ensure that geothermal development proceeds in a manner that is both environmentally responsible and publicly accountable.

*A common theme during the hearing was permitting delays, which were mostly attributed to duplicative NEPA reviews and other inefficient regulatory processes. Not discussed was the adequacy of agency funding and staffing to be able to process*

*geothermal reviews and permits in a timely manner. Some people with industry experience believe federal regulators process paperwork for oil and gas much faster than for geothermal due to disparities in funding and staffing and less centralization and coordination associated with geothermal permitting than fossil fuel permitting. In your experience, do you believe the agencies – particularly the BLM's Renewable Energy Coordination Offices and other relevant offices – are adequately funded and staffed with geothermal permitting experts to be responsive to your needs and act in a timely manner?*

Permitting delays remain a significant barrier to geothermal development, and yes, duplicative NEPA reviews and regulatory inefficiencies are a source of the delays. It is also important that agencies are equipped with the necessary funding, staff, and expertise to carry out their permitting responsibilities. We greatly value our collaborative relationship with the Bureau of Land Management (BLM) and appreciate the dedication of its staff, many of whom work diligently under constrained resources.

Compared to oil and gas, geothermal projects often face longer timelines due to limited personnel, decentralized permitting structures, and a lack of specialized knowledge within agency teams. This disparity results in slower processing even when environmental reviews are complete. To address these challenges, we support increased funding for BLM's Renewable Energy Coordination Offices, the establishment of geothermal-specific permitting teams, and the implementation of statutory deadlines, such as those proposed in the Geothermal Energy Opportunity (GEO) Act, to ensure timely and predictable permitting. These reforms are essential to unlocking the full potential of geothermal energy as a reliable, renewable baseload resource.

In summary, the proposed "H.R. 301 GEO Act" provides several specific changes needed to streamline geothermal development on federal lands. While we have discussed the benefits and crucial nature of those changes, it is important to reiterate that the proposed changes do not affect the geothermal industry's responsibility and integrity in meeting the highest standards for environmental stewardship.