

# TESTIMONY OF PAUL THOMSEN VICE PRESIDENT OF ORMAT TECHNOLOGIES INC. BEFORE THE SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES CHAIRMAN STAUBER OVERSIGHT FIELD HEARING

May 09, 2025

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

Chairman Stauber, and members of the Subcommittee, thank you for the opportunity to testify today. My name is Paul A. Thomsen, and I am the Vice President of Ormat Technologies Inc. On behalf of Ormat, I am grateful for this Committee's leadership to advance the deployment of geothermal energy.

Ormat Technologies, headquartered in Reno, Nevada, is a vertically integrated global leader in geothermal power and recovered energy generation (REG). With more than 1,600 employees and over 60 years of industry expertise, Ormat designs, develops, manufactures, owns, and operates geothermal power plants worldwide—delivering more than 3,400 megawatts of gross capacity across 30+ countries. Ormat has a strong operational presence on federal lands, with 22 active facilities spanning 880 acres and utilizing 300,920 acres of Bureau of Land Management (BLM) land across California, Nevada, New Mexico, and Utah. Ormat's state-of-the-art, air-cooled binary facilities provide stable and reliable renewable energy, 24 hours a day, seven days a week, with zero carbon emissions.

#### **Permitting Reform**

Ormat strongly supports the geothermal permitting reforms pursued by the Trump Administration and proposed by this Committee in various legislative vehicles, including H.R. 301 and the legislative proposals to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res. 14. These reform measures, discussed in further detail below, would streamline the permitting process for geothermal development and allow for more renewable energy to be deployed on federal lands.

### Agency Deadlines for Geothermal Development Permits (H.R. 301)

We can't thank Congresswoman Maloy and this committee enough for its efforts on the Geothermal Energy Opportunity Act, or the GEO Act. This bill expands the Geothermal Steam Act



of 1970 to establish a deadline for the Department of the Interior to process applications related to geothermal leases. Specifically, this legislation would require Interior to process each application for a geothermal drilling permit or other authorization under a valid existing geothermal lease within 60 days after completing all requirements under applicable federal laws and regulations (including the National Environmental Policy Act of 1969, the Endangered Species Act of 1973, and the National Historic Preservation Act) unless a federal court vacates or provides injunctive relief for the underlying lease.

Although this legislation has not yet been enacted, the Trump Administration's renewed focus on geothermal energy has already led the Nevada BLM to issue Ormat's long-delayed drilling permits for the Baltazor project—permits that had been stalled for over two years following the completion of a NEPA review. This progress represents a significant milestone in addressing water monitoring requirements for our geothermal resource confirmation projects and expediting geothermal project development on BLM lands. We are pleased to see BLM proceeding quickly to support the Administration's agenda to produce more domestic energy. Ormat is excited to begin drilling at this project and complete the initial steps toward bringing it online.

#### **Royalties on Leases with Multiple Plants**

Ormat sincerely appreciates the Committee's efforts to clarify the legal framework governing royalty rates for geothermal leases with multiple operating power plants. This clarification is a critical step toward ensuring fairness and consistency across the industry. It also addresses longstanding concerns around royalty overpayments, helping to prevent future discrepancies and supporting continued investment in geothermal energy.

#### **Concurrent Consideration of Multiple Project Phases**

In response to President Trump's January 20, 2025, declaration of a National Energy Emergency, the Department of the Interior has implemented emergency permitting procedures to accelerate the development of domestic energy resources and critical minerals, including multiple project phases. These measures expedite the NEPA, ESA, and NHPA review and approval of projects related to energy within the United States, reducing a 4–8-year process to approximately 28 days. This applies to actions related to geothermal energy, among other energy sources. Secretary Burgum emphasized the urgency of these procedures to protect our energy security and national security. By reducing permitting timelines, the Department will lead with urgency, resolve, and a clear focus on strengthening the nation's energy independence.

Under the alternative NEPA and Section 106 procedures, Ormat has submitted requests for DOI to process Operations Plans for our Mason, Harmony, Diamond Flat, Pinto, and Rincon projects.



Additionally, Utilization Plans have been submitted for the Lone Mountain, Pearl, Whirlwind, and Truckhaven projects to be assessed under these alternative procedures as well.

## **Annual Lease Sales**

Annual lease sales are being commenced in many states, including Nevada, Utah, Idaho, and Oregon. We commend Acting BLM Director Jon Raby for his continued support of geothermal development and efforts to implement the President's Executive Order declaring a National Energy Emergency. This leasing initiative is crucial for securing an affordable and reliable domestic energy supply, vital for our nation's national and economic security. BLM Idaho will host two geothermal lease sales this year, which will significantly contribute to meeting the objectives outlined in the Executive Order. By facilitating these sales, BLM Idaho is pivotal in unleashing the geothermal drilling required to enhance our domestic energy supply.

#### **Endangered Species Act Reform**

The U.S. Fish & Wildlife Service (USFWS) has been proactive in proposing ESA listings and, in some cases, emergency listing species to block geothermal energy development. Below is a list of proposed ESA listings and critical habitat designations affecting geothermal energy development. I urge this Committee to take action to end the ongoing infighting between agencies, which undermines the President's and Secretary's shared goal of expanding geothermal energy production.

• Dixie Valley Toad (DVT). In April 2022, the USFWS listed the DVT as endangered on an emergency basis, the first time USFWS has invoked emergency listing procedures since 2012. The listing was finalized in December 2022. In 2024, USFWS proposed to designate critical habitat for the toad, which proposal remains pending. The DVT is endemic to the Dixie Meadows springs complex in Dixie Valley, Nevada. The toad population is currently stable, and no changes in population, toad health, or habitat are documented. The listing decision was based entirely on alleged and unproven impacts of Ormat's proposed Dixie Meadows geothermal project in the vicinity of the springs. USFWS ignored Ormat's comments on the proposed listing, explaining that its state-of-the-science closed-loop technology maintains reservoir pressures and avoids groundwater drawdowns that could affect DVT habitat. Now, USFWS is considering designation of critical habitat, which will present even greater challenges to permitting the Dixie Meadows geothermal project. The proposed critical habitat designation is also flawed because it fails to meet the agency's obligation to define what environmental features are necessary for the toad and what degree of habitat changes would adversely affect the toad.



Bleached Sandhill Skipper (BSS). In January 2025, the USFWS proposed to list the BSS as endangered. The public comment period for this listing decision closed on March 10, 2025. USFWS has determined that major threats to this small butterfly species include climate change and groundwater pumping, which are allegedly drying the alkali meadows in Nevada. These impacts are unrelated to geothermal development, and as explained in Ormat's detailed comments, are based on faulty data and unsupported assumptions. Given the proximity of the species to Ormat's proposed Baltazor geothermal project, listing this species could impact Ormat's ability to develop the Baltazor project and another geothermal project in the vicinity.

**Fish Lake Valley Tui Chub.** In 2022, USFWS found that the Fish Lake Valley tui chub (FLVTC; a small fish) may be warranted for listing as an endangered or threatened species. The species is currently under status review. USFWS has a court-ordered deadline to determine whether listing is warranted by May 17, 2025. According to USFWS, potential threats to this species include groundwater pumping from agriculture, encroachment of invasive aquatic plants, geothermal development, lithium extraction, climate change, and stochastic events. As a species under review by USFWS, the BLM affords the same protections to the species as if it were listed. This species occurs in proximity to Ormat's Lone Mountain geothermal project, another geothermal development, and the Rhyolite Ridge lithium project. On the basis of the best available scientific evidence, Ormat categorically denies that the Lone Mountain geothermal project could impact the species.

Greater Sage-Grouse. The greater sage-grouse (GRSG) was petitioned for listing in the early 2000s. After extensive review and litigation, USFWS determined that listing was not warranted, relying in large part on BLM resource management planning efforts to conserve the species. The Bi-State Distinct Population Segment of the species (spanning areas of Nevada and California) is currently under status review for listing as a threatened species. The GRSG is a small, round-bodied game bird that lives primarily in sagebrush habitat throughout the western US. Given its extensive range and presence in areas of existing and potential geothermal development, a decision to list either the Bi-State population or the species as a whole could significantly impair numerous energy projects, utility development, and right-of-way usage throughout the West.

**Monarch Butterfly.** In 2024, the USFWS proposed to list the monarch butterfly as threatened and to designate approximately 4,400 acres of critical habitat in Alameda, Marin, Monterey, San Luis Obispo, Santa Barbara, Santa Cruz, and Ventura Counties in California. USFWS found that the monarch butterfly is threatened by loss of habitat from drought,



agriculture, urban development, insecticides, and climate change. If the species is listed or if critical habitat is designated, countless geothermal projects (greenfield or operating facilities) could be impacted. The host plant for this species is widespread in small populations across Ormat's geothermal portfolio area.

# **Conclusion**

Thank you for your attention to these critical issues. Ormat is committed to advancing geothermal energy development on federal lands, supporting the President's and Secretary's agenda to produce more energy, and creating jobs and economic development, especially in rural areas. We appreciate your continued support and look forward to working together to unleash the full potential of geothermal energy in the U.S