

**Introduced by Senators Evans and Hueso
(Coauthors: Senators DeSaulnier and Fuller)**

(Coauthors: Assembly Members Chesbro, Dahle, Jones-Sawyer, V. Manuel Pérez, and Yamada)

April 8, 2014

Senate Concurrent Resolution No. 108—Relative to geothermal awareness.

LEGISLATIVE COUNSEL’S DIGEST

SCR 108, as introduced, Evans. Geothermal Month and Geothermal Day.

This measure would recognize the month of May 2014, as Geothermal Month and May 5, 2014, as Geothermal Day. The measure would urge the State Air Resources Board, the State Energy Resources Conservation and Development Commission, and the Public Utilities Commission to immediately take the necessary actions to ensure the continued viability of California’s existing renewable geothermal resources and promote the procurement of new geothermal generation.

Fiscal committee: yes.

1 WHEREAS, California contains the largest amount of
2 geothermal generating capacity in the United States due to its
3 location on the Pacific “Ring of Fire” and the tectonic plate
4 conjunctions; and

5 WHEREAS, There are 25 Known Geothermal Resource Areas
6 (KGRAs) located in California, 14 of which have temperatures of
7 300 degrees Fahrenheit or greater for commercial geothermal
8 production of electricity; and

1 WHEREAS, There are major geothermal electrical production
2 locations throughout the State of California in the Counties of
3 Sonoma, Lake, Imperial, Inyo, and Mono; and

4 WHEREAS, California currently has 2,565.5 megawatts of
5 installed electric generation capacity with an additional 4,000
6 megawatts of potential for development; and

7 WHEREAS, Geothermal energy is a reliable baseload renewable
8 energy source that has been commercially operating in California
9 since 1960 at the Geysers, the world's most developed geothermal
10 resource area, which has been providing Californians with clean,
11 reliable, and affordable electricity for more than 50 years; and

12 WHEREAS, Geothermal energy produces electricity 24 hours
13 a day, seven days a week with a high availability record and is
14 important to balance the needs of the state's transmission grid
15 system; and

16 WHEREAS, Geothermal energy is a clean renewable energy
17 resource. The operation of the Geysers helps avoid the emissions
18 of 2.4 million tons of carbon dioxide, which is equivalent to
19 greenhouse gas emissions from more than 432,000 cars being taken
20 off the road, that would otherwise be emitted by fossil fuel plants
21 to meet baseload energy needs; and

22 WHEREAS, In comparison to other existing renewable
23 technologies, geothermal energy has many unique benefits,
24 including consistent, predictable production, a relatively small
25 land footprint, and low-integration costs; and

26 WHEREAS, Imperial County's Salton Sea Known Geothermal
27 Resource Area is considered to have a significant near-term growth
28 opportunity of over 2,000 megawatts of electric generation from
29 additional geothermal resource development and additional
30 geothermal resource development opportunities exist in the
31 Counties of Sonoma, Modoc, Mono, and Lake; and

32 WHEREAS, The geothermal industry is a major employer in
33 the local communities where projects are located, providing a
34 diverse range of full-time employment opportunities as well as
35 contractor jobs throughout all phases of development and operation;
36 and

37 WHEREAS, Fully developing Imperial County's Salton Sea
38 Known Geothermal Resource Area could produce 5,214
39 construction jobs, and up to 1,093 long-term operating and
40 maintenance jobs, substantially improving the economy of one of

1 the most impoverished counties in the state, where over 22 percent
2 of the population is unemployed; and

3 WHEREAS, Construction of the two proposed projects in
4 Sonoma County is expected to require about 900,000 hours of
5 labor by 190 construction workers, as well as hundreds of millions
6 of dollars in materials, supplies, and services during construction.
7 This new construction would result in an estimated \$12 million in
8 one-time sales tax revenue, \$7 million in new annual property tax
9 revenues, and millions of dollars in additional royalties paid to
10 state, federal, and private leaseholders. Once operational, the new
11 plants could create up to 19 full-time jobs; and

12 WHEREAS, Geothermal power contributes to the tax revenue
13 in local communities, representing 10 percent of all property tax
14 revenue in Imperial County and serving as the largest property
15 taxpayers in the Counties of Lake and Sonoma; and

16 WHEREAS, Geothermal development, from exploration through
17 construction, spurs local economic growth through sales tax
18 revenues, materials and supplies purchase, and purchase of other
19 associated goods and services; and

20 WHEREAS, California has one of the most ambitious renewable
21 portfolio standards (RPS) in the country with a mandate to procure
22 33 percent of energy from renewable sources by 2020, and
23 geothermal energy is a major contributor to achieving this goal;
24 and

25 WHEREAS, California is on course to meet the near-term 2020
26 greenhouse gas emissions reduction target under the California
27 Global Warming Solutions Act of 2006 (Division 25.5
28 (commencing with Section 38500) of the Health and Safety Code),
29 but more emissions reductions from the use of clean energy like
30 geothermal and other technological innovations will be needed to
31 maintain and make further reductions in carbon emissions; and

32 WHEREAS, Geothermal energy is essential and complimentary
33 to California's environmental and economic policies, yet new fully
34 permitted geothermal projects have failed to keep pace with the
35 procurement of other renewable resources; and

36 WHEREAS, According to the State Air Resources Board, the
37 State Energy Resources Conservation and Development
38 Commission, and the Public Utilities Commission, existing
39 geothermal generation production is expected to drop significantly
40 by 2020, a result of renewable procurement policies that have

1 failed to fully capture the benefits of geothermal generation and
2 the costs associated with other renewable technologies; and

3 WHEREAS, A diverse renewable energy portfolio better fits
4 with California's energy demand profile and lowers costs; and

5 WHEREAS, The preservation of California's existing
6 geothermal generation and the development of new geothermal
7 generation could facilitate the achievement of the state's post-2020
8 energy and environmental goals; now, therefore, be it

9 *Resolved by the Senate of the State of California, the Assembly*
10 *thereof concurring*, That the Legislature recognizes the month of
11 May 2014 as Geothermal Month to raise awareness of the
12 significant contributions geothermal energy makes to California's
13 Renewable Portfolio Standard and towards meeting the state's
14 environmental goals to reduce greenhouse gas emissions; and be
15 it further

16 *Resolved*, That the Legislature recognizes May 5, 2014, as
17 Geothermal Day in California, and urges all citizens to show their
18 support on that day by learning more about geothermal energy in
19 California and public support events planned by the geothermal
20 industry; and be it further

21 *Resolved*, That the Legislature urges the State Air Resources
22 Board, the State Energy Resources Conservation and Development
23 Commission, and the Public Utilities Commission to immediately
24 take the necessary actions to ensure the continued viability of
25 California's existing renewable geothermal resources and promote
26 the procurement of new geothermal generation; and be it further

27 *Resolved*, That the Secretary of the Senate transmit copies of
28 this resolution to the Governor, the members of the Public Utilities
29 Commission, the State Energy Resources Conservation and
30 Development Commission, the Independent System Operator, the
31 State Air Resources Board, and to the author for appropriate
32 distribution.