AMENDED IN SENATE MAY 6, 2014

Senate Concurrent Resolution No. 108

Introduced by Senators Evans and Hueso
(Coauthors: Senators DeSaulnier and Fuller)
(Coauthors: Assembly Members Chesbro, Dahle, Jones-Sawyer, ~~V. Manuel Pérez,~~ *V. Manuel Pérez,* and Yamada)

April 8, 2014

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

LEGISLATIVE COUNSEL'S DIGEST

SCR 108, as amended, 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.

WHEREAS, California contains the largest amount of geothermal generating capacity in the United States due to its location on the Pacific "Ring of Fire" and the tectonic plate ~~conjunctions;~~ *junctions;* and

WHEREAS, There are 25 Known Geothermal Resource Areas (KGRAs) located in California, 14 of which have temperatures of

300 degrees Fahrenheit or greater for commercial geothermal production of electricity; and

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

WHEREAS, California currently has 2,565.5 megawatts of installed electric generation capacity *from geothermal resources* with an additional 4,000 megawatts of potential for development; and

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

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

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

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

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

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

WHEREAS, Fully developing Imperial County's Salton Sea Known Geothermal Resource Area could produce 5,214 construction jobs, and up to 1,093 long-term operating and maintenance jobs, substantially improving the economy of one of the most impoverished counties in the state, where over 22 percent of the population is unemployed; and

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

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

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

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

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

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

WHEREAS, According to the State Air Resources Board, the State Energy Resources Conservation and Development Commission, and the Public Utilities Commission, existing geothermal generation production is expected to drop significantly by 2020, a result of renewable procurement policies that have failed to fully capture the benefits of geothermal generation and the costs associated with other renewable technologies; and

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

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

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

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

Resolved, That the Legislature urges 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; and be it further

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

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