February 19, 2013

Dear Chairman Nichols and the CARB Board:

We are writing to you as the Director and Associate Director of the California Geothermal Energy Collaborative (CGEC). The CGEC is funded to conduct research that will increase the benefits of renewable geothermal energy for the State of California. We have over 300 members, from all walks of life - some are enthusiastic supporters of geothermal technology, some are citizens interested in renewable energy, some are students and some are geothermal industry participants. The vast majority of our members are California residents. Our funding sources are, or have been, the University of California, the Department of Energy, the National Science Foundation, and the California Energy Commission, to name a few.

We strongly support investing a portion of the cap-and-trade fee revenues in research efforts that will reduce the risk (and hence the cost) of finding and producing geothermal energy. Geothermal energy currently provides between 20% and 40% of California’s renewable energy. If the total known geothermal resource were to be brought online, geothermal energy could more than double its contribution to the state’s RPS goals and associated greenhouse gas targets. This would be accomplished with a smaller footprint and environmental impact than almost any other energy resource available to the state. The investments we discuss below could both be funded through existing programs that focus on sustainable communities and energy efficiency.

We encourage investment of funds in an existing effort to develop a Center For Geothermal Research at UC Davis. This Center, which is being developed, in part, through the National Science Foundation’s Industry/University Cooperative Research Center program, is intended to undertake research that will improve the success rate of identifying and developing geothermal resources, increase the ability to sustainably manage these clean energy resources, and support innovative ways to utilize geothermal energy to reduce reliance on fossil fuels at the community and state level. The Center will actively seek to collaborate in its efforts with disadvantaged communities as well as companies in California to support their needs. Such an investment would leverage existing investments by the National Science Foundation and the University of California, as well as future investments by industry members of the Center. It would also provide an important stimulus to scientific, economic and technology educational programs throughout the University of California, California State University, and California Community College systems.

We also encourage investment of funds in the existing Geothermal Resources Development Account (GRDA) that is administered by the California Energy Commission. Such an investment would increase the only consistent and significant funding base administered by the state that supports activities important for the growth of geothermal energy utilization in California. This is important, because the largest renewable energy resource California possesses is geothermal energy, which can be used for power generation at many scales, heating and cooling buildings, industrial drying, food processing, and many other heat-intensive applications.

Investing cap-and-trade fee revenues in these two areas would encourage California to acquire a leading role in the world in technology development for geothermal applications, which exist globally. By pursuing that lead, while simultaneously encouraging geothermal development at the local and regional level, such investments

can contribute to growth in the state’s economy and improve the ability of the state to meet its RPS and greenhouse gas emissions goals.

Thank you for the opportunity to contribute to discussions regarding these important issues.

Sincerely,



William Glassley

Director, CGEC



Elise Brown

Associate Director, CGEC