



C.L. "BUTCH" OTTER
GOVERNOR

NEWS RELEASE

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BILLS CLEAR THE WAY FOR MORE DEVELOPMENT OF CLEAN, SUSTAINABLE GEOTHERMAL RESOURCES

(BOISE) – Governor C.L. "Butch" Otter signed four bills into law today that are aimed at improving the process for leasing Idaho's precious and sustainable geothermal resources, especially those found beneath State-managed land in Idaho.

The Governor took the opportunity of today's meeting of the State Land Board – which oversees management of State land – to sign House Bills 52, 53, 54 and 56 into law, and to express his enthusiastic support for expanding Idaho's geothermal capacity. Taken together, the bills remove artificial administrative barriers to exploring and developing geothermal projects on State land.

"Developing our geothermal resources has the exciting potential to provide a firm, reliable and 'green' source of alternative energy for Idaho," Governor Otter said. "These changes to Idaho Code improve our ability to responsibly promote and develop these valuable resources in order to make Idaho more energy independent while at the same time bringing in royalties for the endowment trusts and the General Fund."

House Bill 52 gives the Land Board authority to reach longer-term lease agreements, up to 49 years, in order to provide developers with the time and opportunity to recoup their capital investment in a project.

House Bill 53 gives the Land Board the flexibility it needs to negotiate rent and royalty rates commensurate with the marketplace.

House Bill 54 gives the Land Board authority to negotiate for a single geothermal lease to cover all State lands within a defined geothermal area. It changes the limitation on leases for a single 640-acre "section" of land to a size necessary to accommodate the geothermal lease, which could cover several thousand acres.

House Bill 56 removes arbitrary, fixed bond amounts required of geothermal project developers by providing flexibility for the Land Board to set bonding levels for each phase of a project.

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