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Commission Chairman David Catanach State of New Mexico Oil Conservation Commission 1220 South St. Francis Drive Santa Fe, New Mexico 87505

September 10th, 2015

Dear Mr. Chairman and Commissioners,

The Geothermal Energy Association (GEA) appreciates the Commission's ongoing efforts to ensure the protection and proper management of geothermal resources for the residents of New Mexico. GEA would like to remind the Commission of some of the values of geothermal power resources. Geothermal power provides substantial clean, economic and environmental friendly power. The United States Geological Survey estimates there are about 170 MW of identified geothermal power resources in New Mexico and an additional 1500 MW of undiscovered systems. This is enough resource to power nearly 1.6 million homes.

Geothermal power is one of the cleanest forms of power² and has one of the lowest land impacts of any energy technology.³ Geothermal power is capable of providing both firm and flexible power while providing numerous ancillary services including load following, ramping, and reserve capabilities. ⁴

In order to bring these important capabilities of geothermal power to New Mexico's power system a smooth approval process is essential for geothermal development. Legal and regulatory delays add substantially to the risks of geothermal development and may make projects uneconomical.

GEA stresses that while the process needs to address legitimate concerns, repeated delays will threaten the viability of a project and send an adverse signal to other potential developers about working in the state.

Sincerely,

Karl Gawell, Executive Director Geothermal Energy Association (GEA) 209 Pennsylvania Ave. SE, Washington, DC 20003 (202) 454 – 4264 The Geothermal Energy Association (GEA) is a trade association comprised of over 100 U.S. companies that support the expanded use of geothermal energy and are developing geothermal resources worldwide for electrical power generation and direct-heat uses.

¹ Williams, Colin F., Reed, Marshall J., Mariner, Robert H., DeAngelo, Jacob, Galanis, S. Peter, Jr., 2008, Assessment of moderateand high-temperature geothermal resources of the United States: U.S. Geological Survey Fact Sheet 2008-3082, 4 p.

² Sullivan, J. L., and M. Q. Wang. "Life cycle greenhouse gas emissions from geothermal electricity production." *Journal of Renewable and Sustainable Energy* 5, no. 6 (2013): 063122.

³ McDonald, Robert I., Joseph Fargione, Joe Kiesecker, William M. Miller, and Jimmie Powell. "Energy sprawl or energy efficiency: climate policy impacts on natural habitat for the United States of America." PLoS One 4, no. 8 (2009): e6802.

⁴ Linvill, Carl, John Candelaria, and Catherine Elder. The Value of Geothermal Energy Generation Attributes: Aspen Report to Ormat Technologies. San Francisco: Aspen Environmental Group, 2013.