
SENATE BILL 6039

State of Washington

68th Legislature

2024 Regular Session

By Senators Lovelett and Shewmake

Prefiled 01/05/24.

1 AN ACT Relating to promoting the development of geothermal energy
2 resources; amending RCW 79.13.530; adding a new section to chapter
3 43.92 RCW; adding a new section to chapter 43.31 RCW; and creating a
4 new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.92
7 RCW to read as follows:

8 (1) The geological survey shall compile and maintain a
9 comprehensive database of publicly available subsurface geologic
10 information relating to Washington state. The geological survey must
11 make the database available to the public in a searchable format via
12 the geological survey's website.

13 (2) The subsurface geologic information contained on the website
14 should include, but is not limited to, the following:

- 15 (a) Temperature gradient logs;
16 (b) Geothermal well records;
17 (c) High resolution magnetotelluric surveys;
18 (d) High resolution gravity surveys;
19 (e) Geothermal play fairway studies;
20 (f) Three-dimensional reflection seismic surveys; and
21 (g) Rock properties databases.

1 (3) The geological survey must:

2 (a) Coordinate with federal, state, and local agencies to compile
3 existing subsurface geologic information;

4 (b) Acquire, process, and analyze new subsurface geologic data
5 and update deficient data using the best practicable technology;

6 (c) Using available data, characterize the hazard of induced
7 seismicity for high-potential geothermal play areas. Results of
8 induced seismicity hazard studies must be made publicly available and
9 updated as new information is available; and

10 (d) Provide technical assistance on the proper interpretation and
11 application of subsurface geologic data and hazard assessments.

12 **Sec. 2.** RCW 79.13.530 and 2003 c 334 s 465 are each amended to
13 read as follows:

14 (1) In an effort to increase potential revenue to the geothermal
15 account, the department shall, by December 1, 1991, adopt rules
16 providing guidelines and procedures for leasing state-owned land for
17 the development of geothermal resources.

18 (2) (a) By September 30, 2024, the department must commence rule
19 making to update its geothermal resources lease rates. The updated
20 geothermal resources lease rates must comply with the terms
21 established in this section.

22 (b) Geothermal resources lease rates must be competitive with
23 geothermal resources lease rates adopted by the federal government
24 and by other states in the western portion of the United States.

25 (c) The goal of the updated geothermal resources lease rates must
26 be to optimize the state's competitiveness at attracting geothermal
27 exploration and development projects while balancing the state's
28 obligation to trust beneficiaries.

29 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.31
30 RCW to read as follows:

31 (1) Subject to the availability of amounts appropriated for this
32 specific purpose, a competitive geothermal exploration cost-share
33 grant program is established in order to incentivize deep exploratory
34 drilling to identify locations suitable for the development of
35 geothermal energy.

36 (2) Grants may be awarded to offset the direct costs associated
37 with the expense of conducting deep exploratory drilling for the

1 purpose of identifying locations in Washington suitable for the
2 development of geothermal energy.

3 (3) The department of commerce must consult with the Washington
4 geological survey to develop a method and criteria for the allocation
5 of grants, subject to the following:

6 (a) Proposed exploratory drilling projects should be located in
7 areas of high geothermal potential;

8 (b) Grant applicants should possess, or should demonstrate a
9 partnership or other form of relationship with entities who possess,
10 demonstrated expertise in successful geothermal exploration;

11 (c) Grant applicants should meet high labor standards, including
12 family sustaining wages, providing benefits including health care and
13 employer-contributed retirement plans, career development
14 opportunities, and must maximize access to economic benefits from
15 exploratory projects for local workers;

16 (d) Selection and implementation of exploratory drilling projects
17 should align with equity and environmental justice principles as
18 established in chapter 70A.02 RCW;

19 (e) Grant awards to private grant applicants should be for no
20 more than one-half of the overall cost of the project and grant
21 awards to public and tribal grant applicants should be for no more
22 than two-thirds of the overall cost of the project;

23 (f) Grant applicants must demonstrate that they have, or that
24 they will have by the time of the execution of a grant agreement,
25 site control of the site that is the subject of the exploration
26 effort, either through an ownership interest or through a lease
27 agreement that provides access to the site and the right to drill to
28 the proposed depth;

29 (g) The grant application must demonstrate the applicant's
30 engagement efforts with the local community to provide information
31 about the potential project;

32 (h) If any fluid is proposed to be injected as part of the
33 exploratory drilling, the grant application must include an analysis
34 of any potential for induced seismicity as a result of the injection,
35 as well as a plan for the management of the risk of induced
36 seismicity;

37 (i) The award of grants will seek to broaden the state's
38 knowledge of geothermal resources, with a preference given to high
39 impact projects in favorable geologic settings that have been
40 comparatively underexplored; and

1 (j) All results of any exploratory drilling performed with grant
2 funds must be made publicly available and must be submitted to the
3 Washington geological survey for inclusion in the database created
4 pursuant to section 1 of this act.

5 (4) In the course of administering the geothermal exploration
6 cost-share grant program, the department of commerce shall make a
7 reasonable effort to utilize the United States department of energy
8 recommendations and guidelines concerning enhanced geothermal
9 demonstration projects in the western states.

10 NEW SECTION. **Sec. 4.** (1) The department of ecology, in
11 consultation with the department of commerce and the department of
12 natural resources, shall engage in a collaborative process to
13 identify opportunities and risks associated with the development of
14 geothermal resources.

15 (2) (a) As part of the geothermal resources collaborative process,
16 the department of ecology must engage in meaningful government-to-
17 government consultation with potentially affected federally
18 recognized Indian tribes, and must seek participation from local
19 governments, state research institutions, participants in
20 Washington's electrical generation, transmission, and distribution
21 sector, and environmental organizations.

22 (b) Subject to the availability of amounts appropriated for this
23 specific purpose, the department of ecology shall provide grants to
24 potentially affected federally recognized Indian tribes to support
25 their evaluation of the cultural, natural resource, and other impacts
26 of geothermal electricity development and to support their
27 participation in the collaborative process established in this
28 section.

29 (3) The geothermal resources collaborative process must address,
30 at a minimum, the following topics:

31 (a) The potential impacts of geothermal resources development,
32 including impacts to:

33 (i) Rights, interests, and resources, including tribal cultural
34 resources, of potentially affected federally recognized Indian
35 tribes;

36 (ii) State or federal endangered species act listed species in
37 Washington; and

38 (iii) Overburdened communities;

1 (b) The development of factors to guide the identification of
2 preferable sites for the development of geothermal resources
3 including, but not limited to, geologic suitability and proximity to
4 electrical transmission and distribution infrastructure; and

5 (c) The capacity for geothermal resources in Washington to help
6 the state meet its clean energy generation requirements and
7 greenhouse gas emissions limits.

8 (4) The department of ecology must commence the geothermal
9 resources collaborative process by November 30, 2024. The department
10 of ecology must provide the appropriate committees of the legislature
11 with interim reports on the status of the collaborative process by
12 June 30, 2025, and November 30, 2025. The department of ecology must
13 provide the appropriate committees of the legislature with a final
14 report on the collaborative process by June 30, 2026.

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