



Oregon

Kate Brown, Governor



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May 20, 2016

Dr. Ernest Moniz
Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue SW
Washington, DC 20585

RE: Letter of Support for the Newberry Geothermal Energy (NEWGEN) Frontier Observatory for Research in Geothermal Energy (FORGE), Phase II

Dear Secretary Moniz,

This letter formally recognizes Oregon Department of Energy's continued support for conducting the Newberry Geothermal Energy (NEWGEN) Frontier Observatory for Research in Geothermal Energy (FORGE) Phase II activities on the unitized geothermal lease area located at Newberry Volcano in Central Oregon.

The State of Oregon is committed to developing a diverse portfolio of renewable energy resources to help us meet our State's 50% renewable portfolio standard and greenhouse gas reduction goals. While we work to reduce energy use and improve energy efficiency, we are also pursuing a mix of renewable energy production strategies that balance our resource load, stabilize energy rates over the long-term, and meet the growing demand of Oregon at an affordable cost.

Oregon is steadily working to become a global leader in development of geothermal energy projects. The State's first geothermal power plant began operating in 2010 at the Oregon Institute of Technology in Klamath Falls with an initial electricity generating capacity of 280 kilowatts. Since then, additional Oregon plants have been brought online in Klamath Falls, Neal Hot Springs and Paisley for a combined capacity of more than 30 megawatts. Additionally, direct use geothermal heating projects includes space heating for residential, school, hospital and university campus buildings as well as drying agricultural products, and aquaculture and greenhouse heating. Geothermal direct use and electricity production projects are supported with state and utility sponsored financial incentives in Oregon.

Newberry Volcano is an excellent choice for the FORGE activities. The NEWGEN site's geothermal gradient exceeds 85° C/km and has been at the center of geothermal research and exploration since the 1970s, resulting in a broad scientific knowledgebase from which to draw. The site includes multiple existing geothermal wells, well maintained roads, and adequate water supply. Most importantly, the lessons learned during the course of the DOE-supported Newberry Volcano EGS Demonstration Project will expedite the steps needed to build and operate the FORGE successfully.

State and local support for locating FORGE at Newberry is strong. Oregon's commitment to the development of geothermal technologies combined with the unique characteristics of Newberry will help

to ensure the success of FORGE activities in Central Oregon. Please feel free to contact Robert Del Mar at robert.delmar@state.or.us with any questions regarding our support for continuing the FORGE Phase II work. Thank you very much for your continued support of Oregon's clean energy future.

Sincerely,

A handwritten signature in black ink that reads "Andy Ginsburg". The signature is written in a cursive style with a large initial "A".

Andy Ginsburg, Assistant Director
Planning and Innovation Division