

# STATE BOARD OF LAND COMMISSIONERS

November 18, 2025

Consent Agenda

## Subject

Geothermal Lease Live Auction—August 13, 2025

## Question Presented

Shall the State Board of Land Commissioners (Land Board) direct the Idaho Department of Lands (Department) to award geothermal lease H800110 to the high bidder at the live auction?

## Background

The Department received an application for a geothermal lease on a 5,881.66-acre block of Public School endowment land located northwest of Grays Lake in Bonneville County. A site map is included as Attachment 1.

Pursuant to Idaho Code § 58-307(5), the Department consulted with the Bonneville County Commissioners and also held a separate public meeting regarding the proposed geothermal lease. Department staff met on March 4, 2025 with the county commissioners at their regular meeting outlining the details of the proposed lease and the Department's leasing process. The county commissioners identified concerns about water use and road use, but did not object to the project.

The Department held a public meeting on March 26, 2025 at the Department's Idaho Falls office. The public meeting was advertised on the Department's public website for 30 days and a legal notice for the meeting was published for 4 weeks in the Bonneville County newspaper. Two people attended the public meeting: a Bonneville County Commissioner and an attorney for a geothermal development company not associated with the project. No comments were made by the attendees.

A similarly advertised public comment period was opened 30 days prior to the March 26, 2025 public meeting. The public comment period closed one week after the meeting. No comments were submitted.

Pursuant to Idaho statute and Department procedure, the public auction was advertised and held to determine the high bidder for the lease. Auction participants were required to register for the live auction one week prior to the auction date. Department staff conducted the live auction.

## **Discussion**

For the purpose of securing a single lessee for the geothermal lease, a live auction was held on August 13, 2025, at the Department's Eastern Area office in Idaho Falls. Velikan Renewables LLC (also known as Fervo Energy) submitted a successful premium bid of \$5,900 for geothermal lease H800110. Zanskar Geothermal & Minerals, Inc. also registered for the auction, but chose not to bid. The lease includes a 49-year term for the extraction of geothermal resources, with annual rent of \$47,053, and a royalty rate for the generation of electricity that begins at 3.5%, increases to 4.0% for years 16 to 30 of the lease, and then rises to 4.5% for the remainder of the lease. Attachment 2 summarizes the results of the live auction.

Idaho Code § 58-310(4) provides that the Land Board has the right to reject any bid made at a live auction where fraud or collusion are present, or for any reason, all within the sole discretion of the Land Board. The Department completed the lease auction process in accordance with existing statute and procedures and did not observe any indication of fraud or collusion related to this process.

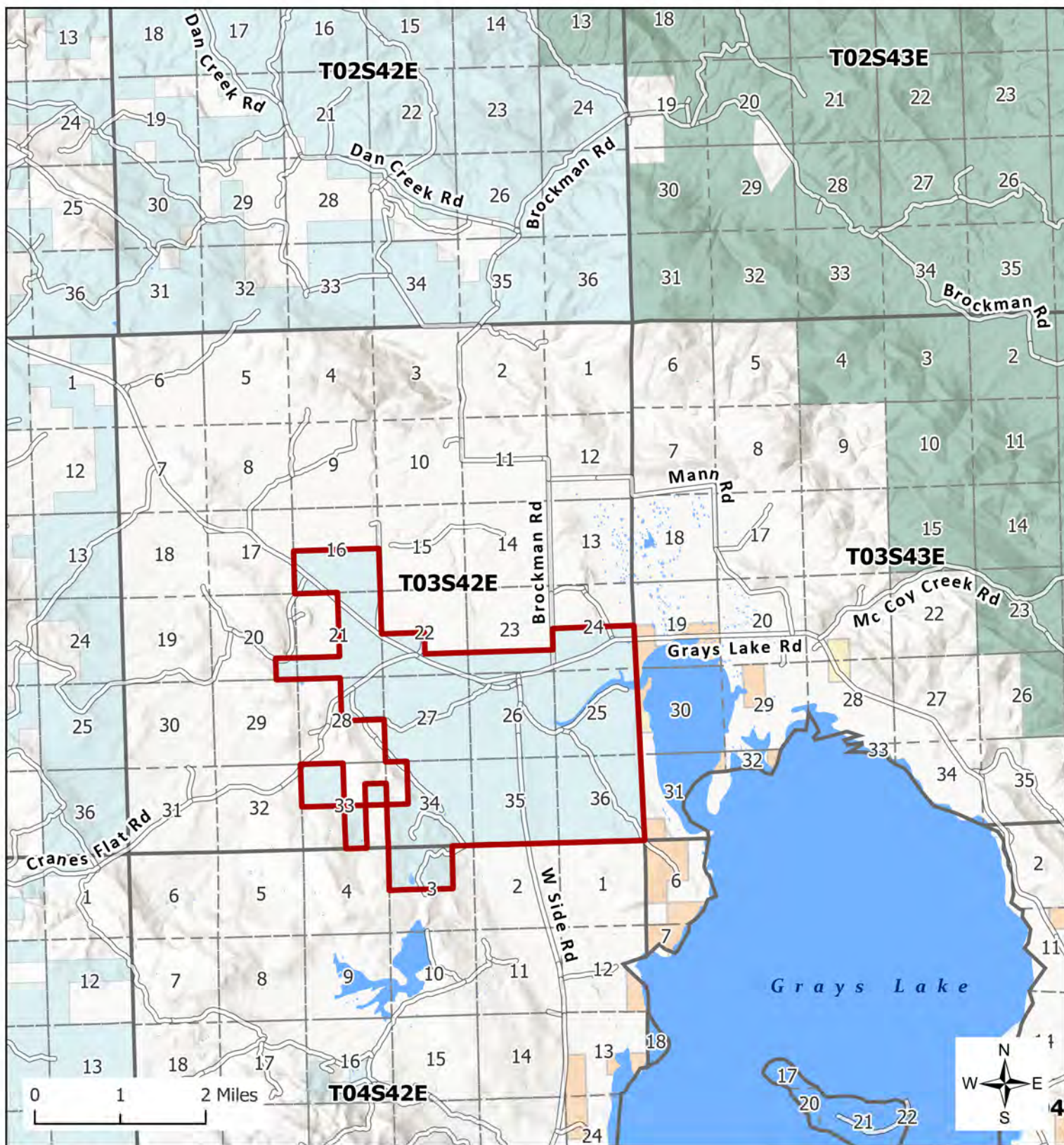
## **Recommendation**

Direct the Department to award geothermal lease H800110 to Velikan Renewables LLC, the high bidder at the auction.

## **Board Action**

## **Attachments**

1. Site Map
2. Auction Summary

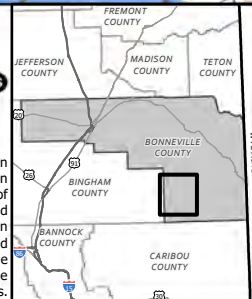


- Subject Lease
- Roads
- BLM
- USFS
- Tribal Land
- State
- Private

**H800110**  
 T03S - R42E  
 T04S - R42E  
 Bonneville County, Idaho  
 8/16/2023



**Disclaimer:** This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



Summary of August 13, 2025 Geothermal Lease Live Auction

Supervisory Area	Lease Number	Endowment	Lease Term (Years)	Acres	Commodity	# of Participants	# of Bids	High Bid Amount	High Bidder
Eastern– Idaho Falls	H800110	PS	49	5,881.66	Geothermal Resources	2	1	\$5,900	Velikan Renewables LLC

Total : \$5,900