From: no-reply@erulemaking.net
Sent: Friday, September 15, 2006 4:36 PM
To: MRM Comments
Subject: Public Submission

Please Do Not Reply This Email.

Public Comments on Geothermal Valuation:========

Title: Geothermal Valuation
FR Document Number: 06-06219
Legacy Document ID:
RIN: 1010-AD32
Publish Date: 07/21/2006 00:00:00
Submitter Info:

First Name: Christy
Last Name: Morris
Mailing Address: 400 W. King Street
City: Carson City
Country: United States
State or Province: NV
Postal Code: 89703
Organization Name: Nevada Division of Minerals

Comment Info: ==========

General Comment:I attended the August 31, 2006 meeting in Reno. I asked the assembled agency representatives why the the leasing fees for direct use leases will not be applied to royalty due as has been proposed for electrical generation leases. I was told it was because direct use will be paying a "fee" not royalty. I would like to point out that the 206.356 of the proposed regulations reads "How do I calculate royalty due on geothermal resources I use for direct use purposes?" The answer of course goes on to explain the fee schedule and its calculations. Clearly, here the agency itself is refering to the "fee" as the "royalty due". Simple semantics is not sufficient here nor is it a very dignified position. I find the double standard of lease monies applied to royalty due in conflict with the intent of the EPACT where the agency is directed to encourage direct use of geothermal resources. The sorry state of direct use development on federal lands today is evidence enough of the past egregious regulations for this industry. Using semantics to take advantage of this small industry is outrageous. I suggest you modify the royalty regulations to allow direct use lesees to apply their rental payments towards royalty due and fullfill the intent of EPACT to promote direct use facilities.