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From bidding to investment, Exergy and the Walker Ranch project in Idaho

Celebration Pari, Snake River Plains, Idaho (source: flickr/ gharness, creative commons)

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From being originally bidding to becoming actually an investor in the project, Italian Exergy is now on the way to see the development of the Walker Ranch project in

Idaho, a first geothermal power plant for the company in the U.S.

Having reported about the Walker Ranch project in Idaho/ U.S. before, we are glad to have been able to connect with the developer of the project, Walker Ranch Energy and its President, Trent Yang, as well as with the technology partner Exergy and its Head of Business Development, Luca Xodo.

Could you give us some feedback background on the project from Exergy and why it decided to participate in the project.

Xodo : Exergy participated to this project initially as a bidder in the selection process carried out by Walker Ranch Energy. Walker Ranch Energy found Exergy's offer competitive and selected us for the discussion of the path forward. Our decision to accept their invitation to participate as a shareholder reflects our interest for key projects, with good geothermal potential to exploit and that show interesting chances to come to life so to add an important reference in our portfolio. In this sense the Walker Ranch project was completely in line with our expansion strategy in the US market, where it has a primary role.

What is the current status of the project?

Trent Yang: The project has successfully drilled out its initial production wells, proven resource, and received permit from the United States Bureau of Land and Management for full environmental approval of the project to move forward. Exergy has also been a great partner in finalizing the turbine design based on our resource and working with potential EPC partners for overall engineering and design of the full power plant. The project is currently in negotiations with U.S. utilities in a long term off-take

agreement. Once that is finalized, development will continue towards a COD date of Q4/2018.

As a supplier of power plant technology, can you describe what the plans are with regards to the technical set up of the planned plant?

Xodo: The project is located in a rural area in South Idaho, where climate conditions can become hard, especially in winter, and where there is no industrial surrounding. Thus, additionally to the high efficiency given by Exergy's radial outflow turbine and ORC design, the plant is designed considering the minimum environmental impact and the utmost automatic operation.

As a geothermal investor in the US, can you summarize the main challenges for this market in the US?

Trent Yang:The primary public policies and incentives for renewable energy have been more favourable for technologies such as wind and solar. As such, much more capital and talent have flowed to those segments of the market which have shown tremendous growth. Going forward, we believe the renewables market will continue to grow in the US and there will be an increase in demand for base-load solutions such as geothermal, and storage to complement the increased use of solar and wind.

According to Exergy's perception of the worldwide market, how do you see geothermal binary technology penetration in the next years? Does this project represent a benchmark for future developments for Exergy?

Xodo: We perceive a very positive attitude of the geothermal worldwide market towards binary technology: we are developing such projects in Latin America, Europe and Asia Pacific and we are willing to enter the African market soon. While Turkey, where Exergy is a consolidated leading player,

continue its fast growth with the installation of more than 200 MW per year, we expect other markets such as Mexico, Kenya, Indonesia and Philippines to blossom in the next few years and we will surely be in first row to help the developers bringing their projects to success.