

Bureau of Land Management Should Improve Permitting Process as Development Demand Grows on Federal Lands

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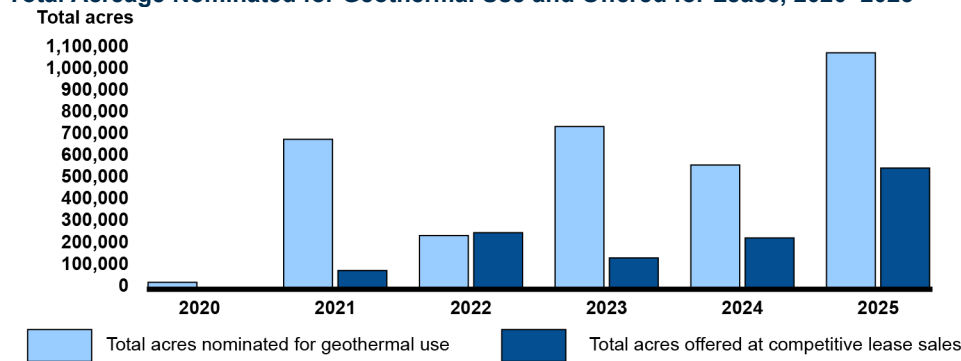
A report to congressional requesters

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What GAO Found

The Department of the Interior's Bureau of Land Management (BLM) has processed an increasing volume of land nominations, leases, and permits for geothermal development on federal lands since 2019. Geothermal projects use heat from the earth's interior to generate electricity. Parties interested in developing geothermal projects on federal lands nominate acres for BLM to review against land use plans. Such nominations increased from about 25,800 acres in 2020 to more than a million acres in 2025. BLM then offers qualifying lands for lease at auctions known as competitive lease sales, which have also increased since 2020. Once land is leased, developers submit plans to BLM for review and apply for permits at various stages of development. Drilling permits approved annually by BLM grew from seven in 2019 to 68 in 2024.

Total Acreage Nominated for Geothermal Use and Offered for Lease, 2020–2025



Source: GAO analysis of Bureau of Land Management (BLM) data. | GAO-26-108040

Geothermal developers and BLM officials identified various challenges facing the geothermal program, including:

- Inconsistent experience navigating the permitting process.** Some developers reported instances of what they believe were inconsistent BLM determinations related to permits for exploration. BLM documentation notes that inconsistencies in terminology between developers and BLM officials may contribute to confusion or misunderstandings. However, handbooks that would resolve this confusion have been in draft since at least 2022 and are not publicly available. Without finalized geothermal resources handbooks, continued inconsistencies and misunderstandings could lead to longer development timelines and additional costs for developers.
- Limited visibility of permit data.** Geothermal developers have limited visibility into the status of permits once these are submitted to BLM, which creates challenges for planning timelines and resource needs. BLM does not have comprehensive information on the status of geothermal permits, making it difficult for BLM to gain insights into permitting activity—for example, to determine if there is a growing backlog of permits across BLM field offices. By establishing a unified mechanism to track permitting activity, BLM could better track progress toward producing geothermal energy on federal land and generating revenue for federal, state, and county governments.

Why GAO Did This Study

Geothermal energy is a reliable and domestically-sourced option to help address growing demand for utility-scale power generation in the United States. Geothermal power plants on federal land have a combined 2,600 megawatts of capacity and, in 2022, generated enough electricity to power more than 1 million homes. Geothermal power plants on federal land represent about 65 percent of geothermal capacity in the United States.

GAO was asked to review geothermal leasing and permitting on federal land. This report examines (1) the extent to which BLM processed land nominations, held lease sales, and approved permits for geothermal development and (2) challenges BLM faces in managing the geothermal leasing and permitting program.

GAO analyzed BLM's data on land nominations, lease sales, and permitting, and interviewed BLM officials in states with geothermal land nominations and leases. GAO also interviewed geothermal industry officials and administered a questionnaire to 22 geothermal developers.

What GAO Recommends

GAO is making three recommendations, including that BLM (1) finalize and publish geothermal resources handbooks and (2) establish a unified mechanism to track permitting activity. Interior did not provide comments on this report.