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Firm suspends controversial geothermal project

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A Sausalito startup testing a new kind of geothermal energy production that critics feared could trigger significant earthquakes in

Lake County has suspended its \$17 million project after running into unexpected problems drilling its first well.

AltaRock Energy reported on Wednesday that it had stopped drilling at its test site, on a mountain ridge above Middletown. The company blamed the drilling problems on underground "geologic anomalies" but didn't elaborate.

AltaRock will now search for other places to test its technology, either in the surrounding Geysers geothermal field or elsewhere. The company plans to fracture hot rocks deep underground and use them to heat water, generate steam and turn a turbine, producing electricity.

AltaRock executives declined to comment, beyond a brief press release.

The project has drawn intense scrutiny due to the concerns of some of its neighbors. The hamlet of Anderson Springs, located near the test site, shakes with frequent earthquakes that residents blame on geothermal energy production.

They feared that AltaRock could add to the problem. Those fears were heightened this summer on news that an experiment similar to AltaRock's had triggered a 3.4-magnitude earthquake in Switzerland.

Geologists said the AltaRock project would definitely create earthquakes, but most of them would be too small to be felt. Neighbors weren't convinced. As a result, the U.S. Department of Energy and the U.S. Bureau of Land Management decided to take another look at the project before allowing the company to fracture underground rocks for the experiment.

Wednesday's announcement is a serious setback for a company and a project that had received funding from the federal government and several prominent venture capital firms.

