



**To:** Dustin Holcomb, Robert Ghiglieri, *et al*, **Nevada Division of Minerals**

**From:** David Faulder and Keith Elliott, **Power Planet, Inc.**

**Subject:** Nevada Dept. of Minerals proposed EGS regulations: Review & Suggestions

**Date:** May 13, 2026

## **Executive Summary**

The **proposed amendments to NAC 534A** represent an important and necessary step toward establishing a formal regulatory framework for geothermal stimulation and Enhanced Geothermal Systems (EGS) in Nevada. The structure of the rule is generally sound and aligns with industry practices. The proposed amendments appropriately prioritize public safety and represent a necessary step toward establishing a formal regulatory framework for geothermal stimulation and Enhanced Geothermal Systems (EGS) in Nevada.

We thoughtfully considered the pending regulations and offer suggestions and targeted revisions as described in this document.

### **1. Water Chemistry Monitoring and Trigger Thresholds (Section 11)**

The proposed rule requires notification if any change in water chemistry exceeds baseline conditions. This is a very broad threshold without consideration for natural variability, seasonal changes, and analytical uncertainty. A site-specific hydrologic baseline study may take several years to collect sufficient data to quantify these factors.

This broad definition of “any change” may generate false positives without evidence of operational impact and risks triggering regulatory action without establishing causation.

**The language could be revised** to require a statistically significant deviation from baseline or changes attributable to geothermal operations based on hydrogeologic and geochemical evaluation and monitoring. This preserves the intent of monitoring while avoiding unnecessary regulatory escalation.

### **2. Induced Seismicity Thresholds and Forecasting (Sections 12–13)**

The rule requires a seismicity monitoring plan using a traffic light system during stimulation and injection operations. The proposed rule also requires a model to forecast seismicity using a threshold-based approach. While similar approaches have been applied in EGS demonstration projects, the proposed thresholds are not defined in rule and are set administratively.

Seismic forecasting remains inherently probabilistic based on site-specific monitoring and characterization using a Gutenberg–Richter analysis. The lack of defined thresholds introduces regulatory subjectivity and uncertainty in operational limits.

**A suggested approach** is to provide baseline threshold guidance (e.g., magnitude ranges) or reference established frameworks based on DOE, USGS, or domestic EGS practices. This can clarify expectations for forecasting models (screening-level vs predictive), improving consistency and aligning regulatory expectations with current technical capability.

### **3. Administrator Operational Authority (Section 17)**

The Administrator may order reduction or cessation of operations if stimulation “may pose an immediate danger.” This standard is not technically defined and provides no requirement for screening natural events, causal linkage, or geologic and engineering evaluation. Declaration of such an order based on a false positive may create undue public concern.

This risk is amplified in regions with existing background seismicity or industrial activity.

**The orders should be based on observable conditions** linked to geothermal operations and/or defined seismic or operational thresholds. The provision may be improved by adding a requirement for technical justification or documentation for such an order. This maintains necessary regulatory authority and oversight while improving credibility, transparency, and predictability.

### **REFERENCES**

Nevada Division of Minerals, NOTICE OF INTENT TO ACT UPON A REGULATION, April 13, 2026, 44p.