



CROWD THERMAL

SOCIAL LICENCE TO OPERATE FOR GEOTHERMAL ENERGY

A **Social License to Operate** (SLO) is a theoretical construct representing the degree to which a corporation and its activities meet the expectations of local communities, the wider society, and various constituent groups. It is an implied consent, independent from legal or statutory requirements.

The concept of Social License to Operate (SLO) is a derivative of “**Corporate Social Responsibility**” used extensively in the mining industries where having an SLO is an essential part of operating within democratic jurisdictions, as demonstrating sufficient “popular support” for a given project is likely to speed up bureaucratic procedures for obtaining operational permits or licenses. Altogether an SLO is based “on the degree to which a corporation and its activities meet the expectations of local communities, the wider society, and various constituent groups.

The general aim for a geothermal SLO will be to further **reduce the risks of public criticism and social conflicts**, and, in general provide a universally accepted **social acceptance/geoethics framework** for the different types of geothermal investment projects. This will result in

1. more transparency,
2. reduced investment risk ,
3. more versatile and easier engagement for crowdfunding.

The SLO framework developed through the CROWD THERMAL project is a **first of a kind model in the geothermal energy industry** which considers contemporary discussions concerning all stages of geothermal development from exploration to planning and building, and from operations to closure.

Considering the various levels of strength in social license ‘contracts’, the framework is based on the **SLO Pyramid Model** which allows a clear measurability of the SLO. At the lowest level of SLO the relationship between the community or a network of stakeholders and the operation is one of absence or withdrawal. A higher level of SLO is represented when the stakeholder explicitly approves of and encourages the continuation of the activity. The highest level is characterized by a community perceiving the operation to be integral to their communal identity and values and therefore feel invested in the outcomes of the operation (psychological identification).

The **components** of the conceptual model are:

- SLO Levels
- Barriers, Indicators and Symptoms
- Social Acceptance & Mutual Benefits Levels
- Stakeholders





SOCIAL LICENCE TO OPERATE FOR GEOTHERMAL ENERGY

The SLO model could also include one more element: **Factors**.

These include:

- Needs of the stakeholders (especially the local communities and the relevance of the proposed projects to those communities).
- Relevance of geothermal development projects is intrinsically linked to the national (and also regional and international) strategic energy utilization.
- Legal and economic licenses.
- Environmental and financial risks.
- Competition and industry perception
- Dialogue.

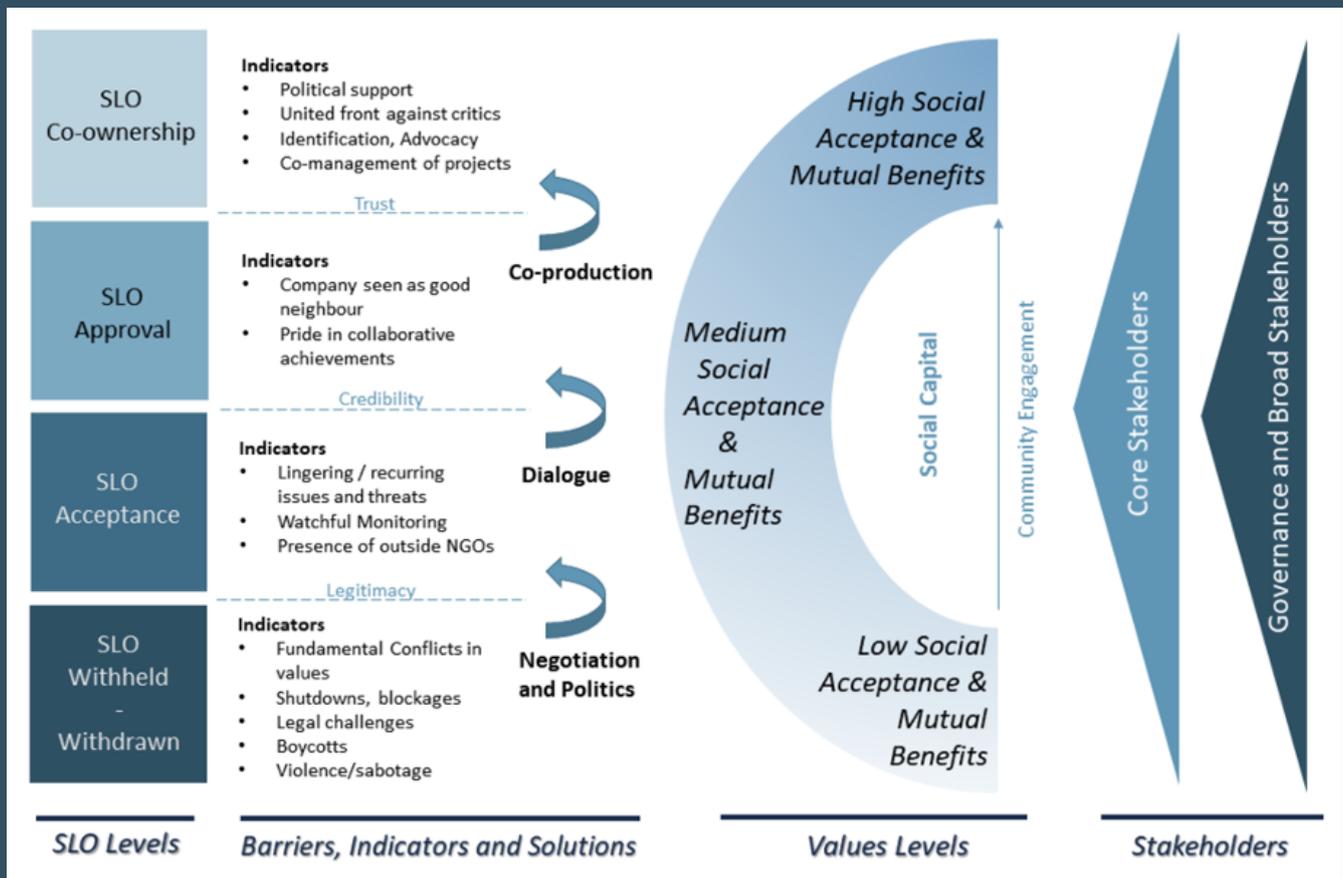


Figure 1: SLO model for geothermal energy.

More information:

CROWD THERMAL Deliverable 1.5 [Social License to Operate for geothermal energy](#)

