



TRADING SYMBOLS:

March 21, 2007

In the U. S.: OTCBB: **UGTH** and in Canada: TSX-V: **GTH**

## **IDAHO POWER COMPANY NAMES U.S. GEOTHERMAL SUCCESSFUL BIDDER FOR 45.5-MEGAWATT POWER PURCHASE AGREEMENT**

**BOISE, Idaho** – March 21, 2007 (OTCBB: **UGTH**, TSX.V: **GTH**) U.S. Geothermal Inc. ([www.usgeothermal.com](http://www.usgeothermal.com)), a renewable energy development company, has been named as the successful bidder for Idaho Power Company's request for geothermal electricity.

Negotiations for a 25-year power purchase agreement ("PPA") between U.S. Geothermal and Idaho Power for an annual average of 45.5 megawatts will now begin, said Daniel Kunz, President and CEO of U.S. Geothermal Inc.

"We're very pleased that Idaho Power recognizes the value of our proposal and may ultimately purchase a significant amount of electricity from us," Kunz said. "We look forward to expanding our existing relationship with Idaho Power by completing an agreement for this power. Considering our current negotiations with a utility in the Pacific Northwest for the full output from the planned 13 megawatt Unit 2 plant at Raft River, this PPA will provide our company up to 65 megawatts of sales under long term agreements forming a strong foundation for growth in the coming years."

U.S. Geothermal was Idaho Power Company's selection for final negotiations regarding Idaho Power's request for proposals for up to 100 megawatts of geothermal power. A number of competing proposals were submitted in response to Idaho Power's August 2006 request for proposals.

U.S. Geothermal's proposal to develop an annual average of 45.5 megawatts with a seasonal peak of 52 megawatts for Idaho Power Company includes:

- Full output, all hours of the year, for 26 megawatts from U.S. Geothermal's Neal Hot Springs property in eastern Oregon
- Full output, all hours of the year, for 13 megawatts from Unit 1 of U.S. Geothermal's Raft River project, a 13-megawatt power plant under construction that will be online later this year. Idaho Power has already signed a Power Purchase Agreement with U.S. Geothermal for the first 10 megawatts of electricity from that plant
- Full output, all hours from June through November, for 13 megawatts from Unit 3 of the Raft River project

The company is currently negotiating with a utility in the Pacific Northwest for the full output from Unit 3, all hours from December to May.

While U.S. Geothermal's proposals are contingent upon the viability of geothermal resources at Raft River and Neal Hot Springs, Kunz said current drilling results and other technical studies of the resources show promise of surpassing the requirements for the proposals.

"Flow tests and other studies of the Raft River hot water reservoir – designed to help us develop an understanding of the extent of the geologic resource – is consistent with our early modeling and seems to be quite promising," Kunz said. "We're optimistic development of this resource and Neal Hot Springs will yield strong returns for our investors."

To see Idaho Power's press release on U.S. Geothermal's successful bid go to: <http://www.idahopower.com/newsroom/pressreleases/20070320.htm>

### **About US Geothermal:**

U.S. Geothermal is a renewable energy development company that is in the process of developing a binary cycle geothermal power project at Raft River, Idaho. The company believes Raft River is ideally located to make an important contribution to the power needs of the Pacific Northwest. U.S. Geothermal holds, through ownership or lease, geothermal rights on private lands, which comprise the Raft River project in Southeastern Idaho. The Raft River geothermal reservoir is the site of a former US Department of Energy geothermal research facility. On the basis of a report prepared by the company's independent consultant, GeothermEx Inc., of Richmond California, the site has a 50 percent probability of a power production capacity of 15.6 megawatts per square mile which may translate to 100 megawatts or more.

### **FOR ADDITIONAL INFORMATION PLEASE CONTACT:**

Saf Dhillon - Investor Relations  
U.S. Geothermal Inc.  
Tel: 866-687-7059 or 604-484-3031  
Fax: 604-688-9895  
saf@usgeothermal.com

Mike Journee  
Scott Peyron & Associates, Inc.  
Tel: 208-388-3800  
Fax: 208-388-8898  
mjournee@peyron.com

The information provided in this news release contains forward-looking statements within the definition of the Safe Harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, including statements regarding the nature, size and viability of the geothermal resource, the construction of power plants and the projected production date. These statements are based on U.S. Geothermal Inc.'s current expectations and beliefs and are subject to a number of risks and uncertainties that can cause actual results to differ materially from those described in forward looking statements, including the risks that financing will not be available for construction of the power plants, construction will not be completed on budget or on schedule, the revenues generated under the power sales agreements will not prove sufficient to fund operations and/or service debt, and the reservoir may not be as extensive as indicated, among others. Readers are cautioned to review the risk factors identified by the company in its filings with Canadian and U.S. securities agencies. Forward-looking statements are based on management's expectations, beliefs and opinions on the date the statements are made. U.S. Geothermal Inc. assumes no obligation to update forward-looking statements if management's expectations, beliefs, or opinions, or other factors, should change.

The TSX Venture and OTC Bulletin Board Exchanges do not accept responsibility for the adequacy of this release.