



**STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division**

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**ENERGY-RELATED TAX INCENTIVE FISCAL NOTE
FOR
Brady Repowering Project
Brady Power Partners (owned by Ormat Nevada, Inc.)
Churchill County, NV
as required by NRS 701A.375-1(a)**

January 23, 2017

Prepared by: Susanna Powers for James R. Wells, CPA, Governor's Finance Office Director

Based on the information submitted by the applicant and provided to the Governor's Finance Office by the Nevada State Office of Energy, the Budget Division estimates that the energy-related sales and use tax incentives provided to the Brady Repowering project for the repowering the Brady plant in Churchill County, Nevada, by adding a new generating unit, modifying the existing unit, and decommissioning the old steam turbine generator will result in the State foregoing the following revenues:

STATE SALES AND USE TAX ABATED —

The Brady Power Repowering project application indicates they will purchase items subject to Nevada's 2.0% state sales and use tax totaling \$16,075,000. Given this information, the General Fund will be impacted by an abatement totaling \$321,500, less any applicable collection allowance.

<u>Fiscal Year</u>	<u>Expenditure Subject to Abatement</u>	<u>Amount Abated</u>
FY 2017	\$ 16,075,000	\$ 321,500
FY 2018	\$ 0	\$ 0
FY 2019	\$ 0	\$ 0
Total	\$ 16,075,000	\$ 321,500