BEFORE THE NEVADA ENERGY DIRECTOR
GOVERNOR'S OFFICE OF ENERGY

EXHIBIT I

14-0104GMH
Renewable Energy Tax Abatement Application
for partial property tax abatement
NRS 701A.300-390
R094-10

By

ORNI 39 LLC

Public Hearing
Monday, March 31, 2014
1:30 P.M.
Governor's Office of Energy
Room 202
755 North Roop Street
Carson City, Nevada 89701

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Exhibit (A) – Notice of Public Hearing, dated March 10, 2014

BEFORE THE NEVADA ENERGY DIRECTOR
GOVERNOR'S OFFICE OF ENERGY

In the Matter of the Application of:	)	
	)	**AFN: 14-0104GMH**
ORNI 39 LLC	)	
	)	

March 10, 2014

NOTICE OF PUBLIC HEARING
AND AGENDA

PLEASE TAKE NOTICE that a public hearing will be held before the Nevada Energy Deputy Director ("Director") regarding the above application at the following date, time, and location:

Monday, March 31, 2014
1:30 PM
Governor's Office of Energy
755 N. Roop Street, Suite 202
Carson City, NV 89701

The hearing is being held pursuant to NRS 701A.360 (5) to determine whether the Application filed by ORNI 39 LLC, with the Governor's Office of Energy ("GOE") on January 10, 2014, for a Geothermal Facility, meets the tax abatement criteria established in NRS 701A.300 through 701A.390 and adopted regulation LCB File No. R094-10 and is, therefore, entitled to partial abatement of sales and use taxes and/or property tax as provided in NRS 701A.300 through 701A.390. The hearing shall be considered a contested case pursuant to NRS chapter 233B and shall be held and decided openly and publicly. ORNI 39 LLC and all other parties are entitled to present testimony of witnesses, to introduce evidence, and to cross-examine witnesses. ORNI 39 LLC and other parties may be represented by legal counsel of their choice.

Pursuant to Section 23 of the applicable but as yet uncodified regulations (presently known as LCB File No. R094-10), the following entities or people may participate in this hearing as a party: (1) The Director of GOE, or his/her representative; (2) The Chief of the Budget Division of the Nevada Department of Administration; (3) The Nevada Department of Taxation; (4) The Board of County Commissioners of the county in which the project or facility will be located; (5) The County Assessor of the county in which the project or facility will be located; (6) The County Treasurer of the county in which the project or facility will be located; (7) the governing body of any city or town in which the project or facility is located; and (8) Governor's Office of Economic Development. Any person or entity that desires to participate as a party in the hearing of this matter must file with the Director a notice of its intention to participate in a form as described in Section 23 of LCB File No. R094-10.

If the person or entity is a **state entity**, it must file the notice of intent to participate in a form with the Director, Re: **AFN 14-0104GMH** by e-mail to at slinfinte@energy.nv.gov.

If the person or entity is or represents a **county, city, or township**, it must file the notice of intent in a form to participate with the Director, Re: **AFN 14-0104GMH** by e-mail to at slinfinte@energy.nv.gov.

The Director shall also allow public comment at a time appropriate to the conduct of the hearing.

To facilitate the expeditious and efficient consideration of the ORNI 39 LLC application, the Director directs ORNI 39 LLC **and any party wishing** to participate in the hearing to file any written testimony they would like the Director to consider to be received by the Director at slinfante@energy.nv.gov **no later than 5:00 p.m. five working days prior to the hearing**. ORNI 39 LLC and participating parties wishing to **respond** to the written testimony must file responsive testimony with the Director at slinfante@energy.nv.gov **no later than 5:00 p.m. three working days prior to the hearing.**

The notice of intent to participate in a form and all written testimonies will be made available on the Director's website.

Below is an agenda of all items scheduled to be considered at the hearing. Unless otherwise stated, items may be taken out of order presented on the agenda or removed at the discretion of the chairperson.

AGENDA

(Action may be taken on those items denoted "Action")

1. Call to Order.
2. Public comments and discussion* – Members of the public may comment on any matter posted on this Agenda, which is before the Director of the Governor's Office of Energy for consideration or action today. Please clearly state your name and spell your name for the record. Each comment may be limited to 3 minutes.
3. The Governor's Office of Energy will enter evidence and receive testimony from all interested persons and consider and take action regarding the application for partial abatement of taxes. (Action)
4. The Director will state his findings and conclusions based upon the substantial, reliable, and credible evidence presented in the exhibits and testimony.
5. Public comments and discussion* – Members of the public may comment on any matter posted on this Agenda, which is before the Director of the Governor's Office of Energy for consideration or action today. Please clearly state your name and spell your name for the record. Each comment may be limited to 3 minutes.
6. Approval or denial of the Application for partial abatement. (Action)
7. Adjournment. (Action)

** No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.*

Copies of this notice and public records related to ORNI 39 LLC application are available upon request to the Director by fax at (775) 687-1869, by e-mail addressed to slinfante@energy.nv.gov or by mail addressed to: Governor's Office of Energy, 755 North Roop Street, Suite 202, Carson City, Nevada 89701.

Members of the public who are disabled and require special accommodations or assistance at the hearing should notify the Director in writing by mail addressed to: Governor's Office of Energy, 755 North Roop Street, Suite 202, Carson City, NV 89701, by fax at (775) 687-1869, or by e-mail addressed to slinfante@energy.nv.gov, no later than 3 business days prior to the hearing.

By the Governor's Office of Energy Deputy Director,

Brita Tryggvi

Brita Tryggvi

Dated: Carson City, Nevada March 10, 2014

This notice and agenda has been posted on or before 9:00 a.m. on the fifteenth working day before the hearing at the following locations:

(1) Governor's Office of Energy principal office at 755 N Roop St., Ste. 202, Carson City, NV
(2) Governor's Office of Energy website: http://energy.nv.gov
(3) State Capitol, 101 North Carson St., Carson City, Nevada
(4) State Library and Archives: 100 North Stewart Street, Carson City, Nevada
(5) Carson City Library, 900 N. Roop Street, Carson City, Nevada
(6) County Public Libraries

Exhibit (B) – ORNI 39 LLC Pre-Application filed with the Director on March 26, 2010

Jim Gibbons
Governor

State of Nevada

Dr. Hatice Gecol
Nevada Energy Commissioner

Office of Nevada Energy Commissioner

Pre-Application Form
Nevada Renewable Energy Tax Abatement

Completion of the pre-application form is a requirement for the Nevada Renewable Energy Tax Abatement. Please submit the pre-application form to energy@renewable.nv.gov at least 18 months before the facility construction starts. Attach additional sheets for additional space if needed for explanations.

Applying for:

Both

Sales and Use Tax Abatement OR Property Tax Abatement OR Both

Company Name:

ORNI 39, LLC (Property Tax) and its owner, Ormat Nevada, Inc. (Sales/Use Tax)

Company Contact:

Eyal Hen, Controller 775-356-9029 ehen@ormat.com

Name, Title, Phone, and E-mail

Type of Nevada Facility:

Geothermal

Process Heat from Solar Energy, Geothermal, Solar, Wind, Biomass, Waterpower, Fuel Cells, AND/OR Transmission

Renewable Energy Generation and/or Transmission Capacity:

30 MW

In megawatts (MW) OR Btu/h if process heat generation from solar energy AND/OR kV for transmission lines

Anticipated Capital Investment Amount:

$164,110,000 **

The Facility will be built on:

BLM Land

A private land AND/OR BLM Land AND/OR Other Governmental Entity Land

County(s) and/or City(s) where the Facility will be built:

Lander County

The facility or any portion of the facility is located on residential property: Yes [ ] No [✓]

Please describe if yes:

_____

_____

The facility or any portion of the facility is owned, operated, or otherwise controlled by a governmental entity: Yes [ ] No [✓]

Please describe if yes:

_____

_____

Funding for the acquisition, design or construction of the facility or for the acquisition of any land that is or will be provided by a Nevada governmental entity: Yes [ ] No [✓]

Please describe if yes:

_____

_____

The facility is receiving or has been awarded another abatements or exemptions from the sale/use taxes and property taxes: Yes [ ] No [✓]

Please describe if yes:

_____

_____

The facility uses renewable energy as its primary source of energy: Yes [✓] No [ ]

Please describe if no:

_____

_____

The Facility has a long term Power Purchase Agreement with:

NV Energy

Name of the Utility or Company

Anticipated Dates for the Facility Construction Start and Operational Start:

Construction: Qtr. 3, 2010; Operation: Qtr. 3, 2011 **

Anticipated Submission Date for the Complete Application Package:

April 2, 2010

Statement Regarding Confidential Information

This Pre-Application contains confidential information: Yes [✓] No [ ]

If yes, please identify any information in the within the Pre-Application or documents submitted herewith, which Applicant considers confidential or trade secret information. Further, identify: (1) the applicable statutory authority or agreement preventing public disclosure of the information; and (2) Applicant's rationale underlying non-disclosure of the information or document(s).

Applicant acknowledges that the burden of demonstrating confidentiality or trade secret status lies with the Applicant, and Applicant agrees to defend and indemnify the State and its agencies for honoring such designation. Notwithstanding, Applicant understands that the over-inclusive designation of information or documents as confidential or trade secret may cause the Nevada State Office of Energy to conduct further inquiry of the Applicant into the confidentiality of the information, potentially delaying submission of the Pre-Application to the Nevada Energy Commissioner.

**** The information in this application and designated as confidential is done pursuant to the protections afforded by trade secret information as described at NRS 49.325 and NRS 600A.030(5). Confidentiality is also asserted pursuant to NRS 703.190 and NRS 703.196. The later two statutes have been asserted by Nevada Power as protecting all cost and related information in the PPA's approved for these projects and orders of the PUCN approving these projects grants that the request of Nevada Power Company to protect such information as confidential for a period of not less the seven (7) years.**

Exhibit (C) – ORNI 39 LLC Application (Redacted) as filed with the Governor's Office of Energy on January 10, 2014

SECRETARY OF STATE

STATE OF NEVADA

NEVADA STATE BUSINESS LICENSE

ORMAT NEVADA INC.

Nevada Business Identification # NV19921016142

Expiration Date: January 31, 2015

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

This license shall be considered valid until the expiration date listed above unless suspended or revoked in accordance with Title 7 of Nevada Revised Statutes.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on January 16, 2014

ROSS MILLER
Secretary of State

This document is not transferable and is not issued in lieu of any locally-required business license, permit or registration.

Please Post in a Conspicuous Location

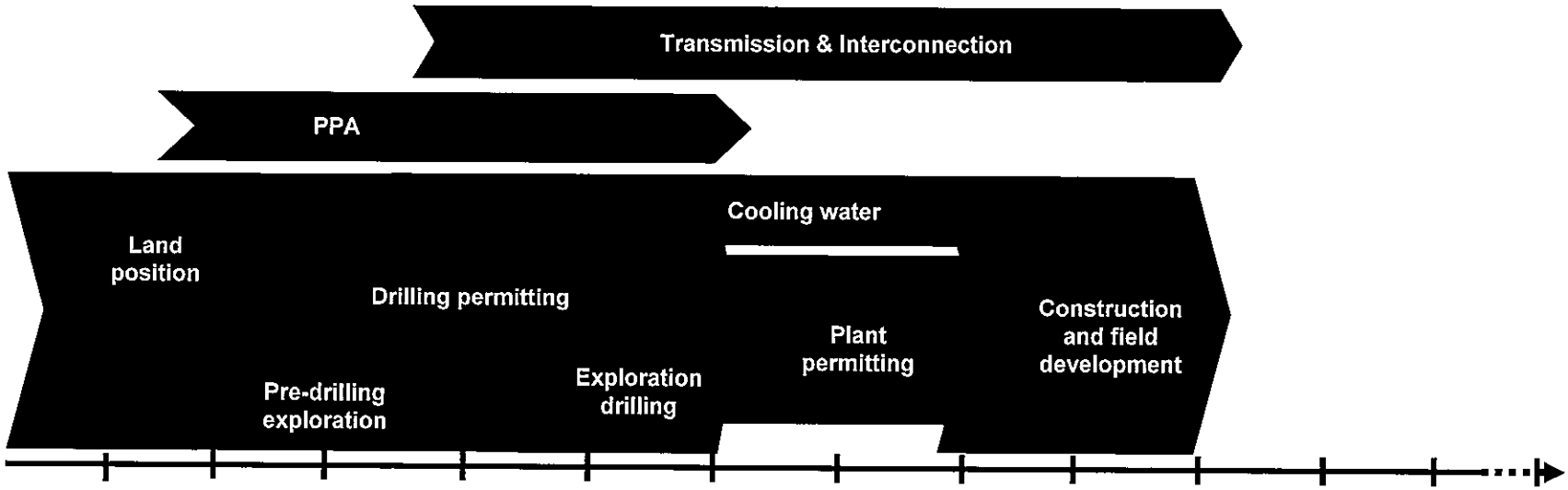
You may verify this Nevada State Business License online at www.nvsos.gov under the Nevada Business Search.

ORMAT

Tuscarora

BUSINESS PLAN

Location:	Elko County, NV
Estimated capacity:	18 MW



Ormat proprietary
CONFIDENTIAL

ORMAT®

January 3, 2014

Suzanne Linfante
Management Analyst II
Certified Contract Manager
Governor's Office of Energy
755 N. Roop Street, Ste. 202
Carson City, NV 89701

Re: McGinness Tax Abatement Application

Dear Suzanne,

In regards to the recent Renewable Energy Tax Abatement Property Tax application AFN 14-0104GMH, we respectfully request to add/amend the following information to the application:

Page 2 – Estimated total capital investment:	$164,000,000.00
Page 11 – Number of anticipated construction employees who will be employed during the entire construction phase:	168
Page 11 – Percentage of anticipated construction employees who will be Nevada Residents:	50%

Please note that the capital investment information is considered confidential, but can be disclosed to the applicable County if requested.

Sincerely,

David O'Neill
Accounting Manager

ORMAT NEVADA, INC.
6225 Neil Road • Reno, NV 89511-1136 • Phone : (775) 356-9029 • Fax : (775) 356-9039
E-mail: ormat@ormat.com Web site:www.ormat.com

Facility Information	REDACTED
Date of Submittal to NSOE:	10-Jan-14

[redacted]

	Sales & Use Tax Abatement	X	Property Tax Abatement

[redacted]

Company Name: **ORNI 39 LLC (owned by Ormat Nevada, Inc.)**

Department of Taxation's Tax Payer ID number: **1002193540 (ONI)**

Federal Employer ID number (FEIN, EIN or FID): **88-0278853 (ONI)**

NAICS Code: **187-221119 (ONI)**

Description of Company's Nevada Operations: **ORNI 39 LLC owns the Project. Ormat currently has thirteen (13) geothermal power plants in Nevada, located in Washoe, Churchill, Pershing, Mineral, Lander, and Elko counties including Steamboat Hills, Steamboat 2, Steamboat 3, Steamboat 1A, Burdette, Galena 2, Galena 3, Brady, Desert Peak, Jersey Valley, McGinness Hills, Tuscarora, and Campbell**

Percentage of Company's Market Inside Nevada: **54%**

Mailing Address: **6225 Neil Rd.**

City: **Reno**

Phone: **775-356-9029**

APN: **005-037-01, 005-037-02**

Taxation District where facility is located: **6**

[redacted]

Type of Facility (please check all that are relevant to the facility)

- [X] Geothermal
- [ ] Process Heat from Solar Energy
- [ ] Solar PV
- [ ] Solar Thermal
- [ ] Wind
- [ ] Biomass
- [ ] Waterpower
- [ ] Fuel Cells
- [X] Transmission that is interconnected to a renewable energy or geothermal
- [ ] Transmission that contributes to the capability of the electrical grid to accommodate and transmit electricity produced from Nevada renewable

Name Plate Production Capacity of the Facility: **43 MW**

Net Output Production Capacity of the Facility in MW: **33.7 MW**

Annual Net Production Capacity of the Facility in MWh (or other appropriate unit): **289,080**

Estimated total capital investment:
Percent of total estimated capital investment expended in Nevada: **27%**
Anticipated first date of purchasing tangible personal property for the project: **Jan 1, 2011**
Anticipated date or time range for the start of construction: **March 1, 2011**
Anticipated date or time range for the commencement of operation of the facility: **June 16, 2012**
Address of the Real Property for the Generation Facility: **1350 Grass Valley Rd, McGinness Hills, 89310**
City: **Battle Mountain**

Size of the total Facility Land (acre): **Lease 1 - 5,120 acres; Lease 2 - 2,340 acres; Lease 3 - 220 acres**

Are you required to file any paper work with the PUC and/or FERC?		
If yes,	Purpose of the Filing with PUC: **Power Purchase Agreement approval with Nevada Utility**	Filing Date OR Anticipated filing Date: **3/5/2010**
If yes,	Purpose of the Filing with FERC: QF Certification	Filing Date OR Anticipated filing Date: 6/10/2011

[illegible]	
1	**Lander County**
2	**Battle Mountain (city)**
3	
4	
5	
6	
7	
8	
9	

[illegible]	
1	Description of the Technology and Complete Facility including generation, transmission or distribution, the physical point at which the ownership of energy is transferred and nature of the connection to the transmission grid
2	Complete and legal description of the location of the proposed facility, including a regional facility map that identifies the location, county boundaries and state boundaries of the proposed facility or a reference to any such map of appropriate scale
3	Description of any natural or nonrenewable resources that will be affected by or required to be used in the construction or operation of the proposed facility, including statement of any areas of mitigation, controversy, issue or concern
4	Summary of the PUC and FERC Dockets if any PUC and FERC filing have started
5	Copy of the Business Plan for the Nevada Facility
6	For Expansion Applications, Copy of the most recent assessment schedule and tax bill from the County Assessor's Office or the Department of Taxation
7	Website link to company profile
8	Copy of the Current Nevada State Business License
9	Facility Information Form
10	Employment Information, construction, and permanent employee salary schedules
11	Supplemental Information Form
12	Taxation Reporting Forms (Summary Sheet and Schedules 1 through 8)
13	Names and contact information for construction company, contractors, subcontractors
14	Letter from the utility or company describing the highlights of PPA, LOI, or MOU.
15	Confidential Information Identification Form

List of Required Permits or Authorizations for the Proposed Facility

	Permit or Authorization Title	Issuing Agency	Project Circumstance Requiring Permit or Authorization	Steps to Obtain Permit	Application Date	Approval Date or Expected Approval Date
I. Federal Permits or Authorizations						
	Plan of Utilization	Bureau of Land Management ("BLM")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	original May 2010/revised Feb 2011	7/18/2011
	Plan of Operations	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	original May 2010/revised Feb 2011	7/18/2011
	Plan of Development (230kv Gen-Tie Line)	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	[filed, per DEC Outline]	2/1/2011
	Environmental Assessment	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	12/1/2009	7/18/2011
	Site License	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/24/2011
	Facility Construction Permit	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/24/2011
	Commercial Use Permit	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		5/1/2012
	Contract for Sale of Minerals	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/29/2011
	Qualifying Small Generator	Federal Energy Regulation Committee	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	Q3 2011	6/10/2011
II. State of Nevada Permits or Authorizations						
	CAPP Permit to Construct	Nevada Division of Environmental Protection ("NDEP") Bureau of Air Pollution Control ("BAPC")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	3/18/2011	6/10/2011

	CAPP Permit to Operate	NDEP BAPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	Continuation of Construction Permit	
	Surface Area Disturbance Permit	NDEP BAPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	6/3/2011	8/3/2011
	Class II AQ Permit to Operate	NDEP BAPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	6/3/2011	10/14/2011
	Construction Stormwater Permit/SWPPP	NDEP Bureau of Water Pollution Control ("BWPC")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		7/22/2011
	On-Site Sewage Disposal (General) Permit	NDEP BWPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	5/11/2011	8/24/2011
	Underground Injection Control Permit (UIC)	NDEP BWPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	(Q2 2011)	3/21/2012
	Geothermal Project Area Permit	Nevada Division of Minerals ("NDOM")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		4/10/2009
	Drilling Permit - Well 28-10 (Production)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	5/1/2009	8/14/2009
	Drilling Permit - Well 28A-10 (Production)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		6/25/2011
	Drilling Permit - Well 28B-10 (Production)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		11/9/2011
	Drilling Permit - Well 36-10 (Production)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		11/9/2011
	Drilling Permit - Well 36A-10 (Production)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		11/18/2011
	Drilling Permit - Well 38-10 (Monitoring Well)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	5/5/2009	5/11/2009
	Drilling Permit - Well 88-16 (Full-size)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	8/18/2009	10/13/2009
	Drilling Permit - Well 38-15 (Water Well)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		
	Drilling Permit - Well 67-15 (Injection)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		4/25/2011

	Drilling Permit - Well 86-16 (Injection)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	9/1/2009	9/23/2009
	Drilling Permit - Well 27-16 (Injection)	NDOM/BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	10/20/2009	11/9/2009
	Drilling Permit - Well 58(B)P-22 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		9/8/2009
	Drilling Permit - Well 58(B)O-22 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		9/28/2009
	Drilling Permit - Well 61-22	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		1/25/2010
	Drilling Permit - Well 61(L)-22 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		1/25/2010
	Drilling Permit - Well 66B-22 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		10/1/2009
	Drilling Permit - Well 67-22	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		5/22/2009
	Drilling Permit - Well 73-22	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		5/21/2009
	Drilling Permit - Well 85-22	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		5/22/2009
	Hazardous Materials Permit	Nevada State Fire Marsha	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/24/2011
	Permit to Appropriate Water	Nevada Division of Water	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/18/2011
	UEPA Permit to Construct (230kv Gen-Tie Line)	Nevada Public Utilities Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	4/13/2011	9/29/2011 (BLM); 10/26/2011 (USFS)
	Boiler Pressure Vessel Permits	Nevada Division of Indust	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		5/4/2012
III. County Permits or Authorizations						
	Building Permit(s)	Lander County Building D	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	4/14/2011	8/24/2011

	Certificate of Occupancy	Lander County Building Department	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/24/2011
	Special Use Permit	Lander County Planning Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	9/10/2010	10/13/2010
	County Road Encroachment Permit	Lander County Planning Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		8/25/2011
	Transmission Line "Special Use Permit" (Federal)	U.S.F.S.	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements		9/27/2011
	Transmission Line ROW (Federal)	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fullfill regulatory requirements	6/1/2010	7/19/2011
IV. City Permits or Authorizations						

NOTE: Project conti
purchasing goods an

Vendor 1
Tax ID
Contact
Mailing Address
E-Mail
Vendor 2
Tax ID
Contact
Mailing Address
E-Mail
Vendor 3
Tax ID
Contact
Mailing Address
E-Mail
Vendor 4
Tax ID
Contact
Mailing Address
E-Mail
Vendor 5
Tax ID
Contact
Mailing Address
E-Mail
Vendor 6
Tax ID
Contact
Mailing Address
E-Mail
Vendor 7
Tax ID
Contact
Mailing Address
E-Mail

ractors, subcontractors, and other entities including owner that will be
ıd equipment for the construction of the Facility are entitled to claim or
receive the sales and use tax abatement

Contractors and Subcontractors List

7Q10, Inc
88-0393273
500 Damonte Ranch Pkwy., Suite 929, Reno, NV, 89521
sheim@7q10.com
Aaron Patrick Zabarte
P.O. Box 12, , Duckwater, NV, 89314
ABC Fire and Cylinder Service
88-0221330
1025 Telegraph Street, , Reno, NV, 89502
karla@abcfireco.com
Advanced Communication Technology Services
20-5836656
10 Greg Street, Suite 124, Sparks, NV, 89431
invoice@actsreno.com
Ahern Rentals Inc.
88-0381960
4241 S. Arville Street, , Las Vegas, NV, 89103
jerial@ahern.com
Airgas NCN
23-2491493
P.O. Box 7425, , Pasadena, CA, 911097425
ncn.cashapps@airgas.com
Allied Sanitation Service
88-0485703
P.O. Box 1389, , Fernley, NV, 89408
debra.sandgren@att.net

Employment Information

[redacted]

New Operations or Expansion

CONSTRUCTION EMPLOYEES	Full Time	Part Time
Number of anticipated construction employees who will be employed during the **entire construction phase**?	138	
Percentage of anticipated construction employees who will be **Nevada Residents**?	69	
Average anticipated hourly wage of construction employees, excluding management and administrative employees:	$ 41.05	
Number of anticipated construction employees who will be employed during the **second-quarter of construction**?	138	
Number of anticipated **second-quarter** construction employees who will be **Nevada Residents**?	69	

PERMANENT EMPLOYEES		
Number of anticipated permanent employees who will be employed as of the end of its first fourth-quarter of new operations or expansion?	12	
Average anticipated hourly wage of permanent employees, excluding management and administrative employees:	$ 23.55	
Number of permanent employees who were employed prior to the expansion?		
Average hourly wage of current permanent employees, excluding managements and administrative employees		

[redacted]

Health insurance for construction employees and an option for dependents must be offered upon employment

List Benefits Included (medical, dental, vision, flex spending account, etc): **Determined by vendors - met qualifications of AB 239 as outlined in Minimum Requirement Criteria**

Name of Insurer: **Determined by vendor**

Cost of Total Benefit Package: **Estimated $600,000**	Cost of Health Insurance for Construction Employees: **Estimated at 8% of salaries**

Construction Employee Schedule REDACTED

List all anticipated construction employees and associated wages for all persons who will be working on the construction of the facility during the entire construction period.

FULL TIME EMPLOYEES

#	Job Title	(a) # of Nevada Employees	(b) # of Non-Nevada Employees	(c) = (a)+(b) Total # of Employees	(e) = (c) x (d) Total Hourly Wage per category ($)	(f) =Σ(e) / Σ(c) Average Hourly Wage ($)
	Construction Employees, excluding					
	Management and Administrative Employees					
	Civil	13	12	25		
	Fire	2	3	5		
	Mechanical	15	15	30		
	Electrical	13	12	25		
	Transmission Line	7	8	15		
	Building	4	4	8		
	Gathering	12	13	25		
	General	3	2	5		
	TOTAL	**69**	**69**	**138**	**$ -**	**$ -**

TOTAL CONSTRUCTION PAYROLL	$ - (based on avg wage)

Second Quarter Construction Employee Schedule REDACTED

List all anticipated construction employees and associated wages for all persons who will be working on the construction of the facility during the **second quarter of construction.**

FULL TIME EMPLOYEES

#	Job Title	(a) # of Nevada Employees	(b) # of Non-Nevada Employees	(c) = (a)+(b) Total # of Employees	(e) = (c) x (d) Total Hourly Wage per job title ($)	(f) =Σ(e) / Σ(c) Average Hourly Wage ($)
	Construction Employees, excluding					
	Management and Administrative Employees					
	Civil	13	12	25		
	Fire	2	3	5		
	Mechanical	15	15	30		
	Electrical	13	12	25		
	Transmission Line	7	8	15		
	Building	4	4	8		
	Gathering	12	13	25		
	General	3	2	5		
	Project Engineer					
	TOTAL	69	69	138	$ -	$ -

TOTAL CONSTRUCTION PAYROLL	$ -

Permanent Employee Schedule REDACTED

List all anticipated permanent employees who will be employed by the Nevada Facility as of the end of its first fourth-quarter of new operations or expansion and the employment per job title will continue next 20 years

FULL TIME EMPLOYEES

#	Job Title	# of Employees (c)	Average Hourly Wage ($) (f) =Σ(e) / Σ(c)
1	Management and Administrative Employees		
	Plant Management	1	
2	Permanent Employees, excluding Managemenet		
	and Administrative Employees		
	Operations	8	
	Maintenance	3	
	TOTAL	12	

TOTAL ANNUAL PAYROLL	

Please respond to each question. Answers to the questions will assist Department of Taxation staff in determining whether the facility should be locally or centrally assessed. Other questions will assist staff in understanding whether the reported replacement costs capture all aspects of taxable value.

1) Will you have a possessory interest in any governmentally owned property for this facility? Please describe if yes.

The Company developed the geothermal power plant on BLM land. Land acreage and Lease fee is provided in the Facililty Information portion of the application

2) Will the facility, including generation, transmission, or distribution cross state or county boundaries? If yes, please describe.

The facility generates energy that is delivered to NV Energy in Lander County, NV. NV Energy transmits to ultimate consumers.

3) Is the facility owned by a subsidiary of a company that is interstate or intercounty in nature? Name and location of the subsidiary company, if yes.

Orni 42 LLC (the "Company") is owned by Ormat Nevada, Inc. ("ONI"). ONI headquarters is located in the State of Nevada and owns LLC's and subsidiaries that own and operate geothermal and recoverd energy power plants in Nevada, California, Hawaii, Colorado, Minnesota, Montana, North Dakota and South Dakota. ONI is a fully owned subsidiary of Ormat Technologies Inc. which is traded on the NYSE under "ORA".

4) At what physical point is the ownership of energy transferred? Describe the location and nature of the connection to the transmission grid.

See discussion in the Company Profile included in the "Application Checklist Requirements" Addendum.

5) Will the facility be eligible for other abatements or exemptions such as pollution control exemptions? Please describe if yes

No

6) Has your company applied and/or been approved for any abatements or exemptions for this facility or any other facility by the State of Nevada and/or local governments? If yes, list the abatements awarded, name and location of the project, name of the awarder, date of approval, amounts and status of the accounts.

ORNI 39 LLC previously applied for state or local abatements in the State of Nevada and received a sales/use tax abatement but was denied the property tax abatement. ONI, owner of ORNI 39 LLC, received a partial sales/use tax and property tax abatements for its project located in Jersey Valley, NV.

Company: ORNI 39 LLC

Division:

Line No.	Schedule	Total Estimated RCNLD or Transaction Cost	Department Use Only
1	Sch. 1 Personal Property - Property Tax - Total from Col. J.	-	
2	Sch. 2 Real Property - Improvements - Total from Col. F.	164,000,000	
3	Sch. 3 Real Property - Land - Total from Col. I	243,840	
4	Sch. 4 Operating Leases - Total from Col. F	231,451	
5	Sch. 5 Contributions in Aid of Construction - Total from Col. F	-	
6	Sch. 6 First Year Estimated Sales & Use Tax - Total from Col. J	7,574,280	
7	Sch. 7 Second Year Estimated Sales & Use Tax - Total from Col. J	106,500	
8	Sch. 8 Third Year Estimated Sales & Use Tax - Total from Col. J	106,500	

Company Name:_____ORNI 39 LLC_____

Division:_____

Instructions:

(1) List each item of personal property subject to property tax in Col A. Pursuant to NRS 361.030, personal property includes stocks of goods on hand; any vehicle not included in the definition of vehicle in NRS 371.020; all machines and machinery, all works and improvements, and all property of whatever kind or nature not included in the term "real estate" as that term is defined in NRS 361.035.

(2) For each item in Col. A, complete the requested information in Col. B and Col. D (if applicable), Col. C and Col. D through Col. J.

(3) The total estimated cost reported in Col. H should include estimated or actual costs of installation and costs of transportation per NAC 361.1351 and NAC 361.1355. Costs of installation include the costs of direct labor, direct overhead and the capitalized expense of interest or imputed charges for interest which are necessary to make the property operational.

(4) Use the Personal Property Manual published by the Department of Taxation to determine the Cost Less Depreciation in Column (J). Select the Life Schedule that is closest to the estimated life of the personal property listed in Col. I. *See http://tax.state.nv.us. Then select: Publications/Locally Assessed Properties/Personal Property Manual.*

(5) Attach additional sheets as necessary.

A	B	C	D	E	H	I	J
Personal Property Itemized Description	**G/L Account No. (if applicable)**	**Purchased by Facility Owner (FO) Contractor (C) Subcontractor (SC)**	**Date Purchased (if applicable)**	**Date Received or Estimated Date of Receipt in Nevada**	**Estimated Total Acquisition Cost**	**Estimated Life of Personal Property**	**Estimated Acquisition Cost Less Depreciation**
Included under Sch 2 - Real Property/Improvements							
Grand Total							0

Schedule 2

Company Name:__ORNI 39 LLC_____
Division:_____

Instructions:

(1) List each item of real property improvements subject to property tax in Col A. Pursuant to NRS 361.035, real property includes all houses, buildings, fences, ditches, structures, erections, railroads, toll roads and bridges, or other improvements built or erected upon any land, whether such land is private property or public property; as well as mobile or manufactured

(2) For each item in Col. A, complete the requested information in Col. B (if applicable), and Col. C through Col. F.

(3) The total estimated cost reported in Col. F should include estimated or actual costs of labor, materials, supervision, contractors' profit and overhead, architects' plans and specifications, engineering plans, building permits, site preparation costs, sales taxes and insurance; costs of buying or assembling land such as escrow fees, legal fees, right of way costs, demolition, storm drains, rough grading or other land improvement costs, yard improvements including septic systems, signs, landscaping, paving, walls, yard lighting; off-site costs including roads, utilities, park fees, jurisdictional hookup, tap-in, impact

(4) Use Schedule 3 to report land; Schedule 4 to report operating leases; and Schedule 5 to report contributions in aid of

(5) Attach additional sheets as necessary.

A	B	C	F
Real Property Improvements Itemized Description	**G/L Account No. (if applicable)**	**Estimated Date of Completion**	**Estimated Total Construction Cost**
Project Management		Qtr. 1, 2012	2,000,000
Project Engineering		Qtr. 1, 2012	1,200,000
Project Construction and Fees		Qtr. 1, 2012	26,200,000
OEC Unit		Qtr. 1, 2012	40,100,000
Geothermal System		Qtr. 1, 2012	2,700,000
Water Cooling System		Qtr. 1, 2012	2,000,000
Fire Fighting System		Qtr. 1, 2012	600,000
Auxillary System		Qtr. 1, 2012	1,400,000
Electrical System		Qtr. 1, 2012	3,600,000
Vaccuum System/Other Mechanical Equipment		Qtr. 1, 2012	2,700,000
Transporation		Qtr. 1, 2012	4,700,000
Transmission Line		Qtr. 1, 2012	12,500,000
Gathering System		Qtr. 1, 2012	18,900,000
Building		Qtr. 1, 2012	400,000
Spare Parts/Supplies		Qtr. 1, 2012	2,000,000
Field Development		Qtr. 1, 2012	43,000,000
Grand Total			164,000,000

State of NevadaRenewable Energy Tax Abatements ApplicationAFN: 14-0104GMHProperty Tax: Real Property Land REDACTED
Schedule 3

Company: ORNI 39 LLC

Division: _____

Show the requested data for **all land**, owned or leased, in Nevada.

A	B	C	D	E		F	G	H	I
	Where Situated								
Line #	County	City or Town	Tax District	Brief Description, Size of the Land (acre), Date Acquired	Assessor's Parcel Number (APN)	Owned (O) Leased (L) Rented (Rtd)	G/L Account Number (if applicable)	Purchase Price (if applicable)	Assessor's Taxable Value
1	Lander			BLM Land - Acq. August, 2007	005-037-01	L			148,480
2	Lander			BLM Land - Acq. August, 2007	005-037-01	L			67,860
3	Lander			Private Lease - Acq. August, 20	005-370-02	L			27,500
4									
5									
6									
7									
8									
9									
10									
11									
12	**Grand Total**								243,840

State of NevadaRenewable Energy Tax Abatements ApplicationAFN: 14-0104GMHProperty Tax: Operating LeasesSchedule 4

Company Name:_____ORNI 39 LLC_____

Division:_____

Instructions:

(1) List each operating lease for real or personal property. Designate whether the lease is for real or personal property in Col. C.

(2) For each item in Col. A, complete the requested information in Col. B (if applicable), and Col. C through Col. F.

(3) The total estimated cost reported in Col. E and Col. F should contain the costs appropriate to real or personal property. For definitions, please refer to Schedule 1 for personal property and Schedule 2 for Improvements.

(4) Report the Annual Lease Payment in Col. G; the term of the lease in Col. H; and any residual value at the end of the lease term in Col. I.

(5) Attach additional sheets as necessary.

A	B	C	E	F	G	H	I
Operating Lease Itemized Description	G/L Account No. (if applicable)	Real or Personal Property?	Lessor's Replacement Cost Per Unit	Estimated Total Replacement Cost	Annual Lease payment	Lease Years Remaining	Residual Value
BLM Land Lease (NVN-83966)		Real	27.06	$ 138,554	$ 181,853	20	0
BLM Land Lease (NVN-83967)		Real	27.06	$ 63,324	$ 181,853	20	0
Private Lease		Real	134.42	$ 29,573	$ 163,071	20	0
Grand Total				$ 231,451			

State of Nevada Renewable Energy Tax Abatements ApplicationAFN: 14-0104GMHProperty Tax: Contributions in Aid of Construction Schedule 5

Company Name:_____ORNI 39 LLC_____
Division:_____

Instructions:

(1) List all contributions in aid of construction (CIAC). CIAC is defined in NAC 361.260 as property which has been contributed to a utility by a prospective customer or which has been constructed by the utility and paid for by the prospective customer for which no reimbursement is required to be made by the utility to the prospective customer as a prerequisite to obtaining service.

(2) For each item in Col. A, complete the requested information in Col. B (if applicable), and Col. C through Col. F.

(3) The total estimated cost reported in Col. E and Col. F should contain the costs appropriate to real or personal property. For definitions, please refer to Schedule 1 for personal property and Schedule 2 for Improvements.

(4) Attach additional sheets as necessary.

A	B	C	D	E	F
Contributions in Aid of Construction (CIAC) Itemized Description	**G/L Account No. (if applicable)**	**Real or Personal Property?**	**Number of Units**	**Replacement Cost Per Unit**	**Estimated Total Replacement Cost**
The project meets the exemption requirements of Notice 2001-82					
Grand Total					0

State of NevadaRenewable Energy Tax Abatements ApplicationAFN: 14-0104GMHSales and Use Tax First Year of Eligible AbatementSchedule 6

REDACTED

Company Name:_____ORNI 39 LLC_____

Division:_____

Instructions:

(1) Column A: List each item of personal property or materials and supplies subject to sales and use tax (please include leases. Refer to NRS Chapter 372 for taxable events.

(2) Column B: For each item in column A, list applicable account nomber.

(3) Column C: List the Facility Owner, Contractor or Subcontractor that will be purchasing the personal property or materials and supplies subject to sales and use tax.

(4) Column D: List the date the personal property or materials and supplies were purchased.

(5) Column E: List the date that possession of the personal property or materials and supplies will be taken.

(6) Column F: List the cost of the personal property or materials and supplies.

(7) Column G: List the county where possession will be taken and the applicable sales tax rate of that county. *Find the appropriate sales/use tax rate on the Department of Taxation's website at http://tax.state.nv.us. Then scroll to "Quick Links" and select "Sales/Use Tax Rate Map".*

(8) Column H: Multiply Column F by the Sales Tax Rate in Column G.

(9) Attach additional sheets as necessary.

A	B	C	D	E	F	G	H
Personal Property or Materials and Supplies Itemized Description	**G/L Account No. (if applicable)**	**Purchased by Facility Owner (FO) Contractor (C) Subcontractor (SC)**	**Date Purchased**	**Date of Possession**	**Total Transaction Cost**	**County and Applicable Sales Tax Rate**	**Estimated Sales Tax Paid or to be Paid**
OEC Unit		C - ONI	Nov., 2010	Jan., 2011-Mar	$ 40,100,000	0.071	$ 2,847,100
Geothermal System		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 2,700,000	0.071	$ 191,700
Water Cooling System		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 2,000,000	0.071	$ 142,000
Fire Fighting System		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 600,000	0.071	$ 42,600
Auxillary System		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 1,400,000	0.071	$ 99,400
Electrical System		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 3,600,000	0.071	$ 255,600
Vaccuum System/Other Mechanical Equipment		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 2,700,000	0.071	$ 191,700
Transporation		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 4,700,000	0.071	$ 333,700
Transmission Line		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 12,500,000	0.071	$ 887,500
Gathering System		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 18,900,000	0.071	$ 1,341,900
Spare Parts		C - ONI/SC	Nov., 2010 -	Jan., 2011-Mar	$ 2,000,000	0.071	$ 142,000
Drilling		C - ONI/SC	Various	Various	$ 15,480,000	0.071	$ 1,099,080
Grand Total							$ 7,574,280

State of NevadaRenewable Energy Tax Abatements ApplicationAFN: 14-0104GMHSales and Use Tax Second Year of Eligible AbatementSchedule 7

REDACTED

Company Name:_____ORNI 39 LLC_____

Division:_____

Instructions:

(1) Column A: List each item of personal property or materials and supplies subject to sales and use tax (please include leases. Refer to NRS Chapter 372 for taxable events.

(2) Column B: For each item in column A, list applicable account nomber.

(3) Column C: List the Facility Owner, Contractor or Subcontractor that will be purchasing the personal property or materials and supplies subject to sales and use tax.

(4) Column D: List the date the personal property or materials and supplies were purchased.

(5) Column E: List the date that possession of the personal property or materials and supplies will be taken.

(6) Column F: List the cost of the personal property or materials and supplies.

(7) Column G: List the county where possession will be taken and the applicable sales tax rate of that county. *Find the appropriate sales/use tax rate on the Department of Taxation's website at http://tax.state.nv.us. Then scroll to "Quick Links" and select "Sales/Use Tax Rate Map".*

(8) Column H: Multiply Column F by the Sales Tax Rate in Column G.

(9) Attach additional sheets as necessary.

A	B	C	D	E	F	G	H
Personal Property or Materials and Supplies Itemized Description	**G/L Account No. (if applicable)**	**Purchased by Facility Owner (FO) Contractor (C) Subcontractor (SC)**	**Date Purchased**	**Date of Possession**	**Total Transaction Cost**	**County and Applicable Sales Tax Rate**	**Estimated Sales Tax Paid or to be Paid**
Ongoing capital investments		C - ONI	2011	Jan-Dec 2012	$ 1,500,000.00	0.071	$ 106,500.00
Grand Total							$ 106,500.00

State of NevadaRenewable Energy Tax Abatements ApplicationAFN: 14-0104GMHSales and Use Tax Third Year of Eligible AbatementSchedule 8

REDACTED

Company Name:_____ORNI 39 LLC_____

Division:_____

Instructions:

(1) Column A: List each item of personal property or materials and supplies subject to sales and use tax (please include leases. Refer to NRS Chapter 372 for taxable events.

(2) Column B: For each item in column A, list applicable account nomber.

(3) Column C: List the Facility Owner, Contractor or Subcontractor that will be purchasing the personal property or materials and supplies subject to sales and use tax.

(4) Column D: List the date the personal property or materials and supplies were purchased.

(5) Column E: List the date that possession of the personal property or materials and supplies will be taken.

(6) Column F: List the cost of the personal property or materials and supplies.

http://tax.state.nv.us. Then scroll to "Quick Links" and select "Sales/Use Tax Rate Map".

(7) Column H: Multiply Column F by the Sales Tax Rate in Column G.

(8) Attach additional sheets as necessary.

A	B	C	D	E	F	G	H
Personal Property or Materials and Supplies Itemized Description	G/L Account No. (if applicable)	Purchased by Facility Owner (FO) Contractor (C) Subcontractor (SC)	Date Purchased	Date of Possession	Total Transaction Cost	County and Applicable Sales Tax Rate	Estimated Sales Tax Paid or to be Paid
Ongoing capital investments		C - ONI	2011	Jan-Dec 2013	$ 1,500,000.00	0.071	$ 106,500.00
Grand Total							$ 106,500.00

Attestation and Signature

I, _____David O'Neill_____, by signing this Application, I do hereby attest and affirm under penalty of perjury the following:

(1) I have the legal capacity to submit this Application on behalf of the applicant;
(2) I have prepared and personally knowledgeable regarding the contents of this Application; and
(3) The content of this Application are true, correct, and complete.

David O'Neill
Name of person authorized for signature:

Accounting Manager
Title:

Signature:

01/10/14
Date:

This Application contains confidential information: Yes __X__ No

If yes, please identify any information in the within Application or documents submitted herewith, which Applicant considers confidential or trade secret information. Further, identify: (1) the applicable statutory authority or agreement preventing public disclosure of the information; and (2) Applicant's rationale underlying non-disclosure of the information or document(s). Applicant acknowledges that the burden of demonstrating confidentiality or trade secret status lies with the Applicant, and Applicant agrees to defend and indemnify the State and its agencies for honoring such designation. Notwithstanding, Applicant understands that the over-inclusive designation of information or documents as confidential or trade secret may cause the Nevada State Office of Energy to conduct further inquiry of the Applicant into the confidentiality of the information, potentially delaying submission of the Application to the Nevada Energy Director.

Material for which confidentiality is claimed:
As Marked
Basis for claims of confidentiality:
The information redadacted contains cost information that is proprietary and its release would benefit competitors of Ormat

ORNI 39 LLC

Application Checklist Requirement Addendum
McGinness Hills Geothermal Project
Lander County, Nevada
(Redacted)

COVER PAGE

Corporate Profile:

ORNI 39 LLC ("the Company") is wholly owned by Ormat Nevada, Inc. ("ONI"). ONI is a wholly owned subsidiary of Ormat Technologies, Inc. ("Ormat"). Ormat is a publicly traded U.S. corporation headquartered in Reno, Nevada and is listed on the NYSE under the symbol "ORA". Ormat is a leading vertically integrated company engaged in the geothermal and recovered energy power business. Ormat designs, develops, builds, owns and operates clean, environmentally friendly geothermal and recovered energy generation ("REG") power plants primarily utilizing internally designed and manufactured equipment. Ormat currently has power plants in the United States which include, Brady (NV), Desert Peak 2 (NV), Steamboat Complex (NV), Wild Rose (NV), Jersey Valley (NV), Tuscarora (NV) Mammoth Complex (CA), Heber Complex (CA), Ormesa Complex (CA), Brawley (CA), Puna (HI), and owns and is developing REG plants in North and South Dakota, Colorado, Minnesota and Montana. Ormat also has operating power plants in Nicaragua, Guatemala, and Kenya.

Ormat's revenues are made up of two primary segments - electricity and products segments. As of December 31, 2012, the electricity segment was approximately 64% of revenues and the product segment was approximately 36% of revenues. The U.S. business represents approximately 75% of the electricity revenues and 11% of the product revenues.

Summary of Domestic Projects:

Brady Complex: Located in Churchill County, NV consists of two (2) power plants including Brady and Desert Peak 2. The combined current generating capacity is approximately 20 MW. The Brady complex operates using 14 full-time employees, excluding administration.

Steamboat Complex: Located in Washoe County, NV consists of seven (7) power plants including Steamboat 1A project, Steamboat 2 and 3 projects, Burdette project, Steamboat Hills project, Galena 2 project and Galena 3 project. The combined current generating capacity is approximately 83 MW. The Steamboat Complex operates using 45 full-time employees, excluding administration.

Wild Rose Project: Located in Mineral County, NV consists of one (1) plant and has a current generating capacity of 16 MW. The Wild Rose Project operates using 8 full-time employees, excluding administration.

Jersey Valley Project: Located in Pershing County, NV consists of one (1) plant and has a current generating capacity of 12 MW. The Jersey Valley Project operates using 4 full-time employees, excluding administration.

Tuscarora Project: Located in Elko County, NV consists of one (1) plant and has a current generating capacity of 18 MW. The Tuscarora Project operates using 11 full-time employees, excluding administration.

Mammoth Complex: Located in Mono County, CA consists of three (3) plants and has a current generating capacity of approximately 29 MW.

Heber Complex: Located in Imperial County, CA and consists of three (3) plants: Heber 1, Heber 2 and Heber South projects. The complex has a current generating capacity of approximately 92 MW.

Ormesa Complex: Located is East Mesa, Imperial County, CA and has a current generating capacity of approximately 54 MW.

Puna Project: Located in the Puna district, Hawaii County, Hawaii and has a current generating capacity of 38 MW.

North Brawley Project: Located in Brawly in Imperial County, CA and has a current generating capacity of approximately 27 MW.

OREG Projects: Located in Colorado, North Dakota, South Dakota, Minnesota and Montana. These "Recovered Energy Generation" projects have a combined net current generating capacity of approximately 53 MW.

Description of Proposed Project:

The Company has developed a geothermal power plant in Lander County, NV ("The Project") that is expected to deliver a generating capacity of 33.7 MW under a 20-year power purchase agreement ("PPA") with Nevada Power Company, a subsidiary of NV Energy. The Project is in addition to Ormat's twelve (12) existing plants in the State of Nevada.

The Company has obtained two (2) leases through an agreement with the Bureau of Land Management ("BLM") and a Private lease as part of the Project. The legal descriptions of the land leases are included in the body of the application. In addition, the Company paid an upfront lease payment to the BLM of approximately $3.1 million as a result of the bidding process used to obtain the leases. The Parcel number for the BLM leased land is APN 005-037-01 and the Parcel number for the Private leased land is APN 005-370-02.

The Project consists of five (5) production wells, three (3) injection wells, and three (3) Ormat Energy Converters ("OEC") that produce energy from hydrothermal reservoirs containing water which is heated by hot rock located deep within the earth's surface. The geothermal fluid is pumped to the surface where heat is extracted for commercial use, after which the geothermal fluid is injected back into the hydrothermal reservoir where it is reheated. The OEC units are produced by an Ormat subsidiary company. The energy changes ownership to NV Energy after the step-up transformer in the plant's switchyard, located in Lander County.

The Project consumed approximately 6 MWh of diesel fuel power generation during construction. The Project used energy from the power grid for start-up and commissioning activities. The project operates on the Organic Rankine Cycle (ORC), using an organic fluid (pentane), which is vaporized by heat from the geothermal fluid, and is used to drive the turbines. The pentane is then condensed and recycled back to the heat exchanger to be reused in a closed loop.

The Company started construction of the facility on March 1, 2011 and began operations in the 1st Quarter, 2012.

Abatement Request and Summary of Financial Impact:

The Company is requesting abatement for Property Tax.

The PPA terms have been established assuming approval of the partial sales/use tax and property tax abatements. Nevada's forward looking policies regarding renewable tax treatment have created an environment in which geothermal energy can:

- Offer the lowest cost renewable to the Utility and residents of Nevada. The abatement reduces cost to the rate payer,
- Significantly impact the Company's ability to continue future exploration and expand the Project in the future, if supported and,
- Stabilize the local economy by requiring a mandatory percentage of employees be residents of Nevada.

Nevada's estimated net gain as a result of providing abatements for this Project is as follows:

Portions Redacted

In addition, the State of Nevada also benefits from the Project as follows:

- Reduction in unemployment (including Ormat and Nevada vendors working on the Project)

- Paid and increase in contributions to unemployment fund
- Reduction in uninsured individuals
- Stabilized local labor market (50% of construction employees were Nevada residents)
- Increase in Nevada housing opportunities (home purchases or rental income)
- Increase in sales tax on taxable items purchased directly by employees and vendors who worked on the Project during drilling, construction and operation
- Tax on diesel fuel used by ONI and vendors to power equipment during construction
- Potential expansion of the Project (bringing future revenue to the State)
- State leader in producing and using renewable energy

Abatement Qualifications:

- Redacted

The general contractor for the Project is ONI. ONI hired construction and drilling personnel through vendors including (but not limited to) Nevada based vendors. A partial list of Nevada vendors is as follows:

Nevada vendors include:

7Q10, Inc. ,Reno
Aaron Patrick Zabarte ,Duckwater
ABC Fire & Cylinder Service ,Reno
Advanced Communication Technology Services ,Sparks
Ahern Rentals Inc. ,Las Vegas
Airgas NCN, Pasadena
Allied Sanitation Service ,Fernley
Applied Mechanical, Inc. ,SPARKS
Applied Staffing Solutions ,Reno
BellFire, Inc. ,Elko
Black Eagle Consulting, Inc. ,Reno
Bruce MacKay Pump & Well Service, Inc. ,RENO
ChemTreat, Inc. ,Minden
Chicken Hawk Transport ,SPARKS
Comstock Inspection, LLC ,Reno
Darlene R Dewey ,Austin
Ferguson Enterprises, Inc. ,Reno/San Fran#3210
Flyers Energy, LLC ,Auburn
Glacier Construction ,Fallon
Grandinetti Trucking Inc. ,Yerington

Grass Valley Ranch LLC ,Austin
Great Basin Ecology, Inc. ,Elko
Great Basin Welding Services, LLC ,Reno
Gregory Ralph Bryan ,Austin
Grove Madsen Industries ,Reno
H&E Equipment ,Dallas
Hammond Homes and Construction LLC ,Fallon
High Sierra Communications, Inc. ,Reno
Hood-EIC, LLC ,Sparks
JBR Environmental Consultants ,Elko
JP Engineering ,Reno
Julie's Sign Shoppe, Inc. ,Reno
Kelly Pipe Co., LLC , Las Vegas
McKay Drilling, Inc. ,Reno
Merit Electric Company ,Reno
Nerissa Dyer ,Austin
Nevada Energy Systems Inc. ,Reno
Northern Sierra Construction Inc. ,Reno
NV Energy ,RENO
Pro Fire Pro Design ,Reno
Quick Space ,Sparks
Reed Electric & Field Service ,Reno
Reno Windustrial Company ,Reno
Robison Engineering Company, Reno
Ruby Mountain Natural Spring Water ,Spring Creek
Sierra Electronics ,SPARKS
Soil Tech, Inc. ,Las Vegas
Steamboat Services, LLC ,Lovelock
Suburban Propane ,Ely
The Best Company Inc. dba Colorado TBC, Inc., Fallon
Titan Wire & Cable LLC ,Sparks
Tobey-Wade Consulting ,Reno
Tri Sage Consulting, Reno
US Geomatics ,RENO
Wedco Inc. ,Reno
Western Cultural Resource Management, Inc. ,Sparks
Western Energetix, LLC ,Auburn
Western Nevada Supply - Sparks
WetLab Western Environmental Testing Laboratory ,Sparks
Wolf Machine, Inc. ,Sparks
WWW CONSTRUCTION INC ,RENO
Zonge Geosciences, Inc. ,Reno

ONI used outside vendors who ensured that:

- 50 full-time employees worked on the construction of the facility during the 2nd quarter of construction with at least 50% being Nevada residents.
- The average construction labor costs was at least 175% of the average hourly statewide hourly rate
- Health insurance benefits were offered to the construction employees and their dependents

Annual Report: ORNI 39LLC is a new entity and no financial data is available at this time. Ormat's 2012 annual report is attached. Please visit Ormat's website at www.ormat.com for previous financial data and Annual Reports filed with the Security and Exchange Commission ("SEC").

Utility Company Letter: See attached PUC document which references an existing Power Purchase Agreement with local power company.

Business Plan: Redacted

PUC Docket: See attached

List of Permits: Redacted

Funding Sources: No funding will be provided by a governmental entity of the State of Nevada. For general discussion of Ormat's project funding, please refer to our SEC statements located on our website.

Property Tax Assessment Schedules: Redacted

Exhibit (D) – Fiscal Impact Renewable Energy Partial Abatement of Property Tax as required by NRS 701A.375-1(b) by the Nevada Department of Taxation, received on February 12, 2014.

JIM GIBBONS
Governor
ROBERT R BARENGO
Chair, Nevada Tax Commissioner
DINO DICIANNO
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: http://tax.state.nv.us
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

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Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE
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Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

HENDERSON OFFICE
2550 Paseo Verde Parkway Suite 180
Henderson, Nevada 89074
Phone:(702) 486-2300
Fax: (702) 486-3377

FISCAL IMPACT
Renewable Energy Partial Abatement Of Property Taxes
McGinness Hills Geothermal Project
Orni 39, LLC (Ormat Nevada, Inc.)

This report was prepared to fulfill the requirements of NRS 701A.375 to indicate an estimate of the fiscal impact of the partial property tax abatement on the State and on each affected local government.

Background

The project, known as the McGinness Hills Geothermal Project, is owned by ORNI 39, LLC. ORNI 39, LLC is wholly owned by Ormat Nevada, Inc. ("ONI") and ONI is a wholly owned subsidiary of Ormat Technologies, Inc. ("Ormat"). The geothermal facility has a production capacity of 33.7 MW and an annual net production capacity of 289,080 MWh. The facility is located on public and private land in southern Grass Valley in Lander County.

Property Tax Analysis

Geothermal power plants are valued by the Department of Taxation (Department) under the authority of NRS 362.100(1)(b), which states that "the Department shall appraise and assess all reduction, smelting and milling works, plants and facilities, *whether or not associated with* a *mine*, all drilling rigs, and all supplies, machinery, equipment, apparatus, facilities, buildings, structures and other improvements used in connection with any mining, drilling, reduction, smelting or milling operation as provided in chapter 361 of NRS."

There are two valuation methodologies available in NRS chapter 361. One method is replacement cost new less statutory depreciation, and is generally governed by NRS 361.227. Replacement cost new of the improvements, less depreciation at the rate of 1-1/2% per year for a maximum of 50 years, is added to the full cash value of the improved land. Personal property is valued based on acquisition cost less depreciation identified in the Personal Property Manual approved by the Nevada Tax Commission.

The second methodology is reserved for property of an interstate or inter-county nature, and is generally called "unitary" valuation. NRS 361.320(1) states that the Nevada Tax Commission shall establish the valuation of any property of an interstate or inter-county nature used directly in the operation of all interstate or inter-county "electric light and power companies." NRS 361.320(11) defines a "company" as "any person, company, corporation or association engaged in the business described." An "electric light and power" business, however, is not defined in NRS or NAC Chapter 361. In lieu of a definition, the Department presumes that licensure or permits granted by FERC or the PUCN is prima facie evidence that the company is in the business of providing electric light and power. In addition, NRS 361.320(6) applies if two or more persons perform separate functions that collectively are needed to deliver electric service to the final customer and the property used in performing the functions would be centrally assessed if owned by one person. In this case, Orni 39, LLC will generate power in Lander County but use the On-Line Transmission system to transmit power across county lines for delivery to Nevada Power in Clark County. Until such time as the Department reviews any transmission agreements, the Department reserves the decision that the project will be valued by the Department using unitary valuation methodology. For

purposes of this fiscal note, however, the Department applied depreciation at the rate of 1-1/2 percent per year for 20 years to the reported acquisition cost.

If unitary valuation methodology is used, NRS 361.320(2) requires the Nevada Tax Commission to fix the valuation of all physical property used in the operation of the electric light and power company business as a *collective unit.* Once the valuation is established for the unit, the Nevada Tax Commission then "determines the total aggregate mileage operated (by the company) within the state and within its several counties and apportion the mileage upon a mile-unit valuation basis."

NRS 361.320(4) requires that "after establishing the valuation, as a collective unit, of an electric light and power company that places a facility into operation on or after July 1, 2003, in a county whose population is less than 100,000, the Nevada Tax Commission shall segregate the value of the facility from the collective unit. This value must be assessed in the county where the facility is located and taxed at the same rate as other property." Essentially the result of this exception is that the value of the generating facility remains in the county where the generating facility is located without being further apportioned to any other jurisdiction, if the county has a population of less than 100,000, such as Lander County.

The Taxpayer reported three leases of land, two of which are with the BLM and one is on private land. BLM lease no. NVN-38966 consists of 5,120 acres and lease no. NVN-38967 consists of 2,340 acres. The private land lease is about 220 acres. For purposes of this analysis, a ground rent capitalization methodology was used to estimate the value of the land, using a 15% capitalization rate applied to the annual rent reported by the Taxpayer. The value per acre for NVN-83966 was determined to be $237 and for NVN-83967, $518. For the balance of the 20 years for which the abatement may be granted, an appreciation factor of 1% per year was applied to the value of the land. The appreciation factor is a conservative estimate based on the 10 year average annual growth rate for land and improvements in Lander County from 2003-04 to 2012-13.[1]

The Taxpayer reported all components were real property. Real property is defined as "all houses, buildings, fences, ditches, structures, erections, railroads, toll roads and bridges, or other improvements built or erected upon any land, whether such land is private property or property of this state or of the United states, or of any municipal or other corporation, or of any county, city or town in this state." *See NRS 361.035(1)(a).*

Designation of the facility's property as real property by the Taxpayer is consistent with the Department's understanding of the typical components of a geothermal generation facility. Components include site preparation activities, including construction survey, grading, trenching, drainage features, diversion channels, detention ponds, culverts for road crossings, containment berms, and firebreaks. Other components include access roads and utilities such as telecommunication lines, foundations for generator step-up transformers, steam turbine generation, ancillary foundations in the power block, operations and maintenance buildings, electrical equipment enclosures; water delivery systems including pumps, wells, water storage tanks, waste and wastewater management; fire protection systems, including piping systems, fire hydrants, and sprinkler deluge systems; electronic systems to control equipment and facilities operations; lighting systems; fencing, controlled access gates, switchyard and substations; geothermal wells, injection wells, drill pads, wellhead, production pumps, injection pumps, flash tanks, pre-heaters, vaporizers, and gathering pipes. The Project will utilize converter binary technology to reduce the impact of changes in resource temperature and pressure on plant performance compared to other technologies.[2]

The Department's understanding is that the power block consists of components either attached to the land or "so essential to the land or improvement that the land or improvement cannot perform its desired function without the nonattached item," for example, cooling tower foundations. In addition, as evidenced

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[1] Department of Taxation, "Statistical Analysis of the Roll," 2012-13. Lander County's average growth rate for land and improvements from 2003-04 to 2012-13 was 13.66%. State of Nevada's average growth rate for the same period was 3.20%.

[2] PUCN Docket No. 10-02009 and 10-03022, "Application of Nevada Power Company dba NV Energy for approval of its 2010-2029 Triennial Integrated Resource Plan" dated 7-30-10, p. 91.

by the BLM geothermal leases NVN-83966 and 83967[3] and Nevada Power's integrated resource plan approved by the PUCN, which indicates that a purchase power agreement has been signed for a period of 20 years from the commencement of production, this generation facility appears to be intended as a permanent installation. For purposes of this fiscal note, all property was treated as real property.

Also for purposes of this fiscal note, the Department did not adjust upward the reported acquisition cost to reflect any appreciation of improvements over the twenty year period. In addition, the Department did not include property, if any, known as Contributions in Aid of Construction. Capital invested as a contribution in aid of construction (CIAC) is not eligible for a renewable energy abatement by the contributor of the capital because taxable property is assessed to the owner and not the contributor of the property. CIAC are either cash or utility type property *contributed to the utility* by a customer to assist the utility in providing utility service to the customer and are non-refundable to the customer. The utility which received the CIAC, in this case NV Energy, is the owner of the plant so contributed.[4]

The Department used the current tax rate of $3.3552 per hundred (0.033552) for Tax District 0060, 0070 (Unincorporated County) without further adjustment. Under current law, the maximum tax rate could go up to $3.66, however, the project is also subject to the tax abatement afforded under NRS 361.4722, which limits tax dollar increases to no more than 8% per year.

The calculation of the renewable energy abatement contained in the attached spreadsheets takes into account the required distribution of remaining taxes after abatement to local governments in Lander County, including a distribution to the State Debt Fund. Since the application was submitted on January 10, 2014 after the effective date for AB 239 (2013) which amended, this fiscal note assumes no distribution will be made to the State Renewable Energy Fund.

Estimate of Tax Abatement

Lander County:	
Total Taxes Due, First Year After Completion:	$ 1,967,105
Total Renewable Energy Abatement, First Year:	$ 1,081,908
Total Taxes Available to Local Governments and State Debt after abatement:	$ 885,197

The amount of the abatement for each year thereafter approximates the amount obtained in the first year and continues during the period of abatement as follows:

Lander County:	
Total Taxes Due during Period of Abatement (20 years):	$ 33,933,281
Total Renewable Energy Abatement, 20 years:	$ 18,663,305
Total Taxes Available to Local Governments after abatement:	$ 15,269,976

See attached spreadsheets for the amounts by year and by local government entity.

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[3] Ormat Technologies, Inc. - 10-K Report to SEC, for the year ended December 31, 2009: p. 33:
"BLM leases issued after August 8, 2005 have a primary term of ten years. If the geothermal lessee does not reach commercial production within the primary term the BLM may grant two five-year extensions if the geothermal lessee: (i) satisfies certain minimum annual work requirements prescribed by the BLM for that lease, or (ii) makes minimum annual payments. Additionally, if the geothermal lessee is drilling a well for the purposes of commercial production, the primary term (as it may have been extended) may be extended for five years and as long thereafter as steam is being produced and used in commercial quantities (meaning the geothermal lessee either begins producing geothermal resources in commercial quantities or has a well capable of producing geothermal resources in commercial quantities and is making diligent efforts to utilize the resource) for thirty-five years. If, at the end of the extended thirty-five year term, geothermal steam is still being produced or utilized in commercial quantities and the lands are not needed for other purposes, the geothermal lessee will have a preferential right to renew the lease for fifty-five years, under terms and conditions as the BLM deems appropriate."

[4] NRS 361.260 requires the county assessor to "ascertain all real and secured personal property that is in the county on July 1 which is subject to taxation, and also the names of all persons, corporations, associations, companies or firms *owning* the property. The county assessor shall then determine the taxable value of all such property, and shall then list and assess it to the person, firm, corporation, association or company *owning* it on July 1 of that fiscal year."

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 20 Year Summary

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	33,933,281.06	(18,663,304.58)	15,269,976.48	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	1,719,318.59	(945,625.22)	773,693.37	5.067%
Lander County School District	0.007500	1	7,585,229.13	(4,171,876.02)	3,413,353.11	22.353%
Lander County	0.019243	1	19,461,675.27	(10,703,921.40)	8,757,753.87	57.353%
Lander County Hospital District	0.005109	1	5,167,058.07	(2,841,881.94)	2,325,176.13	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
121,500,637	55.0%	100.0%	55.0%	(18,663,304.58)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	121,500,637	55.00%	100.00%	55.00%	(18,663,304.58)

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2014-15

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,967,105.13	(1,081,907.82)	885,197.31	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	99,668.54	(54,817.70)	44,850.84	5.067%
Lander County School District	0.007500	1	439,714.13	(241,842.77)	197,871.36	22.353%
Lander County	0.019243	1	1,128,189.20	(620,504.06)	507,685.14	57.353%
Lander County Hospital District	0.005109	1	299,533.26	(164,743.29)	134,789.97	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
167,510,144	55.0%	100.0%	55.0%	(1,081,907.82)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	167,510,144	55.00%	100.00%	55.00%	(1,081,907.82)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2015-16

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,938,629.06	(1,066,245.98)	872,383.08	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	98,225.72	(54,024.15)	44,201.57	5.067%
Lander County School District	0.007500	1	433,348.77	(238,341.82)	195,006.95	22.353%
Lander County	0.019243	1	1,111,857.39	(611,521.56)	500,335.83	57.353%
Lander County Hospital District	0.005109	1	295,197.18	(162,358.45)	132,838.73	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
165,085,246	55.0%	100.0%	55.0%	(1,066,245.98)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	165,085,246	55.00%	100.00%	55.00%	(1,066,245.98)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2016-17

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,909,815.37	(1,050,398.46)	859,416.91	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	96,765.80	(53,221.19)	43,544.61	5.067%
Lander County School District	0.007500	1	426,907.94	(234,799.37)	192,108.57	22.353%
Lander County	0.019243	1	1,095,331.94	(602,432.57)	492,899.37	57.353%
Lander County Hospital District	0.005109	1	290,809.69	(159,945.33)	130,864.36	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
162,631,598	55.0%	100.0%	55.0%	(1,050,398.46)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	162,631,598	55.00%	100.00%	55.00%	(1,050,398.46)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2017-18

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,880,690.09	(1,034,379.54)	846,310.55	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	95,290.09	(52,409.55)	42,880.54	5.067%
Lander County School District	0.007500	1	420,397.46	(231,218.60)	189,178.86	22.353%
Lander County	0.019243	1	1,078,627.79	(593,245.28)	485,382.51	57.353%
Lander County Hospital District	0.005109	1	286,374.75	(157,506.11)	128,868.64	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
160,151,415	55.0%	100.0%	55.0%	(1,034,379.54)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	160,151,415	55.00%	100.00%	55.00%	(1,034,379.54)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2018-19

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,851,292.98	(1,018,211.14)	833,081.84	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	93,800.61	(51,590.34)	42,210.27	5.067%
Lander County School District	0.007500	1	413,826.22	(227,604.42)	186,221.80	22.353%
Lander County	0.019243	1	1,061,767.73	(583,972.25)	477,795.48	57.353%
Lander County Hospital District	0.005109	1	281,898.42	(155,044.13)	126,854.29	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
157,648,085	55.0%	100.0%	55.0%	(1,018,211.14)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	157,648,085	55.00%	100.00%	55.00%	(1,018,211.14)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2019-20

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,824,766.41	(1,003,621.52)	821,144.89	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	92,456.57	(50,851.11)	41,605.46	5.067%
Lander County School District	0.007500	1	407,896.64	(224,343.15)	183,553.49	22.353%
Lander County	0.019243	1	1,046,554.01	(575,604.71)	470,949.30	57.353%
Lander County Hospital District	0.005109	1	277,859.19	(152,822.55)	125,036.64	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
155,389,197	55.0%	100.0%	55.0%	(1,003,621.52)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	155,389,197	55.00%	100.00%	55.00%	(1,003,621.52)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2020-21

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,796,311.37	(987,971.25)	808,340.12	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	91,014.82	(50,058.15)	40,956.67	5.067%
Lander County School District	0.007500	1	401,535.98	(220,844.79)	180,691.19	22.353%
Lander County	0.019243	1	1,030,234.26	(566,628.84)	463,605.42	57.353%
Lander County Hospital District	0.005109	1	273,526.31	(150,439.47)	123,086.84	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
152,966,089	55.0%	100.0%	55.0%	(987,971.25)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	152,966,089	55.00%	100.00%	55.00%	(987,971.25)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2021-22

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,767,860.66	(972,323.36)	795,537.30	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	89,573.29	(49,265.31)	40,307.98	5.067%
Lander County School District	0.007500	1	395,176.29	(217,346.96)	177,829.33	22.353%
Lander County	0.019243	1	1,013,916.99	(557,654.34)	456,262.65	57.353%
Lander County Hospital District	0.005109	1	269,194.09	(148,056.75)	121,137.34	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
150,543,350	55.0%	100.0%	55.0%	(972,323.36)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	150,543,350	55.00%	100.00%	55.00%	(972,323.36)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2022-23

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,739,414.33	(956,677.89)	782,736.44	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	88,131.98	(48,472.59)	39,659.39	5.067%
Lander County School District	0.007500	1	388,817.58	(213,849.67)	174,967.91	22.353%
Lander County	0.019243	1	997,602.23	(548,681.23)	448,921.00	57.353%
Lander County Hospital District	0.005109	1	264,862.54	(145,674.40)	119,188.14	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
148,120,983	55.0%	100.0%	55.0%	(956,677.89)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	148,120,983	55.00%	100.00%	55.00%	(956,677.89)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2023-24

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,710,972.41	(941,034.83)	769,937.58	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	86,690.90	(47,680.00)	39,010.90	5.067%
Lander County School District	0.007500	1	382,459.86	(210,352.92)	172,106.94	22.353%
Lander County	0.019243	1	981,290.00	(539,709.50)	441,580.50	57.353%
Lander County Hospital District	0.005109	1	260,531.65	(143,292.41)	117,239.24	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
145,698,993	55.0%	100.0%	55.0%	(941,034.83)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	145,698,993	55.00%	100.00%	55.00%	(941,034.83)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2024-25

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,682,534.96	(925,394.23)	757,140.73	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	85,250.04	(46,887.52)	38,362.52	5.067%
Lander County School District	0.007500	1	376,103.13	(206,856.72)	169,246.41	22.353%
Lander County	0.019243	1	964,980.34	(530,739.19)	434,241.15	57.353%
Lander County Hospital District	0.005109	1	256,201.45	(140,910.80)	115,290.65	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
143,277,383	55.0%	100.0%	55.0%	(925,394.23)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	143,277,383	55.00%	100.00%	55.00%	(925,394.23)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2025-26

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,654,102.02	(909,756.12)	744,345.90	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	83,809.41	(46,095.18)	37,714.23	5.067%
Lander County School District	0.007500	1	369,747.41	(203,361.08)	166,386.33	22.353%
Lander County	0.019243	1	948,673.26	(521,770.29)	426,902.97	57.353%
Lander County Hospital District	0.005109	1	251,871.94	(138,529.57)	113,342.37	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
140,856,157	55.0%	100.0%	55.0%	(909,756.12)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	140,856,157	55.00%	100.00%	55.00%	(909,756.12)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2026-27

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,625,673.62	(894,120.49)	731,553.13	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	82,369.01	(45,302.96)	37,066.05	5.067%
Lander County School District	0.007500	1	363,392.71	(199,865.99)	163,526.72	22.353%
Lander County	0.019243	1	932,368.79	(512,802.83)	419,565.96	57.353%
Lander County Hospital District	0.005109	1	247,543.11	(136,148.71)	111,394.40	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
138,435,318	55.0%	100.0%	55.0%	(894,120.49)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	138,435,318	55.00%	100.00%	55.00%	(894,120.49)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2027-28

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,597,249.84	(878,487.41)	718,762.43	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	80,928.85	(44,510.87)	36,417.98	5.067%
Lander County School District	0.007500	1	357,039.04	(196,371.47)	160,667.57	22.353%
Lander County	0.019243	1	916,066.96	(503,836.83)	412,230.13	57.353%
Lander County Hospital District	0.005109	1	243,214.99	(133,768.24)	109,446.75	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
136,014,872	55.0%	100.0%	55.0%	(878,487.41)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	136,014,872	55.00%	100.00%	55.00%	(878,487.41)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2028-29

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,568,830.69	(862,856.88)	705,973.81	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	79,488.92	(43,718.91)	35,770.01	5.067%
Lander County School District	0.007500	1	350,686.40	(192,877.52)	157,808.88	22.353%
Lander County	0.019243	1	899,767.79	(494,872.28)	404,895.51	57.353%
Lander County Hospital District	0.005109	1	238,887.58	(131,388.17)	107,499.41	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
133,594,820	55.0%	100.0%	55.0%	(862,856.88)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	133,594,820	55.00%	100.00%	55.00%	(862,856.88)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2029-30

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,540,416.25	(847,228.94)	693,187.31	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	78,049.23	(42,927.08)	35,122.15	5.067%
Lander County School District	0.007500	1	344,334.82	(189,384.15)	154,950.67	22.353%
Lander County	0.019243	1	883,471.32	(485,909.23)	397,562.09	57.353%
Lander County Hospital District	0.005109	1	234,560.88	(129,008.48)	105,552.40	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
131,175,169	55.0%	100.0%	55.0%	(847,228.94)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	131,175,169	55.00%	100.00%	55.00%	(847,228.94)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2030-31

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,512,006.52	(831,603.59)	680,402.93	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	76,609.77	(42,135.37)	34,474.40	5.067%
Lander County School District	0.007500	1	337,984.29	(185,891.36)	152,092.93	22.353%
Lander County	0.019243	1	867,177.56	(476,947.66)	390,229.90	57.353%
Lander County Hospital District	0.005109	1	230,234.90	(126,629.20)	103,605.70	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
128,755,920	55.0%	100.0%	55.0%	(831,603.59)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	128,755,920	55.00%	100.00%	55.00%	(831,603.59)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2031-32

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,483,601.58	(815,980.88)	667,620.70	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	75,170.56	(41,343.81)	33,826.75	5.067%
Lander County School District	0.007500	1	331,634.83	(182,399.16)	149,235.67	22.353%
Lander County	0.019243	1	850,886.54	(467,987.60)	382,898.94	57.353%
Lander County Hospital District	0.005109	1	225,909.65	(124,250.31)	101,659.34	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
126,337,079	55.0%	100.0%	55.0%	(815,980.88)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	126,337,079	55.00%	100.00%	55.00%	(815,980.88)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2032-33

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,455,201.49	(800,360.82)	654,840.67	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	73,731.60	(40,552.38)	33,179.22	5.067%
Lander County School District	0.007500	1	325,286.46	(178,907.55)	146,378.91	22.353%
Lander County	0.019243	1	834,598.30	(459,029.07)	375,569.23	57.353%
Lander County Hospital District	0.005109	1	221,585.13	(121,871.82)	99,713.31	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
123,918,650	55.0%	100.0%	55.0%	(800,360.82)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	123,918,650	55.00%	100.00%	55.00%	(800,360.82)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 39, LLC 2033-34

McGuiness Hills Project

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,426,806.28	(784,743.45)	642,062.83	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	72,292.88	(39,761.08)	32,531.80	5.067%
Lander County School District	0.007500	1	318,939.17	(175,416.54)	143,522.63	22.353%
Lander County	0.019243	1	818,312.87	(450,072.08)	368,240.79	57.353%
Lander County Hospital District	0.005109	1	217,261.36	(119,493.75)	97,767.61	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
121,500,637	55.0%	100.0%	55.0%	(784,743.45)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	121,500,637	55.00%	100.00%	55.00%	(784,743.45)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

LANDER COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 0060, 0070

EXCLUDES STATE RENEWABLE ENERGY FUND

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.033552	1,398,415.99	(769,128.80)	629,287.19	100.000%

ORNI 39, LLC 2034-35

McGuiness Hills Project

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	70,854.41	(38,969.93)	31,884.48	5.067%
Lander County School District	0.007500	1	312,592.99	(171,926.14)	140,666.85	22.353%
Lander County	0.019243	1	802,030.25	(441,116.64)	360,913.61	57.353%
Lander County Hospital District	0.005109	1	212,938.34	(117,116.09)	95,822.25	15.227%
	0.000000	1	-	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
119,083,043	55.0%	100.0%	55.0%	(769,128.80)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
Land & Improvements	119,083,043	55.00%	100.00%	55.00%	(769,128.80)
		55.00%	0.00%	0.00%	-

Exhibit (E) – Pre Filed Testimony of Mr. Bob Sullivan of Ormat Nevada, Inc.

Application No. 14-0104GMH

Direct Testimony of

BOB SULLIVAN

on behalf of

ORMAT NEVADA, INC.

AND

ORNI 39, LLC

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Bob Sullivan and my business address is 6225 Neil Road, Reno, Nevada 89511.

Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

A. I am the Vice President of Business Development for Ormat Nevada, Inc. ("ONI").

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

A. ORNI 39, LLC ("ORNI 39") and ONI (collectively ORNI 39 and ONI are referred to as "Ormat").

Q. DOES ATTACHMENT 1 ACCURATELY DESCRIBE YOUR BACKGROUND AND EXPERIENCE?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to support the request for a partial property tax abatement for the McGinness Hills geothermal power project ("McGinness Hills") that was developed and is operated by Ormat, and to provide specific information related to the McGinness Hills project to assist the Deputy Director of the Nevada Governor's Office of Energy ("Deputy Director") in considering the application for a partial property tax abatement.

Q. CAN YOU PLEASE EXPLAIN IN DETAIL THE MCGINNESS HILLS POWER PROJECT?

A. Ormat developed an air-cooled geothermal power plant located in Lander County. McGinness Hills is expected to deliver a generating capacity of 33.7 MW under a 20-year power purchase agreement ("PPA") with Nevada Power Company, a subsidiary of NV Energy ("NPC"). Ormat has secured two (2) leases for the land in the vicinity of McGinness Hills through an agreement with the Bureau of Land Management, and has obtained all state and local permits to construct and operate the facility.

Q. WHAT TYPE OF ABATEMENTS IS ORMAT REQUESTING FOR MCGINNESS HILLS?

A. Ormat is requesting a partial abatement on the property tax on the real and personal property associated with McGinness Hills.

Q. WHY IS ORMAT REQUESTING PARTIAL TAX ABATEMENTS FOR MCGINNESS HILLS?

A. The partial tax abatement will enable further investment in McGinness Hills. A geothermal power plant typically requires robust capital investment plans to maintain power plant equipment and manage resource sustainability. These investments are required to maintain compliance with power plant permits and other contractual requirements. These ongoing investments further economic development. The partial tax abatement will also make McGinness Hills more desirable to project financiers. This means they are willing to invest more money into the project. Ormat will also be able to continue its exploration and testing of the geothermal resources in McGinness Hills for possible expansion of the generating capacity of the facility.

Q. WERE YOU INVOLVED IN PREPARING ORMAT'S APPLICATION FOR THE PARTIAL ABATEMENT?

A. Yes.

Q. ARE YOU FAMILIAR WITH THE INFORMATION IN THE APPLICATION?

A. Yes.

Q. IS THE INFORMATION IN THE APPLICATION ACCURATE TO THE BEST OF YOUR KNOWLEDGE AND BELIEF?

A. Yes.

Q. HAS OR WILL ANY STATE OR LOCAL FUNDING BE PROVIDED FOR THE ACQUISITION, DESIGN OR CONSTRUCTION OF THE MCGINNESS HILLS PROJECT?

A. No.

Q. WILL THE MCGINNESS HILLS PROJECT BE OWNED OR OPERATED, EVEN IN PART, BY A GOVERNMENTAL AGENCY?

A. No.

Q. HAVE YOU APPLIED FOR OR ARE YOU RECEIVING ANY OTHER TAX ABATEMENT OR EXEMPTION FOR THE MCGINNESS HILLS PROJECT?

A. Yes. Ormat applied and received a partial tax abatement on the sales and use taxes associated with the McGinness Hills project. In addition, Ormat previously applied for a partial property tax abatement for McGinness Hills, however, the application was rejected by the Lander County Board of Commissioners.

Q. DID ORMAT ANTICIPATE RECEIVING THE PROPERTY TAX ABATEMENT FOR MCGINNESS HILLS?

A. Yes. Ormat relied on receiving the property tax abatement as a crucial element in determining whether or not McGinness Hills should receive precious company capital investment instead of other projects around the world. The determination was a complex weighing of multiple factors including the return on investment as well as our ability to convert our equity in the project to loans allowing replenishment of our funds available for further capital investment. Upon reviewing the statutory requirements to obtain the abatement, Ormat felt confident that McGinness Hills could far exceed the Legislature's goals for new capital investment, employment and other associated benefits. Thus, Ormat instituted policies for labor and benefits resulting in increased costs. Ormat was surprised when Lander County rejected its initial application, especially considering that McGinness Hills far exceeded the legal requirements to obtain the abatement.

Q. DID LANDER COUNTY PROVIDE ANY JUSTIFICATION TO SUPPORT ITS REJECTION OF THE INITIAL APPLICATION?

A. There seemed to be a concern over loss of tax revenues to the county and a general discounting of the notion that the project would not proceed without the abatement. Meaning that the county would have its cake and eat it too. The application was voted down 3-2 indicating that at least two (two) commissioners agreed with the tax abatement.

Q. WHY ARE TAX ABATEMENTS IMPORTANT TO GEOTHERMAL PROJECTS?

A. McGinness Hills is an example of the value of tax abatement incentives in Nevada. This project is a green field development creating substantial risk in developing the geothermal resource. ORNI 39's decision to invest in field exploration coincided with the passage of Assembly Bill 522 during the 2009 Legislative Session, which created incentives for renewable energy projects in Nevada. This potential incentive aided in the development of McGinness Hills by making a green field project more competitively priced and capable of acquiring a power purchase agreement. Effectively giving any gains from a the tax abatement back to Nevada rate payers in the form of reduced renewable electricity prices as well as the significant positive economic impact in Nevada and specifically Lander County.

Q. IS MCGINNESS HILLS CURRENTLY OPERATIONAL?

A. Yes.

Q. HOW LONG WILL THE MCGINNESS HILLS PROJECT BE IN OPERATION?

A. We have signed a 20-year PPA with NPC. Whether the project will continue beyond that time depends primarily on the geothermal resource, wear and tear on the equipment, ability to recontract the facility and changes in technology.

Q. WILL APPROVAL OF THIS APPLICATION CONTINUE TO ALLOW ORMAT TO INVEST IN MCGINNESS HILLS?

A. Yes, approval of the property tax abatement will allow for further investment in McGinness Hills and Nevada. Regardless that McGinness Hills is operational, the property tax abatement will create further capital for investment in the project by improving its cash flow by decreasing required equity, increasing leverage, and thereby, allowing more money to be available for investment.

Q. HOW MANY EMPLOYEES WORKED ON THE CONSTRUCTION OF THE MCGINNESS HILLS PROJECT?

A. While the numbers fluctuated from week-to-week, we had 138 full-time employees while working on the construction per week during the second quarter of construction.

Q. HOW MANY EMPLOYEES WHO WORKED ON THE CONSTRUCTION OF THE MCGINNESS HILLS PROJECT WERE NEVADA RESIDENTS?

A. More than 50% of the construction employees are Nevada residents.

Q. WHAT WAS THE AVERAGE WAGE FOR THESE EMPLOYEES AND ARE THEY RECEIVING BENEFITS?

A. Under our construction contracts, all construction employees have been paid at least 175% of the average hourly statewide rate, excluding management and administrative employees, and they all received health insurance benefits, including an option for coverage of their dependents. The health insurance plans cover emergency care, inpatient and outpatient hospital services, physician's services,

outpatient medical services, laboratory services, and diagnostic testing services. The plans also offer dependent coverage and cover at least 80% of the costs for the covered services after the employee's deductible is met.

Q. HOW MANY EMPLOYEES WORK AT THE MCGINNESS HILLS PROJECT AFTER IT BEGAN OPERATION?

A. Ormat has twelve (12) full-time employees working at McGinness Hills for operation and maintenance purposes.

Q. WHAT WAGE WILL THESE EMPLOYEES BE PAID AND WILL THEY RECEIVE BENEFITS?

A. All full-time employees working at McGinness Hills are paid an average of at least 110% of the average hourly statewide rate, excluding management and administrative employees, and receive health insurance benefits, including an option for coverage of their dependents.

Q. HOW MUCH OF A CAPITAL INVESTMENT WILL THE MCGINNESS HILLS PROJECT MAKE IN NEVADA?

A. The McGinness Hills project will make a capital investment of more than $160 million in the State of Nevada.

Q. WHAT IS THE ESTIMATED TOTAL ECONOMIC BENEFITS TO THE STATE OF NEVADA FROM MCGINNESS HILLS?

A. The State of Nevada is projected to receive more than $200 million in economic benefits during the term of the PPA. This amount may increase if Ormat can or needs to invest more in McGinness Hills to meet its contractual obligations.

Q. IF THIS APPLICATION IS APPROVED, HOW MUCH TAX REVENUE WILL BE ABATED DURING THE 20 YEAR ABATEMENT TERM?

A. The State has estimated that the abatement will result in approximately $18,500,000 loss of tax revenue.

Q. WILL THE FINANCIAL AND EMPLOYMENT BENEFITS THE STATE OF NEVADA AND ITS RESIDENTS RECEIVE FROM THE MCGINNESS HILLS PROJECT EXCEED THE LOSS OF TAX REVENUE THAT WILL RESULT IF THE PARTIAL ABATEMENTS ARE GRANTED?

A. Yes. The capital investment, the wages paid and the taxes paid will far exceed the loss of tax revenue.

Q. **WILL THE PROJECTED COST OF THE SERVICES THAT LANDER COUNTY IS REQUIRED TO PROVIDE MCGINNESS HILLS EXCEED THE AMOUNT OF TAX REVENUE IT IS PROJECTED TO RECEIVE AS A RESULT OF THE PARTIAL TAX ABATEMENT?**

A. No. Even factoring in the partial tax abatement, the tax revenue Lander County will receive exceeds substantially more than the projected cost of services it will provide McGinness Hills.

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS AND CONCLUSIONS.

A. I recommend that the application for a partial tax abatement of the property tax be granted for McGinness Hills. The McGinness Hills project has and continues to further the Legislature's goal of renewable energy development in the State of Nevada. Ormat has demonstrated during this application process that the McGinness Hills project has met and will meet all the requirements for approval of the partial tax abatements provided for in NRS Chapter 701A. The McGinness Hills project offers significant financial and employment benefits to the State of Nevada and Lander County. If Ormat receives the partial tax abatement for McGinness Hills, it will continue its exploration and testing in the area with a goal of expanding the facility, which will greatly increase the benefits it provides to the state and the county.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A Yes.

ATTACHMENT 1

AFFIRMATION

STATE OF NEVADA)
: ss.
COUNTY OF WASHOE)

Bob Sullivan, being first duly sworn, deposes and says:

That he is the person identified in the prepared Direct Testimony of Bob Sullivan filed in Application No. 14-0104GT and the exhibits applicable to his Testimony; that such Testimony and exhibits were prepared by or under his direction; that the answers and information set forth therein are true to the best of his knowledge and belief; and that if asked the questions set forth therein, his answers thereto would, under oath, be the same.

Bob Sullivan

STATE OF Nevada
COUNTY OF Washoe

On March 3, 2014, before me, CASEY Fleischer a notary public, personally appeared Bob Sullivan, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity on behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

CASEY FLEISCHER
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 02-78271-2 - Expires January 17, 2017

Signature

4338277_1

ROBERT SULLIVAN
2140 Skyline Blvd.
Reno, Nevada 89509
775-229-5199

Experience

2009 **Vice President, Ormat Nevada Inc.;** Responsible for Business Development North America.

2007 **Project Manager,** Ormat Nevada Inc.; North Brawley Geothermal Power Project.

2006 **COO 2nd in Charge,** Ormat Nevada Inc.; Operations Management for Ormat's US power plants. Responsible for planning, development of management programs, various project management. Manage US recovered energy facilities.

1991-2005 **Plant Manager,** Ormat Nevada Inc.; Ogden Power Corporation(1997-2003); Pacific Power Plant Operations(1995–1996); North American Energy Services Co. (1991-1994) -Mammoth Pacific Geothermal Project. Responsible for the administration of the contract for the operation and maintenance of the three binary geothermal power plants and the associated well field, consisting of 18 wells and eight turbine generator units with a combined output of 40 megawatts. Supervised 25 administrative, operational and maintenance personnel. Responsible for development and execution of numerous projects including geothermal exploration, well targeting, drilling and plant expansion. Developed and managed multiple research and development projects with cost sharing participation by the State of California and the Department of Energy.

1991 **Engineering Superintendent,** California Energy Co. Inc. Coso Geothermal Project. Responsible for multi-millions of dollars of contracting work including of the overhaul of three power plants and multiple steam turbines, supervising all plant engineering work, implementing design changes and overseeing numerous construction projects. Developed and implemented corrosion monitoring and chemical analysis programs. Responsible for plant chemists and I&C technicians.

1988-1991 **Operations Superintendent,** California Energy Company Inc. (Coso). Participated in the initial start-up of four power plants, responsible for the steady state operation of nine power plants, totally 240 megawatts, and the initial development of operational, administrative, personnel and safety procedures. Directly supervised the start-up of multiple hydrogen sulfide chemical abatement plants. Responsible for all regulatory compliance.

Education

Graduated in top third of Navy's Nuclear Power School.

Graduated from various Navy and commercial maintenance schools.

Bachelor's degree in business.

Awards/Activities

Awarded Geothermal Resources Council Geothermal Achievement Award for contributions to the Geothermal Industry in 2000.

Accepted California's Governors Economic and Environmental Leadership Award for Mammoth Pacific in 2003.

Board Member of the Geothermal Resources Council.

Exhibit (F) – Order of Recusal by the Director of the Governor's Office of Energy dated January 29, 2014.

BRIAN SANDOVAL
Governor

STATE OF NEVADA

PAUL A. THOMSEN
Director
755 North Roop Street, Suite 202
Carson City, NV 89701
Office: (775) 687-1850
Fax: (775) 687-1869

GOVERNOR'S OFFICE OF ENERGY

January, 29, 2014

Application Filing # 14-0104GMH
In the matter of: ORNI 39 LLC

ORDER OF RECUSAL

Prior to appointment by Governor Brian Sandoval as Director of the Nevada Office of Energy, I served as a Director at Ormat Technologies. I served in this capacity, as Director, from 2005 until September, 2013.

As per NRS 701.150(5), the Director shall not have any conflict of interest relating to the performance of his duties. As such, I must recuse myself from the above-captioned matter to avoid any appearance of impropriety, conflict of interest or bias.

Any and all future proceedings in this matter will be handled by Brita Tryggvi, Deputy Director, Nevada Office of Energy.

IT IS SO ORDERED, this 29th day of January, 2014.

Paul A. Thomsen
Director, Nevada Office of Energy

Exhibit (G) – Lander County notice of intent to consider the Application filed by ORNI 39 LLC

January 31, 2014

VIA FAX (775) 687-1869 and U.S. MAIL
Brita Tryggvi, Deputy Director
Nevada Office of Energy
755 North Roop Street, Suite 202
Carson City, Nevada 89701

Dear Ms. Tryggvi:

This letter shall serve as notice, pursuant to Nevada Revised Statutes ("NRS") 701A.365, that the Lander County Board of Commissioners intends to consider the application submitted by ORNI 39, LLC (owned by Ormat Nevada, Inc.), for a partial abatement of taxes for the McGinness Hills geothermal power plant located in Lander County.

Lander County will consider whether to approve or deny the application at its Commission meeting on Thursday, February 13, 2014.

Sincerely,

Brian Garner, Chairman
Lander County Board of Commissioners

RECEIVED

FEB 04 2014

NEVADA STATE OFFICE
OF ENERGY

Exhibit (H) – Lander County Board of Commissioners letter dated February 13, 2014.

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2015-16

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	901,008.88	(495,554.89)	405,453.99	100.000%	405,454.00	(678,009.18)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							182,454.30		45.000%
State of Nevada	0.001700	1	49,461.22	(27,203.67)	22,257.55	5.490%		(49,461.22)	0.000%
Pershing County School District	0.011500	1	334,590.61	(184,024.84)	150,565.77	37.135%	87,621.17	(246,969.44)	21.611%
Pershing County	0.013568	1	394,758.74	(217,117.31)	177,641.43	43.813%	103,377.75	(291,380.99)	25.497%
Pershing County Hospital District	0.004200	1	122,198.31	(67,209.07)	54,989.24	13.562%	32,000.78	(90,197.53)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
83,128,103	55.0%	100.0%	55.0%	(495,554.89)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,201,777	55.00%	1.45%	0.80%	(7,164.20)
IMPROVEMENTS	81,926,326	55.00%	98.55%	54.20%	(488,390.69)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2016-17

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	886,739.41	(487,706.68)	399,032.73	100.000%	399,032.73	(667,271.41)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							179,564.73		45.000%
State of Nevada	0.001700	1	48,677.89	(26,772.84)	21,905.05	5.490%		(48,677.89)	0.000%
Pershing County School District	0.011500	1	329,291.63	(181,110.40)	148,181.23	37.135%	86,233.50	(243,058.13)	21.611%
Pershing County	0.013568	1	388,506.86	(213,678.77)	174,828.09	43.813%	101,740.53	(286,766.33)	25.497%
Pershing County Hospital District	0.004200	1	120,263.03	(66,144.67)	54,118.36	13.562%	31,493.97	(88,769.06)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
81,811,586	55.0%	100.0%	55.0%	(487,706.68)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,213,795	55.00%	1.48%	0.82%	(7,235.84)
IMPROVEMENTS	80,597,791	55.00%	98.52%	54.18%	(480,470.84)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2017-18

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	872,471.26	(479,859.19)	392,612.07	100.000%	392,612.07	(656,534.62)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							176,675.43		45.000%
State of Nevada	0.001700	1	47,894.64	(26,342.05)	21,552.59	5.490%		(47,894.64)	0.000%
Pershing County School District	0.011500	1	323,993.14	(178,196.23)	145,796.91	37.135%	84,845.95	(239,147.19)	21.611%
Pershing County	0.013568	1	382,255.55	(210,240.55)	172,015.00	43.813%	100,103.47	(282,152.08)	25.497%
Pershing County Hospital District	0.004200	1	118,327.93	(65,080.36)	53,247.57	13.562%	30,987.22	(87,340.71)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
80,495,189	55.0%	100.0%	55.0%	(479,859.19)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,225,933	55.00%	1.52%	0.84%	(7,308.20)
IMPROVEMENTS	79,269,256	55.00%	98.48%	54.16%	(472,550.99)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2018-19

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	858,204.39	(472,012.42)	386,191.97	100.000%	386,191.98	(645,798.80)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							173,786.39		45.000%
State of Nevada	0.001700	1	47,111.45	(25,911.30)	21,200.15	5.490%		(47,111.45)	0.000%
Pershing County School District	0.011500	1	318,695.12	(175,282.32)	143,412.80	37.135%	83,458.53	(235,236.59)	21.611%
Pershing County	0.013568	1	376,004.82	(206,802.65)	169,202.17	43.813%	98,466.55	(277,538.27)	25.497%
Pershing County Hospital District	0.004200	1	116,393.00	(64,016.15)	52,376.85	13.562%	30,480.51	(85,912.49)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
79,178,913	55.0%	100.0%	55.0%	(472,012.42)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,238,193	55.00%	1.56%	0.86%	(7,381.29)
IMPROVEMENTS	77,940,720	55.00%	98.44%	54.14%	(464,631.13)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2019-20

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	843,938.88	(464,166.39)	379,772.49	100.000%	379,772.49	(635,064.01)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							170,897.62		45.000%
State of Nevada	0.001700	1	46,328.34	(25,480.59)	20,847.75	5.490%		(46,328.34)	0.000%
Pershing County School District	0.011500	1	313,397.61	(172,368.69)	141,028.92	37.135%	82,071.24	(231,326.37)	21.611%
Pershing County	0.013568	1	369,754.67	(203,365.07)	166,389.60	43.813%	96,829.79	(272,924.88)	25.497%
Pershing County Hospital District	0.004200	1	114,458.26	(62,952.04)	51,506.22	13.562%	29,973.84	(84,484.42)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
77,862,760	55.0%	100.0%	55.0%	(464,166.39)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,250,574	55.00%	1.61%	0.88%	(7,455.10)
IMPROVEMENTS	76,612,186	55.00%	98.39%	54.12%	(456,711.29)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2020-21

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	829,674.70	(456,321.09)	373,353.61	100.000%	373,353.61	(624,330.21)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							168,009.12		45.000%
State of Nevada	0.001700	1	45,545.30	(25,049.92)	20,495.38	5.490%		(45,545.30)	0.000%
Pershing County School District	0.011500	1	308,100.59	(169,455.32)	138,645.27	37.135%	80,684.08	(227,416.51)	21.611%
Pershing County	0.013568	1	363,505.12	(199,927.82)	163,577.30	43.813%	95,193.18	(268,311.94)	25.497%
Pershing County Hospital District	0.004200	1	112,523.69	(61,888.03)	50,635.66	13.562%	29,467.23	(83,056.46)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
76,546,731	55.0%	100.0%	55.0%	(456,321.09)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,263,080	55.00%	1.65%	0.91%	(7,529.65)
IMPROVEMENTS	75,283,651	55.00%	98.35%	54.09%	(448,791.44)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2021-22

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	815,411.89	(448,476.54)	366,935.35	100.000%	366,935.35	(613,597.45)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							165,120.91		45.000%
State of Nevada	0.001700	1	44,762.34	(24,619.29)	20,143.05	5.490%		(44,762.34)	0.000%
Pershing County School District	0.011500	1	302,804.08	(166,542.24)	136,261.84	37.135%	79,297.05	(223,507.03)	21.611%
Pershing County	0.013568	1	357,256.15	(196,490.88)	160,765.27	43.813%	93,556.73	(263,699.42)	25.497%
Pershing County Hospital District	0.004200	1	110,589.32	(60,824.13)	49,765.19	13.562%	28,960.66	(81,628.66)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
75,230,827	55.0%	100.0%	55.0%	(448,476.54)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,275,711	55.00%	1.70%	0.93%	(7,604.95)
IMPROVEMENTS	73,955,116	55.00%	98.30%	54.07%	(440,871.59)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2022-23

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	801,150.42	(440,632.74)	360,517.68	100.000%	360,517.68	(602,865.70)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							162,232.96		45.000%
State of Nevada	0.001700	1	43,979.45	(24,188.70)	19,790.75	5.490%		(43,979.45)	0.000%
Pershing County School District	0.011500	1	297,508.07	(163,629.44)	133,878.63	37.135%	77,910.15	(219,597.92)	21.611%
Pershing County	0.013568	1	351,007.78	(193,054.28)	157,953.50	43.813%	91,920.43	(259,087.35)	25.497%
Pershing County Hospital District	0.004200	1	108,655.12	(59,760.32)	48,894.80	13.562%	28,454.14	(80,200.98)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
73,915,049	55.0%	100.0%	55.0%	(440,632.74)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
AND	1,288,468	55.00%	1.74%	0.96%	(7,681.00)
MPROVEMENTS	72,626,581	55.00%	98.26%	54.04%	(432,951.74)
ERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2023-24

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	786,890.37	(432,789.71)	354,100.66	100.000%	354,100.66	(592,135.01)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							159,345.30		45.000%
State of Nevada	0.001700	1	43,196.64	(23,758.15)	19,438.49	5.490%		(43,196.64)	0.000%
Pershing County School District	0.011500	1	292,212.58	(160,716.92)	131,495.66	37.135%	76,523.39	(215,689.19)	21.611%
Pershing County	0.013568	1	344,760.03	(189,618.02)	155,142.01	43.813%	90,284.30	(254,475.73)	25.497%
Pershing County Hospital District	0.004200	1	106,721.12	(58,696.62)	48,024.50	13.562%	27,947.67	(78,773.45)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
72,599,399	55.0%	100.0%	55.0%	(432,789.71)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
AND	1,301,353	55.00%	1.79%	0.99%	(7,757.81)
MPROVEMENTS	71,298,046	55.00%	98.21%	54.01%	(425,031.90)
ERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2024-25

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	772,631.69	(424,947.43)	347,684.26	100.000%	347,684.26	(581,405.35)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							156,457.92		45.000%
State of Nevada	0.001700	1	42,413.91	(23,327.65)	19,086.26	5.490%		(42,413.91)	0.000%
Pershing County School District	0.011500	1	286,917.60	(157,804.68)	129,112.92	37.135%	75,136.77	(211,780.83)	21.611%
Pershing County	0.013568	1	338,512.88	(186,182.08)	152,330.80	43.813%	88,648.32	(249,864.56)	25.497%
Pershing County Hospital District	0.004200	1	104,787.30	(57,633.02)	47,154.28	13.562%	27,441.25	(77,346.05)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
71,283,877	55.0%	100.0%	55.0%	(424,947.43)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,314,366	55.00%	1.84%	1.01%	(7,835.38)
IMPROVEMENTS	69,969,511	55.00%	98.16%	53.99%	(417,112.05)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2025-26

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	758,374.43	(417,105.94)	341,268.49	100.000%	341,268.48	(570,676.77)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							153,570.82		45.000%
State of Nevada	0.001700	1	41,631.25	(22,897.19)	18,734.06	5.490%		(41,631.25)	0.000%
Pershing County School District	0.011500	1	281,623.16	(154,892.74)	126,730.42	37.135%	73,750.28	(207,872.88)	21.611%
Pershing County	0.013568	1	332,266.35	(182,746.49)	149,519.86	43.813%	87,012.50	(245,253.85)	25.497%
Pershing County Hospital District	0.004200	1	102,853.67	(56,569.52)	46,284.15	13.562%	26,934.88	(75,918.79)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
69,968,486	55.0%	100.0%	55.0%	(417,105.94)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
AND	1,327,510	55.00%	1.90%	1.04%	(7,913.74)
MPROVEMENTS	68,640,976	55.00%	98.10%	53.96%	(409,192.20)
ERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2026-27

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	744,118.58	(409,265.22)	334,853.36	100.000%	334,853.36	(559,949.23)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							150,684.01		45.000%
State of Nevada	0.001700	1	40,848.67	(22,466.77)	18,381.90	5.490%		(40,848.67)	0.000%
Pershing County School District	0.011500	1	276,329.23	(151,981.08)	124,348.15	37.135%	72,363.93	(203,965.30)	21.611%
Pershing County	0.013568	1	326,020.44	(179,311.24)	146,709.20	43.813%	85,376.85	(240,643.59)	25.497%
Pershing County Hospital District	0.004200	1	100,920.24	(55,506.13)	45,414.11	13.562%	26,428.57	(74,491.67)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
68,653,226	55.0%	100.0%	55.0%	(409,265.22)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,340,785	55.00%	1.95%	1.07%	(7,992.88)
IMPROVEMENTS	67,312,441	55.00%	98.05%	53.93%	(401,272.34)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

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RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2027-28

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	729,864.19	(401,425.31)	328,438.88	100.000%	328,438.89	(549,222.80)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							147,797.50		45.000%
State of Nevada	0.001700	1	40,066.17	(22,036.39)	18,029.78	5.490%		(40,066.17)	0.000%
Pershing County School District	0.011500	1	271,035.85	(149,069.72)	121,966.13	37.135%	70,977.72	(200,058.13)	21.611%
Pershing County	0.013568	1	319,775.16	(175,876.34)	143,898.82	43.813%	83,741.37	(236,033.79)	25.497%
Pershing County Hospital District	0.004200	1	98,987.01	(54,442.86)	44,544.15	13.562%	25,922.30	(73,064.71)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
67,338,099	55.0%	100.0%	55.0%	(401,425.31)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
AND	1,354,193	55.00%	2.01%	1.11%	(8,072.81)
MPROVEMENTS	65,983,906	55.00%	97.99%	53.89%	(393,352.50)
ERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

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RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2028-29

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES OUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	715,611.25	(393,586.18)	322,025.07	100.000%	322,025.07	(538,497.46)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							144,911.28		45.000%
State of Nevada	0.001700	1	39,283.75	(21,606.06)	17,677.69	5.490%		(39,283.75)	0.000%
Pershing County School District	0.011500	1	265,743.00	(146,158.65)	119,584.35	37.135%	69,591.66	(196,151.34)	21.611%
Pershing County	0.013568	1	313,530.53	(172,441.79)	141,088.74	43.813%	82,106.05	(231,424.48)	25.497%
Pershing County Hospital District	0.004200	1	97,053.97	(53,379.68)	43,674.29	13.562%	25,416.08	(71,637.89)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
66,023,106	55.0%	100.0%	55.0%	(393,586.18)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,367,735	55.00%	2.07%	1.14%	(8,153.53)
IMPROVEMENTS	64,655,371	55.00%	97.93%	53.86%	(385,432.65)
PERSONAL PROPERTY	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION

PERSHING COUNTY

RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 2

EXCLUDES STATE DEBT

APN 2029-30

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
0.030968	701,359.76	(385,747.88)	315,611.88	100.000%	315,611.88	(527,773.23)	100.000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES	NET TAXES DUE ENTITIES	EFFECTIVE ABATEMENT	EFFECTIVE PERCENT TOTAL TAXES
Renewable Energy Fund							142,025.35		45.000%
State of Nevada	0.001700	1	38,501.41	(21,175.78)	17,325.63	5.490%		(38,501.41)	0.000%
Pershing County School District	0.011500	1	260,450.70	(143,247.89)	117,202.81	37.135%	68,205.72	(192,244.98)	21.611%
Pershing County	0.013568	1	307,286.53	(169,007.59)	138,278.94	43.813%	80,470.89	(226,815.64)	25.497%
Pershing County Hospital District	0.004200	1	95,121.12	(52,316.62)	42,804.50	13.562%	24,909.92	(70,211.20)	7.893%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%
		1	-	-	-	0.000%	-	-	0.000%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
64,708,248	55.0%	100.0%	55.0%	(385,747.88)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTGE	CURRENT YEAR ABATEMENT
LAND	1,381,412	55.00%	2.13%	1.17%	(8,235.07)
IMPROVEMENTS	63,326,836	55.00%	97.87%	53.83%	(377,512.81)
	-	55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

JIM GIBBONS
Governor
ROBERT R BARENGO
Chair, Nevada Tax Commissioner
DINO DICIANNO
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION
Web Site: http://tax.state.nv.us
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

HENDERSON OFFICE
2550 Paseo Verde Parkway Suite 180
Henderson, Nevada 89074
Phone:(702) 486-2300
Fax: (702) 486-3377

FISCAL IMPACT
Renewable Energy Partial Abatement Of Property Taxes

Orni 15, LLC (Ormat Nevada, Inc.)
Jersey Valley

Background

The project is located on public land 50 miles southeast of Battle Mountain, Nevada. The project will produce 15 megawatts of electricity using a binary system consisting of hybrid water and air cooled units. The project will supply energy to the Sierra Pacific Power Company (SPPCo) electrical transmission system.

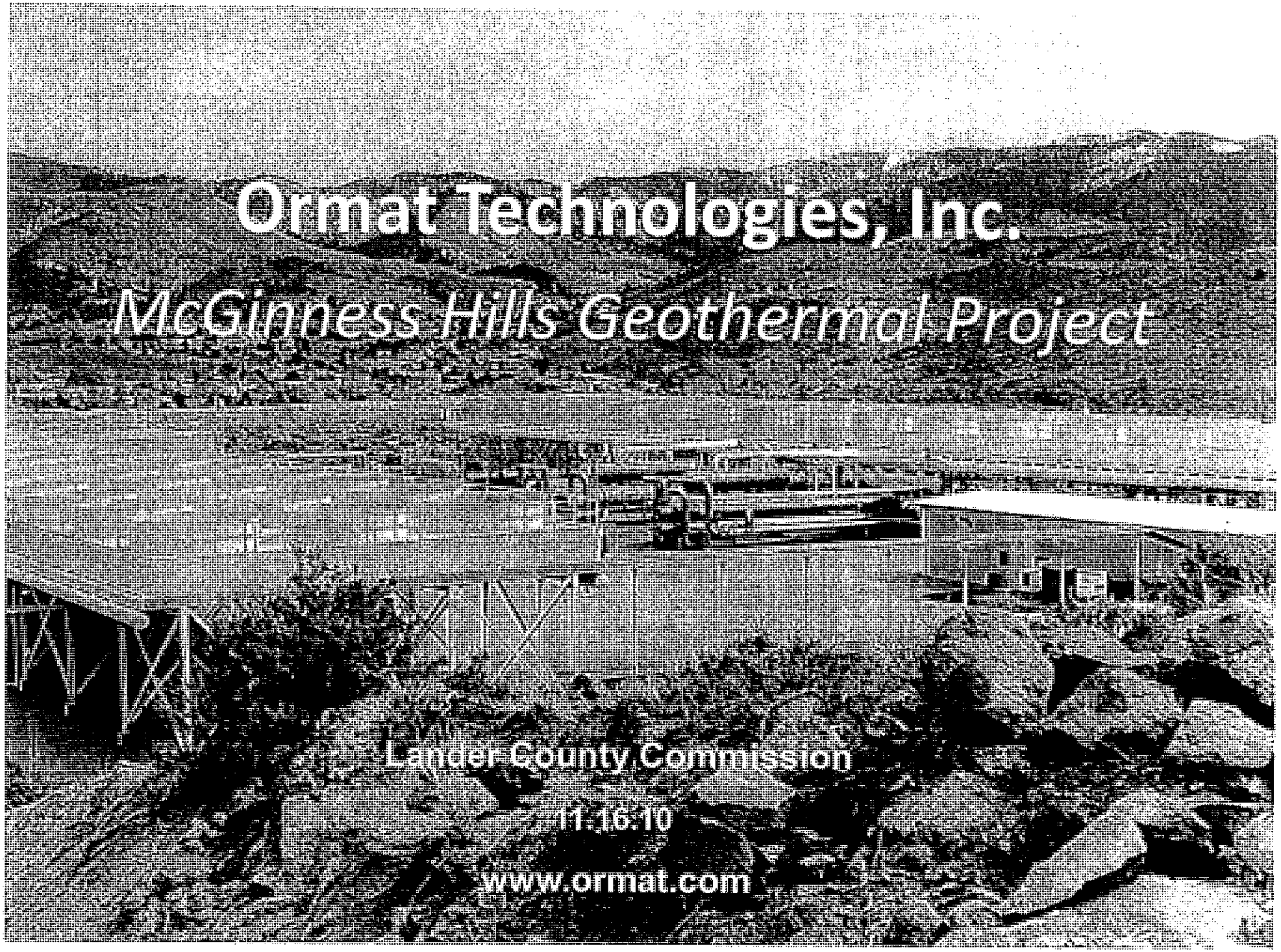
As stated by Ormat Technologies, Inc. in its SEC 10-k report to the SEC for the year ended December 31, 2009:

> Hydrothermal geothermal energy is derived from naturally occurring hydrothermal reservoirs that are formed when water comes sufficiently close to hot rock to heat the water to temperatures of 300 degrees Fahrenheit or more. The heated water then ascends toward the surface of the earth where, if geological conditions are suitable for its commercial extraction, it can be extracted by drilling geothermal wells. The energy necessary to operate a geothermal power plant is typically obtained from several such wells which are drilled using established technology that is in some respects similar to that employed in the oil and gas industry. Geothermal production wells are normally located within approximately one to two miles of the power plant as geothermal fluids cannot be transported economically over longer distances due to heat and pressure loss. The geothermal reservoir is a renewable source of energy if natural ground water sources and reinjection of extracted geothermal fluids are adequate over the long-term to replenish the geothermal reservoir following the withdrawal of geothermal fluids and if the well field is properly operated. Geothermal energy power plants typically have higher capital costs (primarily as a result of the costs attributable to well field development) but tend to have significantly lower variable operating costs (principally consisting of maintenance expenditures) than fossil fuel-fired power plants that require ongoing fuel expenses. In addition, because geothermal energy power plants produce 24hr/day weather independent power, the variable operating costs are lower.[1]
>
> In the United States, the purchasers of power from our power plants are typically investor-owned electric utility companies. In each case, we enter into long-term contracts (typically called PPAs) for the sale of electricity or the conversion of geothermal resources into electricity. A power plant's revenues under a PPA used to consist of two payments — energy payments and capacity payments, however our recent PPAs provide for energy payments only. Energy payments are normally based on a power plant's electrical output actually delivered to

[1] Ormat Technologies, Inc. - 10-K Report to SEC, for the year ended December 31, 2009: p.15.

LANDER COUNTY
Executive Director's Report
Commission Meeting
November 30, 2010

- ❑ NDOT TEA-21 Grant – Austin/Loneliest Highway Visitors' Center Project – Review of conveyance by NDOT – Appraisal to be done by NDOT
- ❑ CNRWA Great basin Water Forum – December 10, 2010
- ❑ ORMAT (Agenda Item #7) – Petitioner has requested deferral – December 09, 2010 Agenda
- ❑ NACO Conference – Geothermal – Social Networking - Civility
- ❑ BLM – Resource management Plan – Confer with Commission – December 9, 2010
- ❑ Rural Economic Development Summit – December 2-3, 2010
- ❑ Governor-elect Sandoval Meeting – City/County Managers – December 8, 2010
- ❑ INSURANCE – Dates – Changes to Coverage/Beneficiaries/Life Events - Criticality
- ❑ BATTLE MOUNTAIN LEVEE/FLOOD PLAIN – Meeting – December 15, 2010


Ormat Technologies, Inc.
McGinness Hills Geothermal Project
Lander County Commission
11.16.10
www.ormat.com

Ormat at a Glance

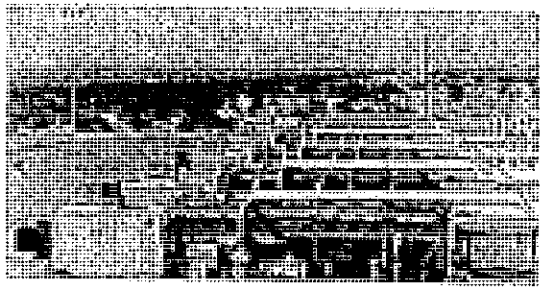
- Vertically integrated renewable energy company
  - With more than 40 years of success
  - Ormat Technologies, Inc. NYSE (ORA) listed
  - Headquartered in Reno, Sparks since 1984
  - Ormat is a U.S. Company and global manufacturer

- Geothermal and recovered energy power projects
  - Approx 9 power plants in Nevada generating
  - Approx 414 MW Owned and Operate in the United States
  - Approx 1,300 MW of installed capacity worldwide

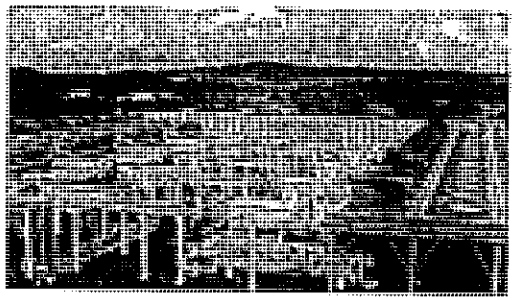
- Flexible business model in the energy industry
  - The company is designing, manufacturing, developing, building, owning and operating geothermal and recovered energy based power plants in the United States and other countries.

ORMAT®

Ormat ORC Technology World-wide
1,000 MW of Deployed Technology

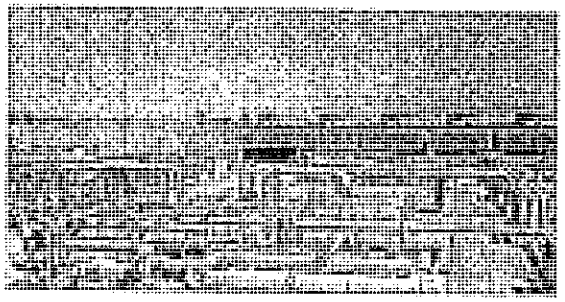


57 MW Ormesa Geothermal Power Complex, California

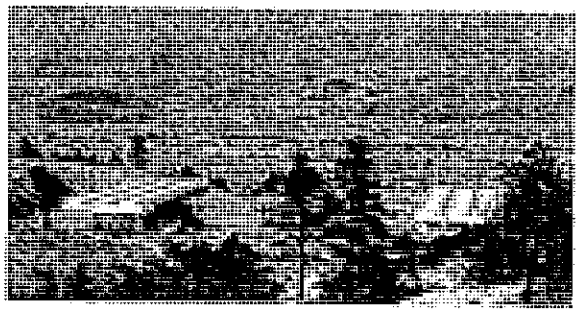


30 MW Puna Combined Geothermal Plant, Hawaii

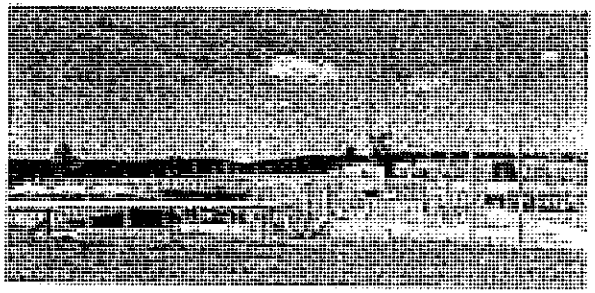
125 MW Upper Mahiao Combined Geo-Power Plant, Philippines



92 MW Heber Geothermal Power Complex, California



84 MW Steamboat Geothermal Power Complex, Nevada



60 MW Mokai Combined Geothermal Plant, New Zealand

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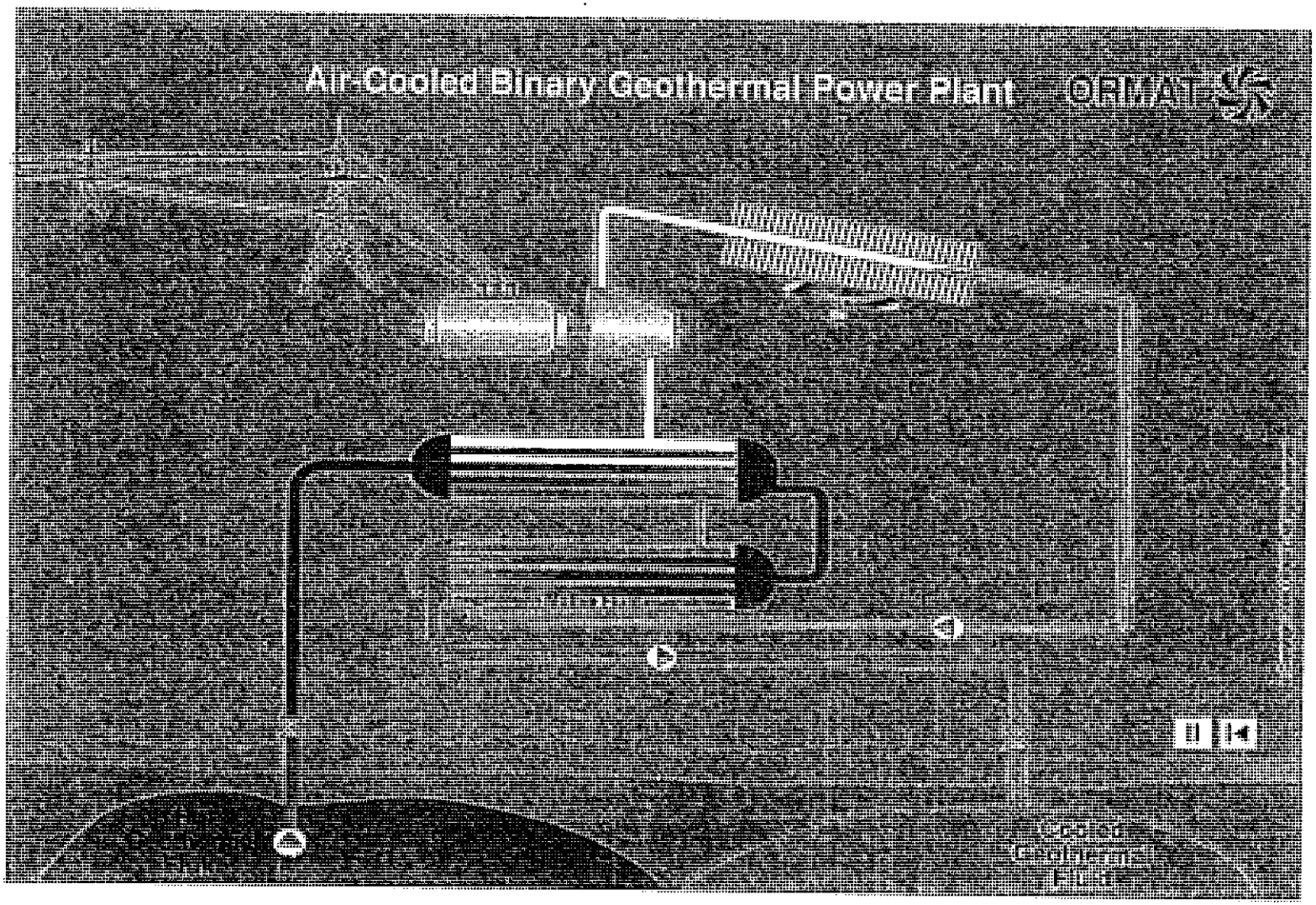
Technology



Technology Benefits

- Cost Effective
  - "The cheapest? That would be Ormat's McGinness Hills geothermal project in Lander County, at 8.6 cents per kilowatt hour."*
  - Provides long-term fixed power price
  - Reduces price volatility
- Sustainable & Environmentally-Friendly
  - Projects operating for 20 years at 98% capacity
  - Closed loop system with near zero emissions
  - No water consumption
- Minimal Surface Use
  - Plants site = 5 acres
  - Well pads = 2 acres w/ rig (300ft x 300ft)
- Field Proven

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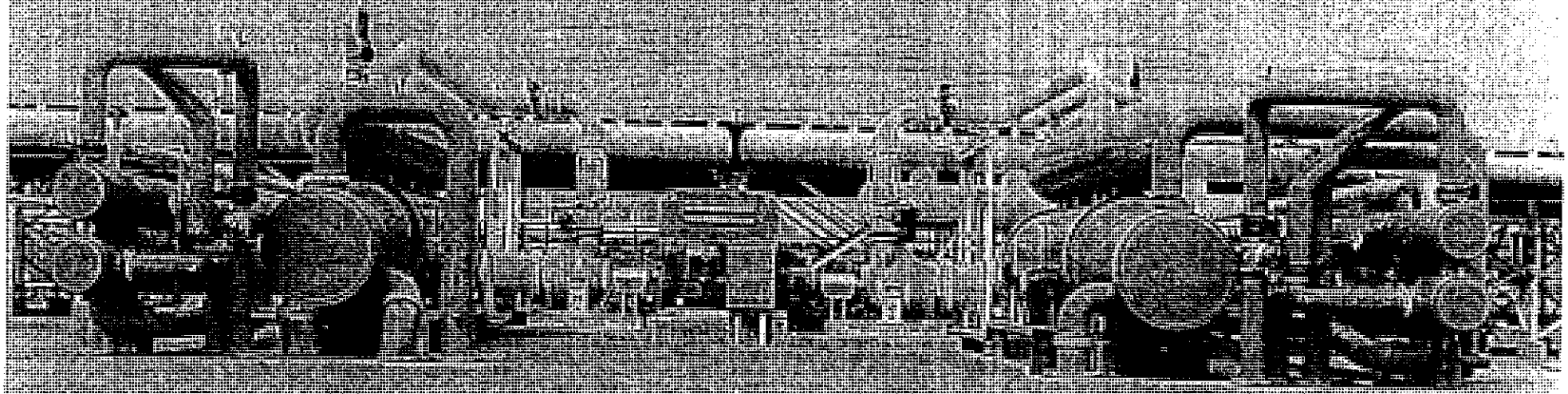
Going green not cheap for NV Energy - News - ReviewJournal.com

McGinness Geothermal Project
Lander County, Nevada



Proposed Project

- Ormat plans to develop stage 1 of a geothermal power plant 11 miles northeast of Austin, Nevada that is expected to deliver 30 MW.

- Ormat obtained leases through an agreement with the BLM. In addition, Ormat paid an upfront lease payment to the BLM of approx. 3.1 million dollars to secure its development position.

- The project will consist of drilling and installing an Ormat Energy Converter (OEC) that will produce energy from hydrothermal reservoirs.

- The project will be a state of the art facility utilizing Ormat's innovative air cooling technology

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Request

- Granting Ormat's abatement request will
- Encourage additional exploration work
- Allow Ormat to pursue phase two of the project which will double production and construction efforts.
- Ormat is requesting abatement for:
  - Property tax
  - Sales & Use tax

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Legal Framework

- Legislature enacted Assembly Bill 522 in the 2009 Legislative Session
  - Created separate process for granting tax abatements for renewable energy projects
  - Some differences from traditional process for other economic development incentives
  - Incorporated as part of Chapter 701A of the Nevada Revised Statutes

ORMAT®

Chapter 701A

- NRS 701A.360 provides that applications for partial abatements of property or sales and use taxes for a geothermal energy project must be made to the Nevada Energy Commissioner instead of the Commission on Economic Development.
- Nevada Energy Commissioner "shall approve" applications that meet certain requirements (NRS 701A.365) including:
  - 50 or more construction employees, at least 30% of whom are residents of Nevada, at 150% of average wage as determined by DETR
  - Operations and maintenance employees must be paid at least 110% of state average hourly wage
  - Must provide health plan for employees that offers dependent coverage

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New Statute Limits Conditions Imposed On Approvals

- However, Commissioner "shall not" approve an abatement of property taxes without approval of the county (subsection 2 of NRS 701A.365).
  - County "must not" condition the approval on a requirement that the facility agree to purchase on behalf of the county any infrastructure, equipment, facilities or other property that is not directly related to the construction and operation of the facility.
  - Different from the Economic Development statute which allowed greater flexibility.
  - Ormat has already partnered with Pershing County, we provided funding to improve the road accessing the Jersey Valley Facility. We are willing to work with Lander County on similar 'directly related' infrastructure.

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Amount Of Abatements

- If Partial Abatements Are Granted, Ormat Would Pay:
  - 45% of Property Tax for 20 years
  - Sales/Use Tax (LSST) of 2.6% (or 2.25%) for First Three Years
- The Abatements May Be Terminated If Ormat Fails To Meet The Eligibility Requirements

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Employment Impact

- The project will create the following new jobs in Nevada:
  - Construction and Drilling: 100-150 employees
  - Operating and Maintenance: 8-12 full time employees
- > 30% will be Nevada Residents
- Ormat will pay > 150% of the average hourly statewide rate.
- Health insurance benefits will be offered to the construction employees and O&M employees and their dependents

ORMAT®

Financial Impact

- **30 MW McGinness Hills facility will Provide:**

– Power Plant Cost	164,000,000
– Sales & Use Tax	7,600,000
	(4,300,000)
– Property Tax	18,000,000
	(9,900,000)
– Net Proceeds of Mines Tax	420,000
– Modified Business Tax	145,000
– Bonus Lease Payment	2,300,000
– Royalties to state/county	9,000,000
• Net Contribution	*187,265,000*

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Financial Impact

- The 30 MW McGinness Hills facility will contribute to:
  - Road maintenance
  - Reduction in unemployment benefits
  - 12 full time positions with benefits ($ 12 mill)
  - Reduction in uninsured individuals
  - Increase in sales tax on taxable items
  - Establishing the renewable industry in Lander County

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Financial Impact

- By providing an abatement to the McGinness Hills facility Lander County creates:
  - An opportunity for Ormat to expand its facility
  - Additional capital investment
  - Additional employment
  - A more stable electrical market
  - A model of success and collaboration which induces additional development in County

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Quick Metrics

- 30 MW – in operation in 2011
  - = 22,500 homes or 90,000 people
  - = $164,000,000 investment

- 60 MW – online in the future
  - = 45,000 homes or 180,000 people
  - = $328,000,000 total investment

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Ormat's Environmental Impact

- Ormat's 30 MW of geothermal power in Lander County will annually:
  - Avoiding emission of 225,000 tons of CO_2
  - Saving 450,000 barrels of oil we don't have to import from other countries (the equivalent fuel used by 450 cars)

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Summary

- Ormat is developing world class geothermal power plants in Nevada
- Ormat is committed to successfully implementing innovative technologies
- Ormat needs Lander County's support for tax incentives to enable the expansion and continued development of the McGinness Hills geothermal project.

ORMAT®

Exhibit (K) - Response to Lander County's Notice of Intent to Participate as a Party, by Lewis Roca Rothgerber, dated March 26, 2014

BEFORE THE NEVADA DIRECTOR
GOVERNOR'S OFFICE OF ENERGY

In the Matter of the Application of:

AFN: 14-0104GMH

ORNI 39, LLC

_____/

RESPONSE TO LANDER COUNTY'S NOTICE OF INTENT TO PARTICIPATE AS A PARTY

ORNI 39, LLC ("ORNI 42") and Ormat Nevada Inc. ("ONI") (collectively ORNI 39 and ONI are referred to as "Ormat") hereby file with the Governor's Office of Energy ("Office") this Response to Lander County's ("Lander") Notice of Intent to Participate as a Party ("Notice") filed on March 21, 2014. This Response is brought pursuant to the Office's Notice of Public Hearing and Agenda issued on February 13, 2014 and March 10, 2014.

Ormat does not believe that Lander's participation in the hearing on March 31, 2014 provides any value or benefit in the Office's review of Ormat's application for a partial property tax abatement ("Application") for the McGinness Hills Geothermal Facility ("McGinness Hills"). In the Notice, Lander provides an identical legal position that it has already submitted in writing to the Office on February 13, 2014. Lander does not provide any information or evidence as to whether or not the Application satisfies the statutory requirements to receive the tax abatement. As a result, the Office can fully consider Lander's position without allowing it to reiterate it for the third time at the hearing.

In addition, Ormat has already fully responded to Lander's flawed interpretation that NRS 701A.360 only allows "new facilities" to apply and obtain a tax abatement. See Ormat's letter to the Deputy Director of the Office, dated February 24, 2014, attached hereto. In the Notice, Lander provides no additional legal analysis, legislative history or statutory construction principles to support its legal conclusion related NRS 701A.360. Instead, Lander provides a conclusory statement of the Legislature's intent by solely focusing on three words in NRS 701A.360. As previously noted, the language cited by Lander merely creates a vehicle for

the Office to obtain and review applications for abatements, but it is not an exclusionary provision that sets forth a clear deadline for when a project must apply for an abatement.

Similarly, Lander restates its incorrect interpretation of the Office's regulations to create a deadline of when a party must file an application. Contrary to Lander's position, nowhere in LCB File No. R094-10 ("Regulations") is an applicant required to file its application "not later than six weeks before the applicant's anticipated first date of purchasing tangible personal property for the project." The Regulations do require that the applicant submit a ***pre-application*** six weeks prior to commencing construction of the renewable energy facility and then submit an application to show the renewable energy facility meets the statutory requirements to obtain the abatements. However, the Regulations do not have a specific deadline on when an application must be submitted,

Further, the Regulations do not prohibit an applicant from submitting a second application, but on the contrary, specifically allow for a new application when the initial application is rejected. See Section 4 of the Regulations. However, comparable to above, the Regulations do not have a specific deadline on when an applicant must submit a new application if the initial application is rejected.

As the Office is fully aware, Ormat filed its pre-application on March 11, 2010. The Office accepted the pre-application and designated the request as Filing Number 10-10006G. As a result, Ormat has complied with the only filing deadline, and it has legally submitted the Application as allowed by the Regulations and the Office.

Lastly, Lander states in the Notice that it does not have any witnesses for the hearing and that it opposes the Application based upon its arguments in the Notice. Thus, Lander will be providing the Office no additional information or evidence at the hearing, and it has expressly stated that it is resting its case on its unsound legal conclusions discussed above. As a result, the Office should proceed accordingly and not allow Lander to participate at the hearing.

The Application and Direct Testimony of Bob Sullivan show that not only does Ormat meet, but it exceeds all the statutory requirements for the Office to approve the Application. As a result, Ormat respectfully requests that the Application is reviewed and approved on the merits and is not rejected or further delayed by Lander's flawed legal arguments.

DATED this 26 day of March, 2014.

LEWIS ROCA ROTHGERBER

By: _____

Timothy Clausen
50 West Liberty Street, Suite 410
Reno, Nevada 89501
Tel: 775.823.2900
Fax: 775.823.2929
Email: tclausen@lrrlaw.com

Attorneys for ORNI 42 and ONI

LEWIS ROCA
ROTHGERBER

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50 West Liberty Street
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Timothy Clausen
(775)321-3514
(775) 321-5560
TClausen@LRRLaw.com

February 24, 2014

Via Email and U.S. Mail
Deputy Director Brita Tryggvi
Nevada Governor's Office of Energy
755 North Roop Street, Suite 202
Carson City, Nevada 89701

Re: McGinness Hills' Tax Abatement Application

Deputy Director Tryggvi:

We are writing in regards to a letter sent to the Governor's Office of Energy from the Lander County Board of Commissioners ("Lander") dated February 13, 2014, related to ORNI 39, LLC's ("ORNI 39") application requesting a property tax abatement ("Application") for the McGinness Hills Geothermal Facility ("McGinness Hills"). Lander erroneously contends that the Application is illegal and should be rejected by the Office of Energy. As discussed below, Lander has failed to deny the Application pursuant to Nevada law, and thus, it is deemed approved. In addition, Lander's legal claims raised in its letter are flawed and you should process and review the Application pursuant to requirements in NRS Chapter 701A, as amended by Assembly Bill 239 (2013).

During the 2013 Legislative Session the Nevada Legislature passed Assembly Bill 239, which revised provisions of NRS Chapter 701A related to tax abatements for renewable energy projects. Among other things, the new legislation adopted more stringent eligibility requirements and limited the county's ability to deny an application for a tax abatement. Specifically, the county can only deny an application if it determines: (1) the cost of services the county provides the facility exceeds the amount of tax revenue it will receive; or (2) the projected loss of tax revenue exceeds the financial benefits the county receives from the facility. See AB 239, Section 4(2)(b). Neither of these applies to McGinness Hills because of the large financial benefits produced by the project. Therefore, Lander could not deny the Application at its hearing on February 13, 2014.

AB 239 also provides that if the county commissioners do not approve or deny the application within 30 days after the county receives it from the Office of Energy then the application shall be deemed approved. See AB 239, Section 4(2) (d). Lander could not and did not deny the Application and its letter is non-responsive to the new statutory provisions mentioned above. Thus, the Application is deemed approved pursuant to Nevada law and

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should be properly reviewed by the Office of Energy pursuant to the eligibility requirements in NRS Chapter 701A.

Understanding that it could not deny the Application, Lander instead attempts to divert your office's proper review of the project on the merits by making invalid legal claims. Specifically, Lander believes that Nevada law only allows a new facility to apply for tax abatements and that because McGinness Hills is already constructed and operating, it is ineligible to receive its statutory prescribed benefits. It cites a partial sentence from NRS 701A.360 to support its argument but blatantly ignores the remainder of this statute that provides the Legislature's intent to provide tax abatements to renewable energy projects.

The Legislature passed NRS 701.360 to encourage renewable energy development and to increase capital investment in the State of Nevada. It set specific statutory requirements that a project must meet to obtain the tax abatements, all of which are met by McGinness Hills. The language cited by Lander merely creates a vehicle for the Office of Energy to obtain and review applications for abatements, but it is not an exclusionary provision that sets forth a clear deadline for when a project must apply for an abatement. As a result, the fact that McGinness Hills has achieved commercial operation does not preclude ORNI 39 from submitting the Application.

The only clear deadline for filing an application for tax abatements is set forth in the regulations contained in LCB File No. R094-10 ("Regulations"). The Regulations provide for a two-step process in applying for tax abatements. The applicant is required to submit a pre-application six weeks prior to commencing construction of the renewable energy facility and then submit an application to show the renewable energy facility meets the statutory requirements to obtain the abatements. The Regulations do not have a specific deadline on when an application must be submitted, or when an applicant can submit a new application if the facility fails to initially meet the statutory requirements. Thus, contrary to Lander's position, the Regulations do require an Application to be filed prior to the commercial operation of the a facility.

As a result, the only filing deadline required by the Regulations is the pre-application. This fact was confirmed by the Office of Energy during a hearing on December 16, 2013, and later reiterated during a meeting to discuss the Application. On March 11, 2010, ORNI 39 filed its pre-application for sales and use tax and property tax abatements for McGinness Hills with the Office of Energy. Your office accepted the pre-application and designated the request as Filing Number 10-10006G. As a result, ORNI 39 has complied with the only filing deadline, and it has legally submitted the Application as allowed by the Regulations and your office.

Further, the Application furthers Nevada's goal to promote investment and development in renewable energy. The Office of Energy's approval of the Application, even after commercial operation, will create further capital for investment in the project by improving the project's cash flow by decreasing required equity, increasing leverage, and thereby, allowing more money to be available for investment. This is a critical piece in furthering economic development in Nevada.

As a result, ORNI 39 respectfully requests that the Office of Energy ignores Lander's baseless claims and proceeds forward with a review and determination of the Application on the merits. Thank you for your anticipated assistance on this matter. Please feel free to contact me if you have any questions or comments.

Best regards,

LEWIS ROCA ROTHGERBER

Timothy M. Clausen

TMC/cd