



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

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298  
Phone: (775) 684-0222 | [www.budget.nv.gov](http://www.budget.nv.gov) | Fax: (775) 684-0260

**ENERGY-RELATED TAX INCENTIVE FISCAL NOTE  
FOR  
ORNI 41, LLC/Ormat Nevada Inc.  
McGinness Hills III Geothermal Project  
Lander County, NV  
as required by NRS 701A.375-1(a)**

November 7, 2017

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

Based on the information submitted by the applicant and provided to the Governor's Finance Office by the Nevada State Office of Energy, the Budget Division estimates that the energy-related sales and use tax incentives provided to the ORNI 41, LLC/Ormat Nevada Inc. McGinness Hills III Geothermal Project for the development and operation of a geothermal power generation facility in Lander County, Nevada, will result in the State foregoing the following revenues:

**STATE SALES AND USE TAX ABATED —**

The McGinness Hills III Geothermal Project application indicates they will purchase items subject to Nevada's 2.0% state sales and use tax totaling \$54,423,990. Given this information, the General Fund will be impacted by an abatement totaling \$1,088,480, less any applicable collection allowance.

<u>Fiscal Year</u>	<u>Expenditure Subject to Abatement</u>	<u>Amount Abated</u>
FY 2018	\$ 54,423,990	\$ 1,088,480
FY 2019	\$ 0	\$ 0
FY 2020	\$ 0	\$ 0
<b>Total</b>	<b>\$ 54,423,990</b>	<b>\$ 1,088,480</b>