



DEPARTMENT OF ADMINISTRATION

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**BUDGET DIVISION
ENERGY-RELATED TAX INCENTIVE FISCAL NOTE
FOR
ORNI 37, LLC – Ormat Nevada Inc.
Ormat Wild Rose Project
Phase II
Mineral County, NV
as required by NRS 701A.375-1(a)**

November 11, 2014

Prepared by: Susanna Powers for Julia Teska, Budget Division Director

Based on the information submitted by the applicant and provided to the Department of Administration by the Nevada State Office of Energy, the Budget Division estimates that the energy-related sales and use tax incentives provided to the ORNI 37/Ormat Nevada Inc. project for the development and operation of a geothermal power generation facility in Mineral County, Nevada, will result in the State foregoing the following revenues:

STATE SALES AND USE TAX ABATED —

The Ormat Wild Rose Project (Phase II) application indicates they will purchase items subject to Nevada's 2.0% state sales and use tax totaling \$57,800,000. Given this information, the General Fund will be impacted by an abatement totaling \$1,156,000, less any applicable collection allowance.

Fiscal Year	Expenditure Subject to Abatement	Amount Abated
FY 2015	\$ 56,300,000	\$ 1,126,000
FY 2016	\$ 750,000	\$ 15,000
FY 2017	\$ 750,000	\$ 15,000
Total	\$ 57,800,000	\$ 1,156,000