

**BEFORE THE NEVADA ENERGY DIRECTOR  
GOVERNOR'S OFFICE OF ENERGY**

**EXHIBIT I**

12-0622G  
Renewable Energy Tax Abatement Application  
for partial sales and use tax abatement  
NRS 701A.300-390  
R094-10

By

ORNI 47, LLC

Public Hearing  
Thursday, January 30, 2014  
2:00 PM  
Governor's Office of Energy  
Room 202  
755 North Roop Street  
Carson City, Nevada 89701

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### **ORNI 47, LLC**

#### **Geothermal Project**

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Exhibit A - Notice of Public Hearing, dated January 7, 2014

**BEFORE THE NEVADA ENERGY DIRECTOR  
GOVERNOR'S OFFICE OF ENERGY**

In the Matter of the Application of: )  
 )  
ORNI 47, LLC )  
 )  
\_\_\_\_\_ )

AFN: 12-0622G

January 7, 2013

**NOTICE OF PUBLIC HEARING  
AND AGENDA**

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

**Thursday, January 30, 2014**

**2 P.M.**

**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 47, LLC, with the Governor's Office of Energy ("GOE") on October 23, 2013, for the construction of 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 47, LLC and all other parties are entitled to present testimony of witnesses, to introduce evidence, and to cross-examine witnesses. ORNI 47, 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; (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 12-0622G** by e-mail to at [slinfinte@energy.nv.gov](mailto: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 12-0622G** by e-mail to at [slinfante@energy.nv.gov](mailto:slinfante@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 47, LLC application, the Director directs ORNI 47, 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](mailto:slinfante@energy.nv.gov) **no later than 5:00 p.m. five working days prior to the hearing**. ORNI 47, LLC and participating parties wishing to **respond** to the written testimony must file responsive testimony with the Director at [slinfante@energy.nv.gov](mailto: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")

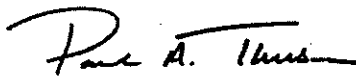
1. Call to Order.
2. Public comments and discussion\* – Members of the public may comment on any matter posted on this Agenda, which is before the Director of the Governor's Office of Energy for consideration or action today. Please clearly state your name and spell your name for the record. Each comment may be limited to 3 minutes.
3. The Governor's Office of Energy will 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. Approval or denial of the Application for partial abatement. (Action)
6. 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.
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 47, LLC's application are available upon request to the Director by fax at (775) 687-1869, by e-mail addressed to [slinfante@energy.nv.gov](mailto: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](mailto:slinfante@energy.nv.gov), no later than 3 business days prior to the hearing.

By the Governor's Office of Energy Director,



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Paul Thomsen

**Dated:** Carson City, Nevada     January 7, 2013

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 47, LLC Pre-Application filed with the  
Director on June 22, 2012

Brian Sandoval  
Governor

STATE OF NEVADA



Stacey Crowley, Director  
REEEA Acting Commissioner  
755 N. Raop Street  
Suite 202  
Carson City, NV 89701  
(775) 687-1850  
Fax: (775) 687-1869

NEVADA ENERGY COMMISSIONER  
RENEWABLE ENERGY AND ENERGY EFFICIENCY AUTHORITY

Nevada Renewable Energy Tax Abatement Pre-Application Form  
(Please refrain from making any changes to this form)

1. Pre-application Filing Date: June 22, 2012

2. Applying for:

Sales and Use Tax Abatement Only  Property Tax Abatement Only  Both

3. Name of business applying for the abatement (Please attach a copy of the Nevada State Business License issued by the Secretary of State):  
ORNI 47 LLC (wholly owned by Ormat Nevada Inc.)

4. Name of the proposed facility: Wild Rose

5. Type of Nevada Facility (please check all that are relevant to the proposed facility):

- Process Heat from Solar Energy
- Geothermal
- Solar PV
- Wind
- Biomass
- Waterpower
- Fuel Cells
- Transmission that is interconnected to a renewable energy or geothermal facility (please include an attachment that describes the transmission facility and its function)
- Transmission that contributes to the capability of the electrical grid to accommodate and transmit electricity produced from Nevada renewable energy facilities and/or geothermal facilities (please include an attachment that describes the transmission facility, anticipated capacity of the transmission allocated for the electricity transmitted from the Nevada Renewable Energy and/or Geothermal Facilities, and the possible Nevada renewable energy and/or geothermal facilities that will be connected to the proposed transmission facility.)

6. List each county, city, and/or town in which the facility will be built: Mineral County

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**7. Describe the primary and other sources of energy for the operation of the facility:**

Electricity generated from its own geothermal resource.

**8. Nameplate production capacity of the facility:** 15-20 MW

**9. Anticipated capital investment amount:** \$90,000,000

**10. Describe how the facility will be financed:** Self financed

**11. Will the facility or any portion of the facility be located on residential property?**

Yes  No (Please describe in attachment if yes)

**12. Will the facility be built on** (please check all that are relevant to the proposed facility:

- Private Land
- BLM Land
- Other Governmental Entity Land
- Other

Please describe each selected:

**13. Will the facility or any portion of the facility be owned, operated, or otherwise controlled by a governmental entity?**

Yes  No (Please describe in an attachment if yes)

**14. Will funding be provided by a Nevada governmental entity for the acquisition, design or construction of the facility or for the acquisition of any land?**

Yes  No (Please describe in an attachment if yes)

**15. Will the facility be receiving or be awarded other abatements or exemptions from the sale/use taxes and property taxes?**

Yes  No (Please describe in an attachment if yes)

**16. How long is it anticipated that the facility will be operational?** At least 30 years

3

**17. Name of the utility of company with which the applicant has a long-term power purchase agreement (PPA) and the length of the agreement (if there is no existing PPA, please include an attachment that describes the plan and phase for the PPA):**

Under negotiation

**18. Anticipated first date of purchasing tangible personal property for the project:**

January 1, 2013

**19. Anticipated date or time range for the start of construction:**

Qtr. 1, 2013

**20. Anticipated date or time range for the commencement of operation of the facility:**

Qtr 4, 2013

**21. Attach a chart or table for the project phases and provide a short description and timeline for each phase:**

Exploration - current, Permitting - on-going, Construction/Land Development - Qtr 1, 2013-  
Qtr 4, 2013

**22. How many full-time construction employees will be employed during the second quarter of the construction and how many of them will be residents of Nevada?**

At least 50 FTE's

**23. How many full-time and part-time construction employees are anticipated to be employed during the entire construction phase and how many of them will be residents of Nevada? (Please provide estimated break down for each quarter)**

Estimate at least 100 FTE's

**24. Anticipated average hourly wage paid to the employees working on the construction of the facility during the entire construction period (excluding management and administrative employees) <sup>1</sup>:** At least 150% of average state wage rate.

**25. How many full-time employees will be employed once the facility is operational?**

Estimated 6 FTE's

**26. Anticipated average hourly wage paid to the operational employees of the facility <sup>1</sup>:**

At least 110% of average state wage rate.

<sup>1</sup> Statewide wage thresholds available at <https://www.nvadaworkforce.com/article.asp?ARTICLEID-2786>

**27. Will health insurance plan for construction employees with an option for dependents be offered to all construction employees?**

Yes    No (Please describe if yes)

All employees will be offered health insurance in accordance with the guidelines outlined in AB 522.

**28. Name, address, telephone number and e-mail of a designated representative(s)**  
(Please list at least one technical person who is familiar with the proposed facility)

Eyal Hen, Director of Finance  
(775) 356-9029 Ext. 32218

**29. Name, address, telephone number and e-mail of a designated attorney (if any):**

Not Applicable

I, Eyal Hen, by signing this Pre-Application do hereby attest and affirm under penalty of perjury to the following:

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


 <hr style="border: 0.5px solid black;"/>	<p>June 22, 2012</p> <hr style="border: 0.5px solid black;"/>
SIGNATURE	DATE
<p><u>Eyal Hen, Director of Finance</u></p> <hr style="border: 0.5px solid black;"/>	
NAME AND TITLE (Please print)	

Exhibit C - ORNI 47, LLC Application (Redacted) as filed with the Nevada State  
Office of Energy on October 23, 2013

State of Nevada  
Renewable Energy Tax Abatement Application  
AFN: 12-0622G

<b>Facility Information</b>	12-0622G	REDACTED
<b>Date of Submittal to NSOE:</b>	22-Oct-13	
<input type="checkbox"/> Sales & Use Tax Abatement	<input checked="" type="checkbox"/> Property Tax Abatement	
Company Name: ORNI 47 LLC and its parent Ormat Nevada Inc.		
Department of Taxation's Tax Payer ID number: 1002193540		
Federal Employer ID number (FEIN, EIN or FID): 88-0278853		
NAICS Code: 187-221119		
Description of Company's Nevada Operations: ORNI 47, LLC is a new entity. Ormat currently has twelve (12) geothermal power plants located in Washoe, Churchill, Pershing, Elko and Lander counties including Steamboat Hills, Steamboat 2, Steamboat 3, Steamboat Springs, Burdette, Galena 2, Galena 3, Brady, Desert Peak, Jersey Valley, Tuscarora, & McGinness Hills.		
Percentage of Company's Market Inside Nevada: Approximately 54%		
Mailing Address: 6225 Neil Rd.		
City:	Reno	
Phone:	775-356-9029	
APN:	N/A	
Taxation District where facility is located: Mineral County		
<b>Type of Facility (please check all that are relevant to the facility)</b>		
<input checked="" type="checkbox"/> Geothermal <input type="checkbox"/> Process Heat from Solar Energy <input type="checkbox"/> Solar PV <input type="checkbox"/> Solar Thermal <input type="checkbox"/> Wind <input type="checkbox"/> Biomass <input type="checkbox"/> Waterpower <input type="checkbox"/> Fuel Cells <input checked="" type="checkbox"/> Transmission that is interconnected to a renewable energy or geothermal facility <input type="checkbox"/> Transmission that contributes to the capability of the electrical grid to accommodate and transmit electricity produced from Nevada renewable energy facilities and/or geothermal facilities		
Name Plate Production Capacity of the Facility:	20MW	
Net Output Production Capacity of the Facility in MW:	15MW	
Annual Net Production Capacity of the Facility in MWh (or other appropriate unit):	120,300	
Estimated total capital investment:	84,000,000	
Percent of total estimated capital investment expended in Nevada:	100%	
Anticipated first date of purchasing tangible personal property for the project:	1-Jan-13	
Anticipated date or time range for the start of construction:	Qtr. 1, 2013	
Anticipated date or time range for the commencement of operation of the facility:	Qtr. 4, 2013	
Address of the Real Property for the Generation Facility: Approximately 22 miles from Gabbs, Nevada		
City: Mineral County		
Size of the total Facility Land (acre):	13,800	

State of Nevada  
Renewable Energy Tax Abatement Application  
AFN: 12-0622G

Are you required to file any paper work with the PUC and/or FERC?			<b>Yes</b>
If yes,	Purpose of the Filing with PUC:	Filing Date OR Anticipated filing Date:	N/A
If yes,	Purpose of the Filing with FERC: <b>Regulatory requirement</b>	Filing Date OR Anticipated filing Date:	8/2/2013

1	<b>Mineral County</b>
2	
3	
4	
5	
6	
7	
8	
9	

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	<b>Attached</b>
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	<b>Attached</b>
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	<b>Attached</b>
4	Summary of the PUC and FERC Dockets if any PUC and FERC filing have started	<b>Attached</b>
5	Copy of the Business Plan for the Nevada Facility	<b>Attached</b>
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	<b>N/A</b>
7	Website link to company profile	<a href="http://www.ormat.com">www.ormat.com</a>
8	Copy of the Current Nevada State Business License	<b>Attached</b>
9	Facility Information Form	<b>Attached</b>
10	Employment Information, construction, and permanent employee salary schedules	<b>Attached</b>
11	Supplemental Information Form	<b>Attached</b>
12	Taxation Reporting Forms (Summary Sheet and Schedules 1 through 8)	<b>Attached</b>
13	Names and contact information for construction company, contractors, subcontractors	<b>Attached</b>
14	Letter from the utility or company describing the highlights of PPA, LOI, or MOU.	<b>Attached</b>
15	Confidential Information Identification Form	<b>Attached</b>

List of Required Permits or Authorizations for the Proposed Facility  
 REDACTED

Permit or Authorization Title	Issuing Agency	Project Circumstance Requiring Permit or Authorization	Steps to Obtain Permit	Application Date	Approval Date or Expected Approval Date
<b>II. Federal Permits or Authorizations</b>					
See Attached					
<b>III. State of Nevada Permits or Authorizations</b>					
See Attached					
<b>III. County Permits or Authorizations</b>					
See Attached					
<b>IV. City Permits or Authorizations</b>					
See Attached					
See Attached					

State of Nevada  
Renewable Energy Tax Abatement Application  
AFN:

NOTE: Project contractors, subcontractors, and other entities including owner that will be purchasing goods and equipment for the construction of the Facility are entitled to claim or receive the sales and use tax abatement

**Contractors and Subcontractors List REDACTED**

<b>Vendor 1</b>	<b>See attached</b>
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	
<b>Vendor 2</b>	
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	
<b>Vendor 3</b>	
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	
<b>Vendor 4</b>	
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	
<b>Vendor 5</b>	
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	
<b>Vendor 6</b>	
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	
<b>Vendor 7</b>	
<b>Tax ID</b>	
<b>Contact</b>	
<b>Mailing Address</b>	
<b>E-Mail</b>	



State of Nevada  
Renewable Energy Tax Abatement Application  
AFN:

REDACTED

**Employment Information**

New Operations or Expansion	
<b>CONSTRUCTION EMPLOYEES</b>	
Number of anticipated construction employees who will be employed during the entire construction phase?	139
Percentage of anticipated construction employees who will be Nevada Residents?	37%
Average anticipated hourly wage of construction employees, excluding management and administrative employees:	\$ 41.04
Number of anticipated construction employees who will be employed during the second-quarter of construction?	61
Number of anticipated second-quarter construction employees who will be Nevada Residents?	36

Full Time	Part Time

<b>PERMANENT EMPLOYEES</b>	
Number of anticipated permanent employees who will be employed as of the end of its first fourth-quarter of new operations or expansion?	7
Average anticipated hourly wage of permanent employees, excluding management and administrative employees:	\$ 25.00
Number of permanent employees who were employed prior to the expansion?	0
Average hourly wage of current permanent employees, excluding managements and administrative employees	N/A


**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); The following will be provided to employee and their dependents: Emergency Care, inpatient and outpatient hospital care, Physician's services, outpatient medical services, laboratory services, x-ray services, and a minimum employer contribution of at least 80% of medical expenses if the employee paid deductible is met.

Name of Insurer: To be determined by vendors

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

		(a)	(b)	(c) = (a)+(b)	(d)	(e) = (c) x (d)	(f) = $\Sigma(e) / \Sigma(c)$	
#	Job Title	# of Nevada Employees	# of Non-Nevada Employees	Total # of Employees	Hourly Wage per Job title (\$)	Total Hourly Wage per category (\$)	Average Hourly Wage (\$)	
	<b>Construction Employees, excluding</b>							
	<b>Management and Administrative Employees</b>							
1								
2	Information is Confidential							
3								
4								
5								
6								
7								
8								
	<b>TOTAL</b>	<b>51</b>	<b>88</b>	<b>139</b>		<b>\$5,705.00</b>	<b>\$41.04</b>	
<b>TOTAL CONSTRUCTION PAYROLL</b>		<b>\$5,705,000.00</b>						

## Second Quarter Construction Employee Schedule

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.

**REDACTED**

**FULL TIME EMPLOYEES**

		(a)	(b)	(c) = (a)+(b)	(d)	(e) = (c) x (d)	(f) = $\Sigma(e) / \Sigma(c)$
#	Job Title	# of Nevada Employees	# of Non-Nevada Employees	Total # of Employees	Hourly Wage per job title (\$)	Total Hourly Wage per job title (\$)	Average Hourly Wage (\$)
	<b>Construction Employees, excluding</b>						
	<b>Management and Administrative Employees</b>						
1	Information is Confidential						
2							
3							
4							
5							
6							
7							
8							
9							
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>\$0.00</b>	<b>#DIV/0!</b>

<b>TOTAL CONSTRUCTION PAYROLL</b>	<b>#DIV/0!</b>
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State of Nevada  
Renewable Energy Tax Abatement Application  
AFN:

### Permanent Employee Schedule

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

REDACTED

**FULL TIME EMPLOYEES**

( c )

(f) =  $\Sigma(e) / \Sigma(c)$

#	Job Title	# of Employees	Total Hourly Wage per job title (\$)	Average Hourly Wage (\$)
1	Management and Administrative Employees			
	Information is Confidential			
2	Permanent Employees, excluding Management and Administrative Employees			
	Information is Confidential			
<b>TOTAL</b>		0	0	#DIV/0!

<b>TOTAL ANNUAL PAYROLL</b>	<b>#DIV/0!</b>
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**State of Nevada  
Renewable Energy Tax Abatement Application  
AFN: 12-0622G**

**Supplemental Information**

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.

REDACTED

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

The facility will use land leased from the BLM for its power plant and resource. Land acreage and lease fee is provided in the Facility 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 will transmit energy cross county and state boundaries. The facility is located within the Sierra Pacific Power Company (SPPC) d/b/a NV Energy Balancing Authority Area ("BAA") and will interconnect to the SPPC grid at a new 120 kV switching station, currently under construction, called Excelsior near the Paradise Peak substation (Gabbs Valley).

**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.**

Ormat Nevada Inc., corporate headquarter located in Reno, Nevada

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

The Facility has an approved Power Purchase Agreement with Southern California Public Power Authority (SCPPA) with point of sale at the Mead 230 kV intertie, in southern Nevada (within the Nevada Power Company d/b/a NV Energy BAA).

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

Yes. The power plant has pollution control equipment.

**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 awardee, date of approval, amounts and status of the accounts.**

ORNI 47, LLC has previously applied and received Sales and Use tax abatement in the state of Nevada. ONI has received a partial abatement for its projects located in Jersey Valley, Tuscarora and McGinness Hills. ONI has received a partial property tax abatement for its Jersey Valley project only.

State of Nevada  
**Renewable Energy Tax Abatements Application**  
 AFN:12-0622G

REDACTED

**Summary Report**  
 Schedules 1 through 8

Company:

Division:

Line No.	Schedule	Total Estimated RCNLD or Transaction Cost	Department Use Only
1	Sch. 1 Personal Property - Property Tax - Total from Col. J.	Confidential	
2	Sch. 2 Real Property - Improvements - Total from Col. F.	Confidential	
3	Sch. 3 Real Property - Land - Total from Col. I	Confidential	
4	Sch. 4 Operating Leases - Total from Col. F	Confidential	
5	Sch. 5 Contributions in Aid of Construction - Total from Col. F	Confidential	
6	Sch. 6 First Year Estimated Sales & Use Tax - Total from Col. J	Confidential	
7	Sch. 7 Second Year Estimated Sales & Use Tax - Total from Col. J	Confidential	
8	Sch. 8 Third Year Estimated Sales & Use Tax - Total from Col. J	Confidential	

**State of Nevada  
Renewable Energy Tax Abatements Application  
AFN:12-0622G**

**Property Tax: Personal Property  
Schedule 1**

Company Name: ORNI 47 LLC

Division: \_\_\_\_\_

REDACTED

**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
Confidential							
<b>Grand Total</b>							



State of Nevada  
Renewable Energy Tax Abatements Application  
AFN:12-0622G

Property Tax: Real Property Improvements  
Schedule 2

Company Name: ORNI 47 LLC  
Division: \_\_\_\_\_ REDACTED

**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
Confidential			
<b>Grand Total</b>			<b>0</b>

State of Nevada  
Renewable Energy Tax Abatements Application  
AFN:12-0622G

Company: ORNI 47 LLC

Division: \_\_\_\_\_

REDACTED

Property Tax: Real Property Land  
Schedule 3

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

Line #	Where Situated		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
	County	City or Town						
1	Mineral		BLM Lease	005-390-01	L			290,160
2	Mineral		BLM Lease	005-390-01	L			257,520
3	Mineral		BLM Lease	005-400-04	L			127,380
4	Mineral		BLM Lease	005-330-02	L			152,940
5								
6								
7								
8								
9								
10								
11								
12	<b>Grand Total</b>							828,000

**State of Nevada  
Renewable Energy Tax Abatements Application  
AFN:12-0622G**

REDACTED

**Property Tax: Operating Leases  
Schedule 4**

Company Name: ORNI 47 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-83929		Real	60	290,160.00	14,508	20	0
BLM Land Lease NVN-83930		Real	60	257,520.00	12,876	20	0
BLM Land Lease NVN-83931		Real	60	127,380.00	6,369	20	0
BLM Land Lease NVN-83932		Real	60	152,940.00	7,647	20	0
<b>Grand Total</b>				828,000.00			

**State of Nevada**  
**Renewable Energy Tax Abatements Application**  
**AFN:12-0622G**

**Property Tax: Contributions in Aid of Construction**  
**Schedule 5**

Company Name: ORNI 47 LLC  
 Division: \_\_\_\_\_

**Instructions:**

REDACTED

- (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
Transmission line owned by Utility but paid for by Company (not included in total improvements)		Real			Confidential
<b>Grand Total</b>					<b>0</b>



**State of Nevada**  
**Renewable Energy Tax Abatements Application**  
**AFN:12-0622G**

REDACTED

**Sales and Use Tax**  
**Second Year of Eligible Abatement**  
**Schedule 7**

Company Name: ORNI 47 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 number.
- (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
Confidential							
<b>Grand Total</b>							-

State of Nevada  
Renewable Energy Tax Abatements Application  
AFN:12-0622G

Company Name: ORNI 47 LLC  
Division: \_\_\_\_\_

REDACTED  
Sales and Use Tax  
Third Year of Eligible Abatement  
Schedule 8

**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 number.
- (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
Confidential							
<b>Grand Total</b>							

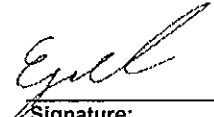
State of Nevada  
Renewable Energy Tax Abatements Application  
AFN:12-0622G



I, Eyal Hen, 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.

Eyal Hen  
Name of person authorized for signature:

  
Signature:

Director of Finance  
Title:

10/22/2013  
Date:



**Corporate Profile:**

ORNI 47 LLC (“the Company”) is a 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 includes, Brady Complex (NV), Steamboat Complex (NV), Mammoth Complex (CA), Heber Complex (CA), Ormesa Complex (CA), Brawley (CA), Puna (HI), Jersey Valley (NV), Tuscarora (NV), McGinness Hills (NV), and owns REG units in North and South Dakota, Colorado, Minnesota and Montana. Ormat also has operating power plants in 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, Nevada consists of two (2) power plants including Brady and Desert Peak 2. The combined current generating capacity is approximately 25MW. The Brady complex operates using 9 full-time employees.

**Steamboat Complex:** Located in Washoe County, Nevada consists of seven (7) power plants including Steamboat 1A project, Steamboat 2/3 projects, Burdette project, Steamboat Hills project, Galena 2 project and Galena 3 project. The combined current generating capacity is approximately 86 MW. The Steamboat Complex operates using 46 full-time employees.

**Jersey Valley:** Located in Pershing County, Nevada and has a current generating capacity of approximately 12 MW. The Jersey Valley facility operates using 11 full-time employees.

**Tuscarora:** Located in Elko County, Nevada has a current generating capacity of 18 MW. The Tuscarora facility operates using seven (7) full-time employees.

McGinness Hills: Located in Lander County, Nevada. The plant was placed in service in June 2012 and has a current generating capacity of 30MW. The plant currently operates using eight 8) operating employees.

Mammoth Complex: Located in Mammoth Lakes, CA consists of three (3) plants and is currently 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 57 MW.

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

North Brawley Project: Located in Brawley in Imperial County, CA and has a current generating capacity of approximately 33MW.

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 54 MW.

**Description of Proposed Project:**

The Company is developing an air-cooled geothermal power plant (“The Project”) located in north-central Mineral County, approximately 22 miles from Gabbs, Nevada. The Project is expected to deliver a generating capacity of 15 MW under a 20-year power purchase agreement (“PPA”). The Company signed a 20-year PPA with Southern California Public Power Authority (“SCCPA”) to sell the Project’s power. The Project is in addition to Ormat’s twelve (12) existing plants in Nevada.

The Company has obtained four (4) leases through an agreement with the Bureau of Land Management (“BLM”). The legal descriptions of the land leases and parcel numbers are included in the body of the application. The proposed plant will be located on approximately 10 acres on Section 1 12, T11N, R32E MDB&M. The substation will use approximately .4 acres. The production and injection pipelines are estimated to be approximately 4.9 miles in length. The transmission line will be approximately 20 miles in length.

The Project consists of drilling and installing an Ormat Energy Converter (“OEC”) unit that will produce energy from hydrothermal reservoirs that are formed where it is determined that water, which is heated from hot rock located deep within the earth’s surface and can be extracted for commercial use. The OEC unit is produced by Ormat’s subsidiary company.

The point of interconnection will be a new switching station with NV energy’s 120 kV line #140 between Santa Fe and Paradise stations. Company is currently negotiating the point of energy delivery to the Utility. The Project will include an electrical substation at which electrical power (generated at 12.473 Kv) would pass through a transformer to increase the voltage to 120 kV. The substation footprint would measure up to 240 feet by 175 feet with surrounding fencing.

The Project will consume approximately 6 MW hours of diesel fuel power generation during construction. The Project does anticipate using energy from the power grid for start-up and commissioning activities. In addition, the project uses organic fluid, such as pentane or butane, which is vaporized and is used to drive the turbine. The fluid is then condensed and recycled back to the heat exchanger to be reused.

The Company started construction of the facility during the first quarter of 2013 and will place it in service during the fourth quarter of 2013.

**Abatement Request and Summary of Financial Impact:**

The Company is requesting abatement for Property Tax (to be effective once the Project is “Placed in Service”).

Nevada’s forward looking policies regarding renewable tax treatment has 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.

In addition, the State of Nevada will also benefit 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

- Stabilize local labor market (30% of construction employees must be 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 are working 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:** Confidential

**Annual Report:** ORNI 47 LLC 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](http://www.ormat.com) for previous financial data and Annual Reports filed with the Security and Exchange Commission ("SEC").

**Utility Company Letter:** Confidential

**Business Plan:** Confidential

**PUC Docket:** Not applicable. The PPA is not subject to PUC approval since the contract is with municipality. The PUCN approved a Utility Environmental Protection Act ("UEPA") permit in docket number 11-04014.

**FERC docket:** The FERC qualified Facility ID number is 15-573. The FERC Market Based Rate Authority ("MBRA") number is 13-2103

**List of Permits:** Confidential

**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:** Not applicable – new operations.

**ORDINANCE NO. 182501**

An ordinance approving (1) the Wild Rose Geothermal Energy Project Power Sales Agreement, No. BP 12-049, and (2) the Wild Rose Geothermal Energy Project Agency Agreement, No. BP 12-050, both by and between the City of Los Angeles, acting by and through the Los Angeles Department of Water and Power, and the Southern California Public Power Authority.

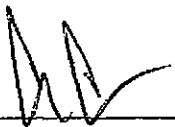
**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. The Wild Rose Geothermal Energy Project Power Sales Agreement, No. BP 12-049, and the Wild Rose Geothermal Energy Project Agency Agreement, No. BP 12-050, approved by the Board of Water and Power Commissioners by the adoption of Resolution No. 013 208, that are on file with the City Clerk, are hereby approved.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of APR 3 2013.

JUNE LAGMAY, City Clerk

By  Deputy

Approved APR 12 2013

 Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By   
WILLIAM KYSELLA  
Deputy City Attorney

Date March 20, 2013

File No. 13-0294

**JOHN & HENGERER**  
A LAW PARTNERSHIP  
1730 RHODE ISLAND AVENUE, N.W.  
SUITE 600  
WASHINGTON, D.C. 20036-3116

DOUGLAS F. JOHN  
KEVIN M. SWEENEY  
KIM M. CLARK  
GORDON J. SMITH  
MATTHEW T. RICK  
ELIZABETH A. ZEMBRUSKI

TELEPHONE  
(202) 429-8800

TELECOPIER  
(202) 429-8805

**August 2, 2013**

The Honorable Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

**Re: Petition of ORNI 47 LLC for Approval of Initial Market-Based Rate  
Tariff, Certain Blanket Authority and Waivers, and Waiver of Prior  
Notice Requirements, Docket No. ER13-\_\_\_\_-000**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, enclosed for filing is the Petition of ORNI 47 LLC ("ORNI 47") for Approval of Initial Market-Based Rate Tariff, Certain Blanket Authority and Waivers, and Waiver of Prior Notice Requirements. Additionally, ORNI 47 submits its FERC Electric MBR Tariff No. 1, and respectfully requests that the Commission accept this filing to become effective October 1, 2013.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ Matthew T. Rick  
Douglas F. John  
Matthew T. Rick  
Attorneys for ORNI 47 LLC

Enclosures  
cc: Steven Henricksen (Ormat Nevada Inc.)

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

ORNI 47 LLC

)

Docket No. ER13-\_\_\_\_-000

**PETITION OF ORNI 47 LLC FOR  
APPROVAL OF INITIAL MARKET-BASED RATE TARIFF,  
CERTAIN BLANKET AUTHORITY AND WAIVERS, AND  
WAIVER OF PRIOR NOTICE REQUIREMENTS**

Pursuant to Section 205 of the Federal Power Act, Rules 205 and 207 of the Rules of Practice and Procedures of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. §§ 385.205 and 385.207 (2012), and Part 35 of the Commission’s regulations, 18 C.F.R. Part 35 (2012), ORNI 47 LLC (“ORNI 47”) hereby requests that the Commission: (1) accept the attached market-based rate tariff, FERC Electric Tariff, Original Volume No. 1 (“Tariff”), under which ORNI 47 will sell electric energy, capacity, and ancillary services at market-based rates; (2) designate ORNI 47 as a Category 1 seller in all regions; (3) grant other waivers and blanket authorizations generally granted to wholesale sellers; (4) grant a waiver of requirement set forth in Order Nos. 888<sup>1</sup>, 889<sup>2</sup>, and 890<sup>3</sup> and; (5) waive the prior notice requirements set forth in 18

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<sup>1</sup> *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, FERC Stats. & Regs. ¶31,036 (1996) (Order No. 888), *reh’g*, FERC Stats & Regs. ¶ 31,048 (1997) (Order No. 888-A), *reh’g*, 81 FERC ¶ 61,248 (1997) (Order No. 888-B), *reh’g*, 82 FERC ¶ 61,046 (1998) (Order No. 888-C), *aff’d*, *Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff’d sub nom. New York v. FERC*, 535 U.S. 1 (2002).

<sup>2</sup> *Open Access Same-Time Information System and Standards of Conduct*, FERC Stats. & Regs. ¶ 31,035 (1996) (Order No. 889), *reh’g*, FERC Stats. & Regs. ¶ 31,049 (1997) (Order No. 889-A), *reh’g*, 81 FERC ¶ 61,253 (1997) (Order No. 889-B).

<sup>3</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, FERC Stats. & Regs. ¶ 31,241 (Order No. 890), *reh’g*, FERC Stats. & Regs. ¶ 31,261 (2007) (Order No. 890-A), *reh’g*, 123 FERC ¶ 61,299 (2008) (Order No. 890-B), *reh’g*, 126 FERC ¶ 61,228 (2009) (Order No. 890-C), *clarified*, 129 FERC ¶ 61,126 (2009) (Order No. 890-D).



C.F.R. § 35.2(f) (2012) in order to permit the requested authorizations and waivers to become effective as of October 1, 2013. Good cause exists to grant these requests for the reasons set forth below.

## **I. COMMUNICATIONS**

Communications and correspondence regarding this petition should be addressed to the following:

Steven Henricksen  
Asset Manager  
Ormat Nevada Inc.  
6225 Neil Road  
Reno, NV 89511  
Telephone: (775) 356-9029  
Extension: 32319  
Email: [shenricksen@ormat.com](mailto:shenricksen@ormat.com)

Douglas F. John  
Matthew T. Rick  
JOHN & HENGERER  
1730 Rhode Island Ave., N.W.  
Suite 600  
Washington, D.C. 20036-3116  
Telephone: (202) 429-8800  
E-mail: [djohn@jhenergy.com](mailto:djohn@jhenergy.com)  
E-mail: [mrick@jhenergy.com](mailto:mrick@jhenergy.com)

## **II. BACKGROUND**

### **A. Description of Applicant**

ORNI 47 is a Delaware limited liability company with its principal place of business located at 6225 Neil Road, Reno, Nevada, 89511. ORNI 47 is a wholly-owned indirect subsidiary of Ormat Technologies, Inc. (“Ormat”), a publicly-traded company.<sup>4</sup> Ormat is the only vertically-integrated company primarily engaged in the geothermal and recovered energy power business. Ormat designs, develops, manufactures, constructs, owns, and operates geothermal and recovered energy-based power plants around the world. Additionally, the company designs, manufactures, and sells geothermal and recovered energy power units and other power-generating equipment, and provides related services. Ormat has more than four

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<sup>4</sup> ORNI 47 is a wholly-owned subsidiary of Ormat Nevada Inc. (“Ormat Nevada”), which in turn is a direct wholly-owned subsidiary of Ormat. Ormat itself is majority-owned by Ormat Industries Ltd., a company registered under the laws of Israel

decades of experience in the development of environmentally-sound power, primarily in geothermal and recovered-energy generation.

As relevant here, ORNI 47 was formed by Ormat for the sole and exclusive purpose of constructing, owning, and operating the Wild Rose Geothermal Project (“Wild Rose”) near Gabbs, Nevada. Wild Rose is scheduled to be placed into service in October 2013 and is located within the balancing authority area of Sierra Pacific Power Company (“Sierra Pacific”) and will interconnect to transmission facilities owned and operated by Sierra Pacific. Wild Rose will operate as a variable energy resource. As such, the nameplate capacity of Wild Rose (25 MVA) does not reflect the actual net capacity,<sup>5</sup> after Wild Rose supplies its own Station Power and Fuel Delivery System. In addition, net generation varies over time depending primarily on ambient weather conditions. Due to the factors mentioned above, the expected yearly average net capacity of Wild Rose is 16-17 MW and the maximum net capacity of Wild Rose in extreme cold weather is estimated to be approximately 22 MW.

Other than Wild Rose, ORNI 47 does not own or control any other electric generation facilities in the United States. Moreover, other than the interconnection facilities that will connect Wild Rose to the Sierra Pacific transmission system – a 20.5 mile, 120 kV tie line – ORNI 47 does not own, operate, or control any transmission facilities in the United States. ORNI 47 also does not hold a franchise or service territory for the transmission, distribution, or sale of electric power in the United States. Finally, ORNI 47 does not have the ability to erect other barriers to entry.

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<sup>5</sup> Fluid is cycled through the wells to capture geothermal energy for electricity production.

## B. Description of Relevant Energy Affiliates

In addition to ORNI 47, Ormat owns indirect interests in various entities that own and operate electric generation facilities in the United States. Most of these generation facilities are small geothermal plants located in the western United States or waste heat recovery plants located at natural gas compressor stations in the central part of the United States. All of the plants are, or will upon their completion be, qualifying small power production facilities (“QFs”). Virtually all wholesale sales made from these facilities are eligible for the Section 205 exemption available to QFs of 20 MW or smaller. In the four prior instances in which that was not the case, the relevant affiliates (ORNI 18 LLC, ORNI 39 LLC, ORNI 14 LLC, and Mammoth One LLC) applied for and were granted the authority to make wholesale sales at market-based rates.<sup>6</sup>

As required by 18 C.F.R. § 35.37(a)(2) (2012), the affiliates of ORNI 47 that own generation assets in the United States are identified in the asset chart provided in Appendix B. As reflected therein, ORNI 47 is affiliated with a total of twenty (20) such entities. All of these

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<sup>6</sup> See *ORNI 18 LLC*, Docket Nos. ER08-1574-000 and ER08-1574-001, Unpublished Letter Order (Nov. 10, 2008); *ORNI 39 LLC*, 136 FERC ¶ 61,142 at P 18 (2011); *ORNI 14 LLC*, Docket No. ER11-3980-001, Unpublished Letter Order (Oct. 13, 2011), *Mammoth One LLC*, Docket No. ER13-534-001, Unpublished Letter Order (Jan. 16, 2013).

entities are either wholly-owned or majority-owned indirect subsidiaries of Ormat.<sup>7</sup> Together, Ormat's various subsidiaries own or control generation resources with a total nameplate rating of approximately 779.8 MW. It should be noted, however, that this figure overestimates the actual capacity of the plants due to the fact that most of the plants are energy-limited geothermal resources whose output varies depending on a variety of factors, the most significant being the seasonal variations due to changes in ambient conditions.

Finally, as discussed further below, none of the affiliates of ORNI 47 own, operate, or control electric transmission facilities in the United States (other than interconnection facilities that are used to connect electric generation resources to the transmission grid), nor are any affiliated with any entity that owns, operates, or controls such facilities. Likewise, none of the affiliates of ORNI 47 holds a franchise or service territory for the transmission, distribution, or sale of electric power in the United States, nor are any affiliated with any entity that holds such a franchise or service territory. Finally, none of the affiliates of ORNI 47 has the ability to erect other barriers to entry.

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<sup>7</sup> All of the majority-owned indirect subsidiaries have the same ownership structure as ORNI 14 LLC ("ORNI 14"). That ownership structure was described in ORNI 14's application for market-based rate authority as follows:

ORNI 14 is a direct wholly-owned subsidiary of OPC LLC (OPC), a Delaware limited liability company. Ormat Nevada Inc. (Ormat Nevada), a direct wholly-owned subsidiary of Ormat, owns 100% of the class A membership interests in OPC. Morgan Stanley Geothermal LLC, a Delaware limited liability company, holds 70% of the class B membership interests in OPC. Morgan Stanley Geothermal LLC is a subsidiary of Morgan Stanley & Co. Incorporated, a global financial services firm. The remaining 30% of the class B membership interests in OPC is held by JPM Capital Corporation, a Delaware corporation. Ormat itself is majority-owned by Ormat Industries Ltd., a company registered under the laws of Israel.

*See ORNI 14, LLC*, Docket No. ER11-3980-001, Petition of ORNI 14 LLC for Approval of Initial Market-Based Rate Tariff, Certain Blanket Authority and Waivers, and Waiver of Prior Notice Requirements at p. 2, n. 1 (July 1, 2011).

### III. REQUEST FOR AUTHORIZATION TO SELL ENERGY, CAPACITY, AND ANCILLARY SERVICES AT MARKET-BASED RATES.

#### A. Market-Based Rate Schedule

The proposed market-based rate schedule of ORNI 47 (FERC Electric Tariff, Original Volume No. 1) is attached in Appendix A. The rate schedule includes the standard provisions adopted by the Commission and authorizes ORNI 47 to sell energy, capacity, and certain ancillary services to any purchaser that is not an affiliated franchised public utility of ORNI 47. Currently, ORNI 47 is not affiliated with any such franchised public utility.

#### B. Criteria for Market-Based Rate Authorization

In Order No. 697,<sup>8</sup> the Commission collapsed its four-pronged market power analysis into a two-pronged analysis which focuses on horizontal market power (generation) and vertical market power (transmission and barriers to entry). The Commission requires a seller seeking market-based rate authority to show that it and its affiliates do not have, or have adequately mitigated, both horizontal and vertical market power. As discussed below, ORNI 47 meets these requirements and qualifies for market-based rate authority.

##### 1. Horizontal Market Power

In Order No. 697, the Commission adopted, with certain modifications, two indicative horizontal market power screens: (1) the wholesale market share screen; and (2) the pivotal supplier screen.<sup>9</sup> The Commission has advised that the relevant market for applying these screens is the balancing authority area in which a generation resource is located, provided the

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<sup>8</sup> *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services By Public Utilities*, FERC Stats. & Regs. ¶ 31,252 (2007) (Order No. 697), *reh'g*, FERC Stats. & Regs. ¶ 31,268 (2008) (Order No. 697-A), *reh'g*, FERC Stats. & Regs. ¶ 31,285 (2008) (Order No. 697-B), *reh'g*, FERC Stats. & Regs. ¶ 31,291 (2009) (Order No. 697-C), *reh'g*, FERC Stats. & Regs. ¶ 31,305 (2010) (Order No. 697-D).

<sup>9</sup> See Order No. 697 at PP 33-35.

resource is interconnected to a non-affiliate owned or controlled transmission system.<sup>10</sup> Sellers that fail either screen will be rebuttably presumed to have market power.

In this instance, all of the generation capacity that will be owned or controlled by ORNI 47 is located in the balancing authority area of Sierra Pacific. Several affiliates of ORNI 47 also own or control generation resources within the Sierra Pacific balancing authority area. In total, ORNI 47 will own, control, or be affiliated with a total of 315.5 MW of nameplate capacity within the Sierra Pacific balancing authority, as reflected in the supplemental asset charts provided in Appendix C. All of the output from the generation capacity that will be owned or controlled by ORNI 47 and its affiliates within the Sierra Pacific balancing authority is fully committed under long-term sales agreements to non-affiliated third-party purchasers. Under these circumstances, the Commission has found that sellers lack horizontal market power without having to apply either the wholesale market share screen or the pivotal supplier screen (as those screens are applied based on a seller's level of uncommitted capacity).<sup>11</sup> ORNI 47 requests that the same finding be made in this instance.

## 2. *Vertical Market Power*

In Order No. 697, the Commission consolidated the transmission market power analysis and barriers to entry analysis into a single vertical market power prong.<sup>12</sup> The following

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<sup>10</sup> See *id.* at P 232, n. 217 (explaining that, “[w]here a generator is interconnecting to a non-affiliate owned or controlled transmission system, there is only one relevant market (*i.e.*, the balancing authority in which the generator is located)”).

<sup>11</sup> See, e.g., *AEP Power Marketing, Inc. et al.*, 107 FERC ¶ 61,018 at PP 71, 95, 100 (2004) (adopting the screens as applicable to uncommitted capacity levels); *Rock River I, LLC*, Docket No. ER11-2559-001, Unreported Letter Order at p. 2 (March 23, 2011) (finding that a seller “satisfies the Commission’s requirements for market-based rate authority regarding horizontal market power” based on the representation that “all of the output from the [seller’s generation facility] is fully committed to a non-affiliated third party under a long-term contract”).

<sup>12</sup> See Order No. 697. at P 399.

information is provided in compliance with 18 C.F.R. § 35.37(e) (2012) to demonstrate that ORNI 47 lacks vertical market power under this prong:

- Neither ORNI 47 nor any of its affiliates own, operate, or control electric transmission facilities in the United States, other than interconnection facilities that are used to connect electric generation resources to the transmission grid.<sup>13</sup>
- Neither ORNI 47 nor any of its affiliates own, operate, or control any intrastate natural gas transportation, intrastate natural gas storage or distribution facilities in the United States.
- Several affiliates of ORNI 47 own or control certain sites for generation capacity development. These affiliates and sites are identified in a chart provided in Appendix D. As reflected therein, all of the sites are designed to accommodate the development of relatively small (less than 100 MW) renewable energy projects (geothermal and solar) such that their acquisition does not confer vertical market power, create barriers to entry, or otherwise provide a basis for rebutting the rebuttable presumption adopted in Order No. 697 that ownership or control of sites for generation capacity development does not allow a seller to erect barriers to entry.<sup>14</sup>
- Neither ORNI 47 nor any of its affiliates own, operate, or control sources of coal supplies or facilities used in the transportation of coal supplies such as barges or rail cars.

Finally, in compliance with 18 C.F.R. § 35.37(e)(4) (2012), ORNI 47 affirmatively states that it and its affiliates have not erected barriers to entry into the relevant market and will not erect barriers to entry into the relevant market. Under these circumstances, ORNI 47 satisfies the Commission's standards with respect to vertical market power.

### 3. *Affiliate Restrictions*

Under Order No. 697, sellers with market-based rate authority are required to comply with the affiliate power sales restrictions and other affiliate restrictions codified in 18 C.F.R. §

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<sup>13</sup> An affiliate of ORNI 47 – ORNI 39 LLC – has been granted a waiver of the requirement to have an open access transmission tariff on file for certain generation tie-line facilities. *See ORNI 39 LLC*, 136 FERC ¶ 61,142 at P 18 (2011).

<sup>14</sup> *See* Order No. 697 at P 446.

35.39 (2012). ORNI 47 has included a provision in its market-based rate schedule requiring it to comply with these restrictions. ORNI 47 would further reiterate that it is not a franchised public utility with captive customers, nor is it affiliated with any entity that is a franchised public utility with captive customers.

### C. ANCILLARY SERVICES

While ORNI 47 does not currently anticipate selling ancillary services, it nevertheless requests authorization to do so to the extent it elects to engage in such sales in the future. Specifically, ORNI 47 seeks authorization to sell certain ancillary services in markets administered by the California Independent System Operator Corporation (“CAISO”), ISO-New England, Inc. (“ISO-NE”), Midwest Independent Transmission System Operator, Inc. (“MISO”), New York Independent System Operator, Inc. (“NYISO”), and PJM Interconnection, L.L.C. (“PJM”). The Commission requires a separate study of the ancillary services markets to support market-based rates for ancillary services. For ancillary services in markets operated by CAISO, ISO-NE, MISO, NYISO, and PJM, ORNI 47 relies in the same manner as other sellers on the studies submitted and accepted by the Commission in previous orders.<sup>15</sup>

Additionally, ORNI 47 requests market-based authority with respect to the sale of ancillary services in other markets pursuant to the requirements set forth in *Avista Corporation*, 87 FERC ¶ 61,223 (1999), *reh’g*, 89 FERC ¶ 61,136 (1999), and Order No. 697.<sup>16</sup> ORNI 47 has

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<sup>15</sup> For CAISO, *see, e.g., AES Redondo Beach, LLC*, 83 FERC ¶ 61,123 (1998), *reh’g*, 87 FERC ¶ 61,208 (1999), *reh’g*, 90 FERC ¶ 62,036 (2000). For ISO-NE, *see, e.g., New England Power Pool*, 85 FERC ¶ 61,379 (1998), *reh’g*, 95 FERC ¶ 61,074 (2001). For NYISO, *see, e.g., Central Hudson Gas and Electric Corporation*, 86 FERC ¶ 61,062 (1999), *reh’g*, 88 FERC ¶ 61,138 (1999). For PJM, *see, e.g., Atlantic City Electric Company*, 85 FERC ¶ 61,379 (1998), *reh’g*, 95 FERC ¶ 61,074 (2000). For MISO, *see, e.g., Midwest Independent Transmission System Operator, Inc.*, 122 FERC ¶ 61,172 (2008), *reh’g*, 123 FERC ¶ 61,297 (2008).

<sup>16</sup> *See* Order No. 697 at PP 1058-61.



included in its market-based rate tariff the standard provisions adopted by the Commission for the sale of ancillary services.

#### **IV. SELLER CATEGORY**

ORNI 47 requests that it be designated a “Category 1” seller in all regions pursuant to 18 C.F.R. § 35.36(a) (2012). Such designation is appropriate because ORNI 47 and its affiliates: (1) own or control less than 500 MW of generation in aggregate in each region; (2) do not own, operate, or control transmission facilities other than limited equipment necessary to connect individual generating facilities to the transmission grid; (3) are not affiliated with anyone that owns, operates, or controls transmission facilities in the same region as generation assets owned or controlled by ORNI 47 or its affiliates; (4) are not affiliated with a franchised public utility in the same region as generation assets owned or controlled by ORNI 47 or its affiliates; and (5) do not raise other vertical market power issues.

#### **V. REPORTING AND OTHER REQUIREMENTS**

ORNI 47 will comply with reporting and other requirements applicable to wholesale sellers with market-based rate authority, including the submission of electric quarterly reports, the submission of change-in-status reports pursuant to 18 C.F.R. § 35.42 (2012), and compliance with the market behavior rules set forth in 18 C.F.R. § 35.41 (2012). In accordance with 18 C.F.R. § 35.41(c) (2012), ORNI 47 hereby advises the Commission that it does not intend to report transaction data to publishers of electricity or natural gas price indices. ORNI 47 will notify the Commission within 15 days of any change to its transaction reporting status.

## **VI. REQUEST FOR WAIVERS AND ADDITIONAL BLANKET AUTHORITY**

ORNI 47 requests waivers from the following Commission regulations, which have been granted to other sellers:

1. waiver of Subparts B and C of Part 35 regarding the filing of rate schedules, except Sections 35.12(a), 35.13(b), 35.15 and 35.16 of the Commission's regulations;
2. waiver of the accounting, records, and memoranda requirements set forth in Part 41 of the Commission's regulations;
3. waiver of the uniform system of accounts set forth in Part 101 of the Commission's regulations; and
4. waiver of the statements and reporting requirements set forth in Part 141 of the Commission's regulations, except Sections 141.14 and 141.15.

ORNI 47 further requests blanket approval under Part 34 of the Commission's regulations of all future issuances regarding securities and assumptions of obligations or liabilities, subject to objection by an interested party.

## **VII. REQUEST FOR WAIVER OF REQUIREMENT UNDER ORDER NOS. 888, 889, AND 890.**

ORNI 47 hereby requests waiver of the requirements set forth in Order Nos. 888, 889, and 890 relating to the obligation to file an open access transmission tariff ("OATT"), maintain and Open Access Same-Time Information System ("OASIS"), and comply with certain standards of conduct.

Under Commission precedent, waiver of these requirements is appropriate for limited and discrete facilities that do not form an integrated transmission system and that will be used solely to interconnect generation capacity to the transmission grid.<sup>17</sup> That is the case here. The tie line that is to be constructed, owned, and operated by ORNI 47 is a limited and discrete facility that is

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<sup>17</sup> See, e.g., *Evergreen Wind Power III, LLC*, 135 FERC ¶ 61,030 at PP 20-24 (2011).

designed to be used solely to connect Wild Rose to the transmission grid. The facility will not be networked and will not form an integrated transmission system. Under these circumstances, good cause exists to grant the requested waivers.

ORNI 47 recognizes that the Commission generally grants these types of waivers on a conditional basis subject to revocation if a recipient receives a request for transmission service.<sup>18</sup> ORNI 47 does not anticipate receiving any such requests in the foreseeable future due to the remote location and limited nature of the tie line. Nevertheless, to the extent that the Commission elects to grant the requested waivers on a conditional basis, ORNI 47 would reserve whatever rights it may have to challenge future requests for transmission service, or to request that some or all of the requested waivers be preserved even if a request for transmission service is received.

#### **VIII. REQUEST FOR WAIVER OF PRIOR NOTICE REQUIREMENTS.**

ORNI 47 requests waiver of the sixty-day prior notice period set forth in 18 C.F.R. § 35.2(f) (2012) in order to permit the authorizations and waivers requested herein to be granted and made effective as of October 1, 2013, which is a notice period of 59 days. The October 1, 2013 effective date is requested because that is the date on or around which ORNI 47 anticipates commencing sales from the QF. Such sales do not appear to qualify for any of the Section 205 exemptions applicable to sales made from QFs, thus necessitating the Section 205 authority requested herein. The one-day delay in submitting the instant filing was due to a miscalculation of the sixty-day notice period.

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<sup>18</sup> See *id.* at P 24.

## IX. CONCLUSION

WHEREFORE, for the reasons set forth above, ORNI 47 respectfully requests that the Commission: (1) accept for filing proposed FERC Electric Tariff, Original Volume No. 1; (2) authorize ORNI 47 to engage in the sale of electric energy, capacity, and ancillary services at market-based rates; (3) designate ORNI 47 as a Category 1 seller in all regions; (4) grant a waiver of requirements set forth in Order Nos. 888, 889, and 890 and; (5) grant waiver of the prior notice requirements set forth in 18 C.F.R. § 35.2(f) (2012) in order to permit the requested authorizations and waivers to be granted and made effective as of October 1, 2013.

Respectfully submitted,

/s/ Matthew Rick

Douglas F. John

Matthew T. Rick

JOHN & HENGERER

1730 Rhode Island Ave., N.W.

Suite 600

Washington, D.C. 20036-3116

Telephone: (202) 429-8801

Facsimile: (202) 429-8805

E-mail: [mrick@jhenergy.com](mailto:mrick@jhenergy.com)

Attorneys for ORNI 47 LLC

August 2, 2013

# **Appendix A**

**Rate Schedule FERC No. 1**

**ORNI 47 LLC  
RATE SCHEDULE FERC NO. 1**

1. **Availability.** ORNI 47 LLC ("Seller") will make electric energy and capacity available under this Rate Schedule to any purchaser, except as prohibited below.
2. **Applicability.** This Rate Schedule is applicable to all sales of energy and capacity by Seller not otherwise subject to a particular rate schedule of Seller.
3. **Rates.** All sales shall be made at the rates established between the purchaser and Seller.
4. **Other Terms and Conditions.** All other terms and conditions shall be established by agreement between the purchaser and Seller.
5. **Ancillary Services.** Seller may offer for sale those ancillary services in those markets specified and authorized by the Commission from time to time in orders extending such authority to all sellers authorized to sell electric energy and capacity at market-based rates, including:
  - a. **PJM:** Seller offers regulation and frequency response service, energy imbalance service, and operating reserve service (which includes spinning, 10-minute, and 30-minute reserves) for sale into the market administered by PJM Interconnection, L.L.C. ("PJM") and, where the PJM Open Access Transmission Tariff permits, the self-supply of these services to purchasers for a bilateral sale that is used to satisfy the ancillary services requirements of the PJM Office of Interconnection.
  - b. **New York:** Seller offers regulation and frequency response service, and operating reserve service (which include 10-minute non-synchronous, 30-minute operating reserves, 10-minute spinning reserves, and 10-minute non-spinning reserves) for sale to purchasers in the market administered by the New York Independent System Operator, Inc.
  - c. **New England:** Seller offers regulation and frequency response service (automatic generator control), operating reserve service (which includes 10-minute spinning reserve, 10-minute non-spinning reserve, and 30-minute operating reserve service) to purchasers within the markets administered by the ISO New England, Inc.
  - d. **California:** Seller offers regulation service, spinning reserve service, and non-spinning reserve service to the California Independent System Operator Corporation ("CAISO") and to others that are self-supplying ancillary services to the CAISO.
  - e. **Midwest ISO:** Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Midwest Independent Transmission System Operator, Inc.

(Midwest ISO) and to others that are self-supplying ancillary services to Midwest ISO.

- f. **Third Party Provider:** Third-party ancillary services may include Regulation Service, Energy Imbalance Service, Spinning Reserves, and Supplemental Reserves. Sales will not include the following: (1) sales to an RTO or an ISO, i.e., where that entity has no ability to self-supply ancillary services but instead depends on third parties; (2) sales to a traditional, franchised public utility affiliated with the third-party supplier, or sales where the underlying transmission service is on the system of the public utility affiliated with the third-party supplier; and (3) sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers.

6. **Compliance with Commission Regulations.** Seller shall comply with the provisions of 18 CFR Part 35, Subpart H, as applicable, and with any conditions the Commission imposes in its orders concerning Seller's market-based rate authority, including orders in which the Commission authorizes Seller to engage in affiliate sales under this tariff or otherwise restricts or limits the Seller's market-based rate authority. Failure to comply with the applicable provisions of 18 CFR Part 35, Subpart H, and with any orders of the Commission concerning Seller's market-based rate authority, will constitute a violation of this tariff.
7. **Limitations and Exemptions Regarding Market Based Rate Authority.** Seller does not have any limitations on its market-based rate authority, except as may otherwise be provided in this Rate Schedule. Seller has been granted waiver of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information, except as to Sections 35.12(a), 35.13(b), 35.15 and 35.16; granted waiver of Parts 41, 101 and 141 of the Commission's accounting and periodic reporting regulations, except Sections 141.14 and 141.15; and granted waiver for all future issuances of securities and assumptions of liability pursuant to Section 204 of the Federal Power Act, 16 U.S.C. § 824e, and Part 34 of the Commission's regulations. *See* Letter Order, ORNI 47 LLC, Docket No. ER13-\_\_\_\_-000 (2013).
8. **Effective Date.** This Rate Schedule is effective on the date specified by the Commission.
9. **Seller Category.** Seller is a Category 1 seller in all regions, as defined by 18 CFR 35.36(a).

# **Appendix B**

## **Asset Charts**



**Market-Based Rate Authority and Generation Assets**

Filing Entity and its Energy Affiliates	Docket # where MBR authority was granted	Generation Name	Owned By	Controlled By <sup>1</sup>	Date Control Transferred	Location		In-service Date	Nameplate and/or Seasonal Rating
						Balancing Authority Area	Geographic Region (per Appendix D)		
ORNI 18 LLC	ER08-1574-000	Brawley I	ORNI 18 LLC	ORNI 18 LLC	NA	CAISO	Southwest	Dec. 2008	80 MW (nameplate)
OrHeber 2 Inc.	NA	Heber South	OrHeber 2 Inc.	OrHeber 2 Inc.	NA	CAISO	Southwest	Apr. 16, 2008	16 MW (nameplate)
OrHeber 2 Inc.	NA	Gould 2	ORHeber 2 Inc.	OrHeber 2 Inc.	NA	CAISO	Southwest	Jan. 1, 2006	16 MW (nameplate)
Ormesa LLC	NA	Ormesa 1, Ormesa 2, GEM 1, GEM 2 and GBU)	Ormesa LLC	Ormesa LLC	NA	CAISO	Southwest	Ormesa 1 Dec. 1986 Ormesa 2 Dec. 1987 GEM 2, 3 May 1989 GBU Mar. 17, 2007	129.8 MW (nameplate)
Heber Geothermal Company	NA	Heber 1	Heber Geothermal Company	Heber Geothermal Company	NA	CAISO	Southwest	Jun. 1985	52 MW (nameplate)
Heber Geothermal Company	NA	Gould 1	Heber Geothermal Company	Heber Geothermal Company	Apr. 2008	CAISO	Southwest	Jun. 2006	10.5 MW (nameplate)
Second Imperial Geothermal Company L.P.	NA	SIGC	Second Imperial Geothermal Company L.P.	Second Imperial Geothermal Company L.P.	NA	CAISO	Southwest	Jun. 1993	48 MW (nameplate)

<sup>1</sup> ORNI 47 has assumed that its affiliates will control the facilities they own. This assumption is not, however, intended to limit the rights of either ORNI 47 or any of its affiliates to assert that facilities are controlled by another entity.

Filing Entity and its Energy Affiliates	Docket # where MBR authority was granted	Generation Name	Owned By	Controlled By <sup>1</sup>	Date Control Transferred	Location		In-service Date	Nameplate and/or Seasonal Rating
						Balancing Authority Area	Geographic Region (per Appendix D)		
Mammoth-Pacific, L.P.	NA	Mammoth Project (G1 and G2)	Mammoth-Pacific, L.P.	Mammoth-Pacific, L.P.	NA	CAISO	Southwest	G1 1985 G2 1990	25 MW (nameplate)
Steamboat Hills, LLC	NA	Galena No. 2	Steamboat Hills, LLC	Steamboat Hills, LLC	NA	SPPC	Northwest	December 15, 2006	13 MW (nameplate)
Mammoth One LLC	ER13-534-000	Mammoth Project (G3)	Mammoth One LLC	Mammoth One LLC	April 2013	CAISO	Southwest	1990	15 MW (nameplate)
Steamboat Hills, LLC	NA	Steamboat Hills (STG and OEC 41)	Steamboat Hills, LLC	Steamboat Hills, LLC	NA	SPPC	Northwest	STG 1988 OEC 41 2007	19.9 MW (nameplate)
ORNI 14 LLC	ER11-3980-001	Galena No. 3	ORNI 14 LLC	ORNI 14 LLC	NA	SPPC	Northwest	Feb. 2008	26 MW (nameplate)
Brady Power Partners	NA	Brady	Brady Power Partners	Brady Power Partners	NA	SPPC	Northwest	Jul. 1992	32.9 MW (nameplate)
ORNI 3, LLC	NA	Desert Peak 2	ORNI 3, LLC	ORNI 3, LLC	NA	SPPC	Northwest	Apr. 2007	26 MW (nameplate)
Steamboat Geothermal LLC	NA	Steamboat 1A	Steamboat Geothermal LLC	Steamboat Geothermal LLC	NA	SPPC	Northwest	Steamboat 1A 1988	2 MW (nameplate)
Steamboat Development LLC	NA	Steamboat 2 and 3	Steamboat Development LLC	Steamboat Development LLC	NA	SPPC	Northwest	Steamboat 2 1992 Steamboat 3 1992	45.2 MW (nameplate)
ORNI 7 LLC	NA	Burdette	ORNI 7 LLC	ORNI 7 LLC	NA	SPPC	Northwest	Feb. 2006	26 MW (nameplate)
ORNI 15 LLC	NA	Jersey Valley	ORNI 15 LLC	ORNI 15 LLC	NA	SPPC	Northwest	Dec. 2010	22.5 (nameplate)
ORNI 39 LLC	ER11-3808-000	McGinness Hills	ORNI 39 LLC	ORNI 39 LLC	NA	SPPC	Northwest	Jun. 2012	52 (nameplate)

Filing Entity and its Energy Affiliates	Docket # where MBR authority was granted	Generation Name	Owned By	Controlled By <sup>1</sup>	Date Control Transferred	Location		In-service Date	Nameplate and/or Seasonal Rating
						Balancing Authority Area	Geographic Region (per Appendix D)		
ORNI 42 LLC	NA	Tuscarora	ORNI 42 LLC	ORNI 42 LLC	NA	SPPC	Northwest	Dec. 2011	25 (nameplate)
ORNI 47 LLC		Wild Rose	ORNI 47 LLC	ORNI 47 LLC	NA	SPPC	Northwest	Expected Oct. 2013	25 (nameplate)
OREG 4, Inc.	NA	Peetz	OREG 4, Inc.	OREG 4, Inc.	NA	WACM	Northwest	Aug. 2010	4.5 (nameplate)
OREG 1, Inc.	NA	CS 7	OREG 1, Inc.	OREG 1, Inc.	NA	WAUE	Central	July 2006	7.5 (nameplate)
OREG 1, Inc.	NA	CS 9	OREG 1, Inc.	OREG 1, Inc.	NA	WAUE	Central	Aug. 2006	7.5 (nameplate)
OREG 1, Inc.	NA	CS 10	OREG 1, Inc.	OREG 1, Inc.	NA	WAUE	Central	Oct. 2006	7.5 (nameplate)
OREG 1, Inc.	NA	CS 11	OREG 1, Inc.	OREG 1, Inc.	NA	WAUE	Central	Aug. 2006	7.5 (nameplate)
OREG 2, Inc.	NA	CS 3	OREG 2, Inc.	OREG 2, Inc.	NA	WAUE	Central	Dec. 2009	7.5 (nameplate)
OREG 2, Inc.	NA	CS 5	OREG 2, Inc.	OREG 2, Inc.	NA	WAUE	Central	Feb. 2009	7.5 (nameplate)
OREG 2, Inc.	NA	CS 8	OREG 2, Inc.	OREG 2, Inc.	NA	WAUE	Central	Dec. 2008	7.5 (nameplate)
OREG 2, Inc.	NA	CS 12	OREG 2, Inc.	OREG 2, Inc.	NA	WAUE	Central	Oct. 2009	7.5 (nameplate)
OREG 3, Inc.	NA	CS 13	OREG 3, Inc.	OREG 3, Inc.	NA	WAUE	Central	Aug. 2010	7.5 (nameplate)

**Electric Transmission Assets<sup>2</sup> and/or Natural Gas Intrastate Pipelines and/or Gas Storage Facilities**

Filing Entity and its Energy Affiliates	Asset Name and Use	Owned By	Controlled By	Date Control Transferred	Location		Approximate Size
					Balancing Authority Area	Geographic Region (per Appendix D)	
ORNI 18 LLC	NA	NA	NA	NA	NA	NA	NA
ORNI 39 LLC	McGinniss Hills tie line	ORNI 39 LLC	ORNI 39 LLC	NA	SPPC	Northwest	9 mile, 230 kV <sup>3</sup>
ORNI 14 LLC	NA	NA	NA	NA	NA	NA	NA
Mammoth One LLC	NA	NA	NA	NA	NA	NA	NA
ORNI 47 LLC	Wild Rose tie line	ORNI 47 LLC	ORNI 47 LLC	NA	SPPC	Northwest	20 mile, 120 kV

<sup>2</sup> The Commission has advised that the transmission assets that are required to be included in the asset chart "are limited to those that ownership or control of which would require an entity to have an [open access transmission tariff (OATT)] on file with the Commission (even if the Commission has waived the OATT requirement for a particular seller)." Order No. 697-A at P 378.

<sup>3</sup> The Commission granted ORNI 39 LLC a waiver of the requirement to have an OATT on file for this transmission facility. See *ORNI 39 LLC*, 136 FERC ¶ 61,142 at P 18 (2011).

## **Appendix C**

**Supplemental Chart for Sierra Pacific Balancing Authority Area**

**APPENDIX C**  
**Affiliated Generation Assets – Sierra Pacific Balancing Authority Area**

Entity	Ownership Structure	Generation Resource Name and Location	QF Docket	Nameplate Capacity (MW)	QF Capacity (Gross) (MW)	Contracted Capacity (MW)
<b>INDIRECT PARTIALLY-OWNED SUBSIDIARIES OF ORMAT</b>						
Steamboat Hills, LLC	Steamboat Hills, LLC (Steamboat Hills) is a Delaware limited liability company and a wholly-owned subsidiary of OPC LLC (OPC), also a Delaware limited liability company.	Galena No. 2 Washoe County, Nevada	QF06-71	13	12.5	10 <sup>1</sup>
	Ormat Nevada, Inc. (Ormat Nevada) owns 100% of the class A membership interests and 30% of the class B membership interests in OPC. Ormat Nevada is a wholly-owned subsidiary of Ormat Technologies, Inc. (Ormat).	Steamboat Hills (STG and OEC 41) Washoe County, Nevada	QF87-383	19.9	15	11.4
ORNI 14 LLC	Morgan Stanley Geothermal LLC, a Delaware limited liability company, holds the remaining 70% of the class B membership interests in OPC. Morgan Stanley Geothermal LLC is a subsidiary of Morgan Stanley & Co. Incorporated, a global financial services firm.	Galena No. 3 Washoe County, Nevada	QF08-129	26	22.2	20.25 <sup>2</sup>
ORNI 3, LLC	Orni 14, LLC is a Delaware limited liability company and wholly-owned subsidiary of OPC. (See Steamboat Hill for the ownership structure of OPC.)	Desert Peak 2 Churchill County, Nevada	QF06-72	26	21.5	14 <sup>3</sup>
	Orni 3, LLC is a Delaware limited liability company and wholly-owned subsidiary of OPC. (See Steamboat Hills for the ownership structure of OPC LLC.)					

<sup>1</sup> The contract supply requirement changes every year. This is the average capacity.

<sup>2</sup> The contract capacity will be reduced to 19.5 MW in June 2014.

<sup>3</sup> The contract capacity will be reduced to 11 MW in January 2015.

Entity	Ownership Structure	Generation Resource Name and Location	QF Docket	Nameplate Capacity (MW)	QF Capacity (Gross) (MW)	Contracted Capacity (MW)
<b>INDIRECT WHOLLY-OWNED SUBSIDIARIES OF ORMAT</b>						
Brady Power Partners	Two plants comprise this facility. The Brady Plant is owned by Brady Power Partners (BPP), a Nevada general partnership. BPP is owned by ORNI 1 LLC and ORNI 2 LLC, both of which are Delaware limited liability companies and wholly-owned subsidiaries of Ormat. The Desert Peak plant is owned by Western States Geothermal Company, which is a Delaware corporation and wholly-owned subsidiary of Ormat Nevada, which is itself a wholly-owned subsidiary of Ormat.	Brady and Desert Peak Churchill County, Nevada	QF92-175	32.9	32.49	7.5
Steamboat Geothermal LLC	Steamboat Geothermal LLC is a direct wholly-owned subsidiary of ORNI 7 LLC, whose ownership structure is described below.	Steamboat 1A Washoe County, Nevada	QF88-538	2	2.3	1.6
Steamboat Development LLC	Steamboat Development LLC is a wholly-owned direct subsidiary of ORNI 7 LLC, whose ownership structure is described below.	Steamboat 2 and 3 Washoe County, Nevada	QF91-180	45.2	33.9	24.75
ORNI 7 LLC	ORNI 7 LLC is a wholly-owned direct subsidiary of Ormat Funding Corporation, which is a direct wholly-owned subsidiary of Ormat Nevada, Inc, which is a direct wholly-owned subsidiary of Ormat.	Burdette Washoe County, Nevada	QF05-229	26	26	20 <sup>4</sup>
ORNI 15 LLC	ORNI 15 LLC is a wholly-owned subsidiary of OFC 2, LLC, which is owned by ORNI Holding, LLC (1%) and Ormat Nevada (99%), both of which are wholly-owned subsidiaries of Ormat.	Jersey Valley Pershing County, Nevada	QF11-60	22.5	16.6	12
ORNI 39 LLC	ORNI 39 LLC is a wholly-owned subsidiary of OFC 2, LLC, which is owned by ORNI Holding, LLC (1%) and Ormat Nevada (99%), both of which are wholly-owned subsidiaries of Ormat.	McGinness Hills Lander County, Nevada	QF11-337	52	40	30

<sup>4</sup> The contract supply requirement cycles every three years. This represents average capacity.

Entity	Ownership Structure	Generation Resource Name and Location	QF Docket	Nameplate Capacity (MW)	QF Capacity (Gross) (MW)	Contracted Capacity (MW)
ORNI 42 LLC	ORNI 42 LLC is a wholly-owned subsidiary of OFC 2, LLC, which is owned by ORNI Holding, LLC (1%) and Ormat Nevada (99%), both of which are wholly-owned subsidiaries of Ormat.	Tuscarora Elko County, Nevada	OF11-328	25	17.1	16.2
ORNI 47 LLC (Applicant)	See application.	Wild Rose Nye County, Nevada	Not yet filed	25	18 (expected)	16
			<i>Total:</i>	<i>315.5</i>	<i>257.59</i>	<i>183.7</i>



## **Appendix D**

### **Sites for Generation Capacity Development**

## Sites for New Generation Capacity Development

Geographic Region	Balancing Authority Area	Number of Sites	Reasonably Commercially Feasible Megawatts <sup>1</sup>
Southwest	CAISO	1	49.9
	IID	5	160
Northwest	SPPC	6 <sup>2</sup>	227 <sup>2</sup>
	BPAT	2	103
	PACW	1	30

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<sup>1</sup> The reasonably commercially feasible ratings are based on nameplate ratings of the generation facilities to be developed. As a practical matter, however, the use of nameplate ratings exaggerates actual generation capacity. This is because all of the generation resources are energy-limited geothermal or solar plants that are generally unable to reach outputs equal to their nameplate ratings.

<sup>2</sup> Includes ORNI 47.

# SECRETARY OF STATE



## NEVADA STATE BUSINESS LICENSE

**ORMAT NEVADA INC.**

Nevada Business Identification # NV19921016142

**Expiration Date: January 31, 2014**

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 17, 2013




*[Signature]*  
ROSS MILLER  
Secretary of State

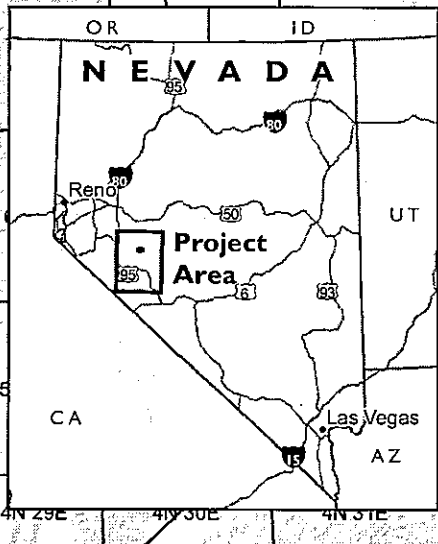
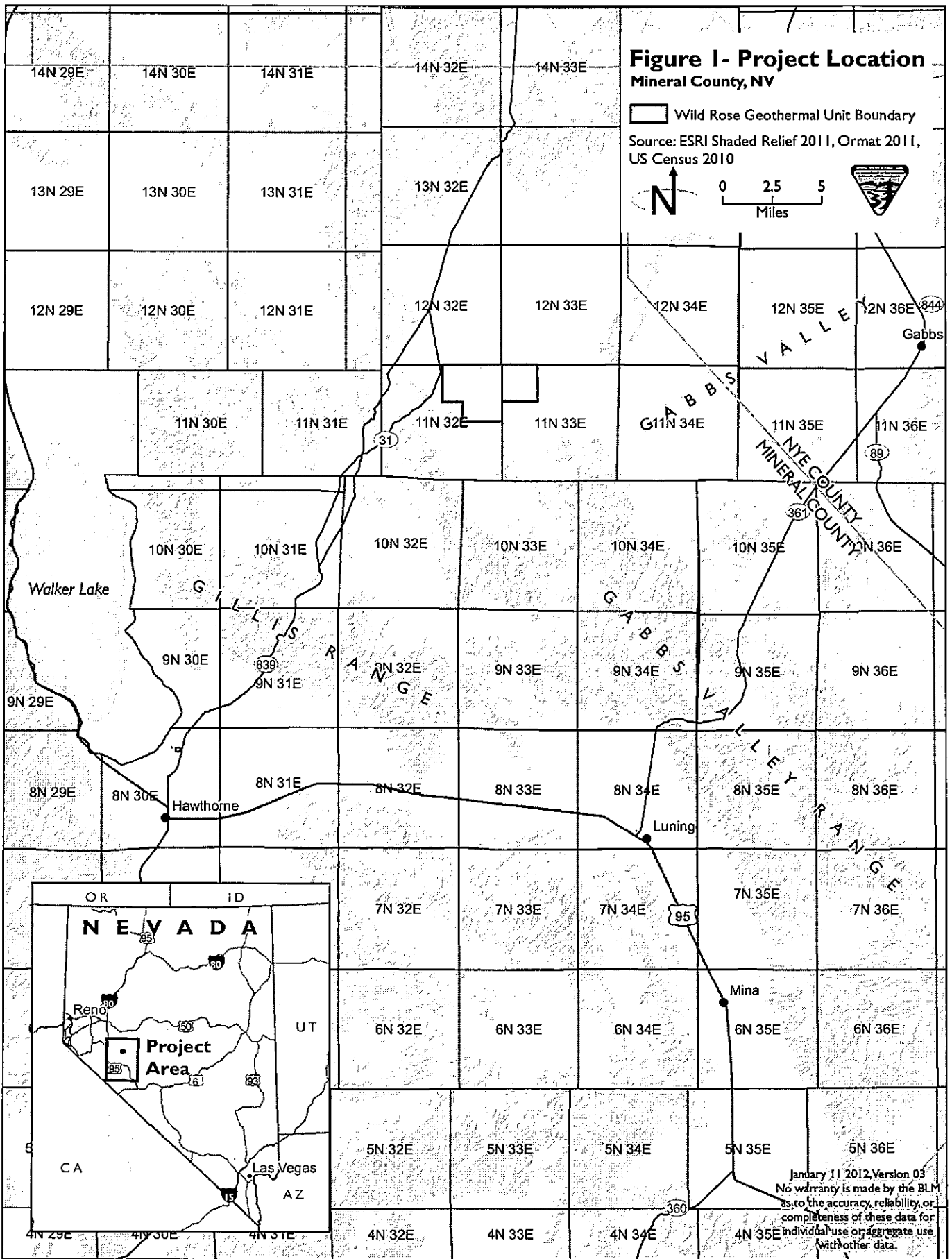
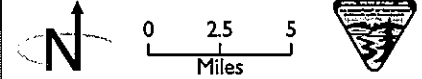
This document is not transferable and is not issued in lieu of any locally-required business license, permit or registration.

*Please Post in a Conspicuous Location*

**You may verify this Nevada State Business License  
online at [www.nvsos.gov](http://www.nvsos.gov) under the Nevada Business Search.**

**Figure 1 - Project Location**  
**Mineral County, NV**

 Wild Rose Geothermal Unit Boundary  
 Source: ESRI Shaded Relief 2011, Ormat 2011, US Census 2010



January 11 2012, Version 03  
 No warranty is made by the BLM  
 as to the accuracy, reliability, or  
 completeness of these data for  
 individual use or aggregate use  
 without other data.

State of Nevada  
Renewable Energy Tax Abatement Application  
AFN:

This Application contains confidential information: Yes  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 :*

Employment information, Construction Employee Sch,  
2nd Q Construction Employee and Permanent Employee Sch

Summary sheet Schedules 1 through 8

*Basis for claims of confidentiality :*

**\*\*The information which is filed in this application and designated as confidential is done so pursuant to the protections afforded to trade secret information as described in NRS 49.325 and NRS 600A.030(5). In addition, the information is protected as confidential economic information pursuant to NRS 360.247, 360.250, 361.044 and 372.750.**

**Confidentiality is also asserted pursuant to the provisions protecting confidential information of utility-related project information pursuant to NRS 703.190 and NRS 703.196. The later two statutes have been asserted by Nevada Power as protecting all costs and related information in the PPA's approved for these projects and each of the orders of the PUCN approving these projects grants the request of Nevada Power Company to protect such information as confidential for a period of not less than seven (7) years\*\*.**

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



BRIAN SANDOVAL  
Governor  
ROBERT R. BARENGO  
Chair, Nevada Tax Commission  
CHRISTOPHER G. NIELSEN  
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 47, LLC  
Wild Rose Geothermal Project

*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**

Ormat Technologies, Inc. is the parent corporation of Ormat Nevada, Inc., which in turn is the 100% owner of ORNI 47, LLC, the developer and owner of the Wild Rose Geothermal Project.<sup>1</sup> The Wild Rose Project is a geothermal power plant with a projected generating capacity of 16 MW using a binary design with an air cooled heat rejection system. The project is located on geothermal leases from the Bureau of Land Management (BLM) known as the Dead Horse Wells Geothermal Unit in the western portion of Gabbs Valley, approximately 17 miles west of Gabbs, in Mineral County, Nevada.<sup>2</sup> The land leases cover approximately 13,889 acres.<sup>3</sup> The power generated in Mineral County will be transmitted to the Los Angeles Department of Water and Power (LADWP) and Burbank Water and Power (BWP) through NV Energy's transmission system.<sup>4</sup> The power is being purchased by the Southern California Public Power Authority.<sup>5</sup>

The project will consist of approximately 14 production wells and 4 injection wells plus the geothermal energy plant located in Township 11 North, Range 32 East, MDB&M.<sup>6</sup> The power plant will include air-cooled condensers; condensing fan equipment; piping; buildings to house electrical equipment, offices, electrical room, and control room; other auxiliary buildings; chain-link fencing; a monopole supporting a radio communications dish; electrical substation including grading for a level pad, structure footings, installation of underground utilities and electrical grid integration; and other smaller, ancillary structures. Construction will include clearing, earthwork, drainage, a geothermal fluids containment basin and other improvements.<sup>7</sup>

The project also includes geothermal fluid pipelines, electrical power and instrumentation cables in conduit, and about 4 miles of new access roads covering about 11 acres.<sup>8</sup> The project also includes

<sup>1</sup> U.S. Securities and Exchange Commission, Ormat Technologies, Inc. Form 10-k, 12-31-2012, p. 6.

<sup>2</sup> Bureau of Land Management, Carson City District Stillwater Field Office, Final Environmental Assessment, Ormat Nevada, Inc., Wild Rose Geothermal Project, DOI-BLM-NV-C010-2012-0050-EA, September, 2012, p. 2. (BLM Final EA).

<sup>3</sup> Case Recordation, (MASS) Serial Register Page dated 8-21-2013 indicates the following: NVN-83920, 4,836 acres; NVN 83930, 4,291.68 acres; NVN 83931, 2,123.10 acres; and NVN 83932, 2,549.40 acres.

<sup>4</sup> Ormat Technologies News Release dated 4-29-13 "Ormat Signs 20-Year Power Purchase Agreement for its Wild Rose Geothermal Project in Nevada."

<sup>5</sup> Wild Rose Geothermal Energy Project Power Purchase Agreement between Orni 47 LLC and Southern California Public Power Authority, dated as of 12-31-12.

<sup>6</sup> BLM Final EA, September, 2012, Section 2.1.3, Page 8.

<sup>7</sup> BLM Final EA, September, 2012, Section 2.1.3.1, pages 9-11.

<sup>8</sup> BLM Final EA, September, 2012, Sections 2.1.4, 2.1.4.6, and 2.1.4.7, pages 11, 14-15.

an overhead 120-kV gen-tie covering 4 to 5 acres, switching station on 8.5 acres, and associated facilities.<sup>9</sup>

### **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.”

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 47, LLC will generate power in Mineral County but use NV Energy’s On-Line Transmission system to transmit power across county and state lines for delivery to LADWP in California. Based on the foregoing, the Department concludes that the project must be valued by the Department using unitary valuation methodology rather than by the Mineral County Assessor.

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.”

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 reported on Schedule 5, 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.<sup>10</sup>

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<sup>9</sup> BLM Final EA, September, 2012, Sections 2.1.5 page 16.

<sup>10</sup> 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.”



The Department used the 2013-2014 tax rate for the Tax District where facilities of the Project are located without further adjustment. Under current law, if the assessed value increases, 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 Mineral County, including a distribution to the State Debt Fund. Since the application was submitted on October 18, 2013 after the effective date for AB 239, this fiscal note assumes no distribution will be made to the State Renewable Energy Fund.

***Estimate of Property Tax Abatement***

Based on the assumptions and conditions noted above, the estimated fiscal impact for the duration of the abatement for 20 years is as follows:

Mineral County:	
Total Taxes Due, First Year After Completion:	\$ 1,026,440
Total Renewable Energy Abatement, First Year:	\$ 564,542
Total Taxes Available to Local Governments after abatement:	\$ 461,898

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:

Mineral County:	
Total Taxes Due during Period of Abatement (20 years):	\$ 17,679,250
Total Renewable Energy Abatement, 20 years:	\$ 9,723,588
Total Taxes Available to Local Governments after abatement:	\$ 7,955,663

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

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      20 Year Summary

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	17,679,250.37	(9,723,587.71)	7,955,662.66	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	821,167.36	(451,642.05)	369,525.31	4.645%
Mineral County School District	0.011000	1	5,313,435.90	(2,922,389.75)	2,391,046.15	30.055%
Mineral County	0.021900	1	10,578,567.84	(5,818,212.31)	4,760,355.53	59.836%
Mineral County Hospital District	0.002000	1	966,079.27	(531,343.60)	434,735.67	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
56,740,364	55.0%	100.0%	55.0%	(9,723,587.71)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	56,740,364	55.00%	100.00%	55.00%	(9,723,587.71)

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2013-14

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	1,026,439.68	(564,541.83)	461,897.85	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	47,676.16	(26,221.89)	21,454.27	4.645%
Mineral County School District	0.011000	1	308,492.80	(169,671.04)	138,821.76	30.055%
Mineral County	0.021900	1	614,181.12	(337,799.62)	276,381.50	59.836%
Mineral County Hospital District	0.002000	1	56,089.60	(30,849.28)	25,240.32	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
80,128,000	55.0%	100.0%	55.0%	(564,541.83)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	80,128,000	55.00%	100.00%	55.00%	(564,541.83)
		55.00%	0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2014-15

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	1,011,414.31	(556,277.87)	455,136.44	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	46,978.26	(25,838.04)	21,140.22	4.645%
Mineral County School District	0.011000	1	303,976.98	(167,187.34)	136,789.64	30.055%
Mineral County	0.021900	1	605,190.53	(332,854.79)	272,335.74	59.836%
Mineral County Hospital District	0.002000	1	55,268.54	(30,397.70)	24,870.84	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
78,955,060	55.0%	100.0%	55.0%	(556,277.87)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	78,955,060	55.00%	100.00%	55.00%	(556,277.87)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2015-16

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	996,393.21	(548,016.27)	448,376.94	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	46,280.56	(25,454.31)	20,826.25	4.645%
Mineral County School District	0.011000	1	299,462.44	(164,704.34)	134,758.10	30.055%
Mineral County	0.021900	1	596,202.49	(327,911.37)	268,291.12	59.836%
Mineral County Hospital District	0.002000	1	54,447.72	(29,946.25)	24,501.47	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
77,782,451	55.0%	100.0%	55.0%	(548,016.27)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	77,782,451	55.00%	100.00%	55.00%	(548,016.27)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2016-17

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	981,376.41	(539,757.02)	441,619.39	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	45,583.06	(25,070.68)	20,512.38	4.645%
Mineral County School District	0.011000	1	294,949.19	(162,222.05)	132,727.14	30.055%
Mineral County	0.021900	1	587,217.03	(322,969.37)	264,247.66	59.836%
Mineral County Hospital District	0.002000	1	53,627.13	(29,494.92)	24,132.21	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
76,610,180	55.0%	100.0%	55.0%	(539,757.02)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	76,610,180	55.00%	100.00%	55.00%	(539,757.02)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION

## RENEWABLE ENERGY ABATEMENT WORKSHEET

MINERAL COUNTY

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND  
 ORNI 47, LLC      2017-18

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	966,364.04	(531,500.22)	434,863.82	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	44,885.76	(24,687.17)	20,198.59	4.645%
Mineral County School District	0.011000	1	290,437.28	(159,740.50)	130,696.78	30.055%
Mineral County	0.021900	1	578,234.22	(318,028.82)	260,205.40	59.836%
Mineral County Hospital District	0.002000	1	52,806.78	(29,043.73)	23,763.05	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
75,438,254	55.0%	100.0%	55.0%	(531,500.22)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	75,438,254	55.00%	100.00%	55.00%	(531,500.22)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2018-19

COMBINED TAX RATE	TOTAL TAXES DUE	PERCENT TAXES AFTER ABATEMENT
0.036600	951,356.15	100.000%
	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT
	(523,245.88)	428,110.27

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	44,188.67	(24,303.77)	19,884.90	4.645%
Mineral County School District	0.011000	1	285,926.71	(157,259.69)	128,667.02	30.055%
Mineral County	0.021900	1	569,254.09	(313,089.75)	256,164.34	59.836%
Mineral County Hospital District	0.002000	1	51,986.68	(28,592.67)	23,394.01	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
74,266,679	-55.0%	100.0%	55.0%	(523,245.88)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	74,266,679	55.00%	100.00%	55.00%	(523,245.88)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-



# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2019-20

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	936,352.87	(514,994.08)	421,358.79	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	43,491.80	(23,920.49)	19,571.31	4.645%
Mineral County School District	0.011000	1	281,417.53	(154,779.64)	126,637.89	30.055%
Mineral County	0.021900	1	560,276.72	(308,152.20)	252,124.52	59.836%
Mineral County Hospital District	0.002000	1	51,166.82	(28,141.75)	23,025.07	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
73,095,462	55.0%	100.0%	55.0%	(514,994.08)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	73,095,462	55.00%	100.00%	55.00%	(514,994.08)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND  
 ORNI 47, LLC      2020-21

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	921,354.28	(506,744.86)	414,609.42      100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	42,795.14	(23,537.33)	19,257.81	4.645%
Mineral County School District	0.011000	1	276,909.76	(152,300.37)	124,609.39	30.055%
Mineral County	0.021900	1	551,302.15	(303,216.18)	248,085.97	59.836%
Mineral County Hospital District	0.002000	1	50,347.23	(27,690.98)	22,656.25	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
71,924,612	55.0%	100.0%	55.0%	(506,744.86)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	71,924,612	55.00%	100.00%	55.00%	(506,744.86)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

NEVADA DEPARTMENT OF TAXATION  
RENEWABLE ENERGY ABATEMENT WORKSHEET

MINERAL COUNTY  
DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND  
ORNI 47, LLC 2021-22

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	906,360.46	(498,498.25)	407,862.21	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	42,098.71	(23,154.29)	18,944.42	4.645%
Mineral County School District	0.011000	1	272,403.42	(149,821.88)	122,581.54	30.055%
Mineral County	0.021900	1	542,330.44	(298,281.74)	244,048.70	59.836%
Mineral County Hospital District	0.002000	1	49,527.89	(27,240.34)	22,287.55	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
70,754,134	55.0%	100.0%	55.0%	(498,498.25)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	70,754,134	55.00%	100.00%	55.00%	(498,498.25)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2022-23

COMBINED TAX RATE	TOTAL TAXES DUE	PERCENT TAXES AFTER ABATEMENT
0.038600	891,371.51	100.0000%
	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT
	(490,254.34)	401,117.17

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	41,402.50	(22,771.38)	18,631.12	4.645%
Mineral County School District	0.011000	1	267,898.54	(147,344.20)	120,554.34	30.055%
Mineral County	0.021900	1	533,361.64	(293,348.90)	240,012.74	59.836%
Mineral County Hospital District	0.002000	1	48,708.83	(26,789.86)	21,918.97	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
69,584,037	55.0%	100.0%	55.0%	(490,254.34)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	69,584,037	55.00%	100.00%	55.00%	(490,254.34)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2023-24

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	876,387.53	(482,013.15)	394,374.38	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	40,706.52	(22,388.59)	18,317.93	4.645%
Mineral County School District	0.011000	1	263,395.16	(144,867.34)	118,527.82	30.055%
Mineral County	0.021900	1	524,395.82	(288,417.70)	235,978.12	59.836%
Mineral County Hospital District	0.002000	1	47,890.03	(26,339.52)	21,550.51	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
68,414,327	55.0%	100.0%	55.0%	(482,013.15)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	68,414,327	55.00%	100.00%	55.00%	(482,013.15)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2024-25

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	861,408.62	(473,774.75)	387,633.87	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	40,010.78	(22,005.93)	18,004.85	4.645%
Mineral County School District	0.011000	1	258,893.30	(142,391.32)	116,501.98	30.055%
Mineral County	0.021900	1	515,433.03	(283,488.17)	231,944.86	59.836%
Mineral County Hospital District	0.002000	1	47,071.51	(25,889.33)	21,182.18	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
67,245,014	55.0%	100.0%	55.0%	(473,774.75)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	67,245,014	55.00%	100.00%	55.00%	(473,774.75)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC 2025-26

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	846,434.89	(465,539.19)	380,895.70	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	39,315.28	(21,623.40)	17,691.88	4.645%
Mineral County School District	0.011000	1	254,393.00	(139,916.15)	114,476.85	30.055%
Mineral County	0.021900	1	506,473.34	(278,560.34)	227,913.00	59.836%
Mineral County Hospital District	0.002000	1	46,253.27	(25,439.30)	20,813.97	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
66,076,104	55.0%	100.0%	55.0%	(465,539.19)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	66,076,104	55.00%	100.00%	55.00%	(465,539.19)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2026-27

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	831,466.43	(457,306.54)	100.0000%
	TAXES AFTER ABATEMENT		
	374,159.89		

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	38,620.03	(21,241.02)	17,379.01	4.645%
Mineral County School District	0.011000	1	249,894.28	(137,441.85)	112,452.43	30.055%
Mineral County	0.021900	1	497,516.80	(273,634.24)	223,882.56	59.836%
Mineral County Hospital District	0.002000	1	45,435.32	(24,989.43)	20,445.89	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
64,907,606	55.0%	100.0%	55.0%	(457,306.54)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	64,907,606	55.00%	100.00%	55.00%	(457,306.54)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-



# NEVADA DEPARTMENT OF TAXATION MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND  
 ORNI 47, LLC      2027-28

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	816,503.35	(449,076.84)	367,426.51	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	37,925.02	(20,858.76)	17,066.26	4.645%
Mineral County School District	0.011000	1	245,397.18	(134,968.45)	110,428.73	30.055%
Mineral County	0.021900	1	488,563.48	(268,709.91)	219,853.57	59.836%
Mineral County Hospital District	0.002000	1	44,617.67	(24,539.72)	20,077.95	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
63,739,528	55.0%	100.0%	55.0%	(449,076.84)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	63,739,528	55.00%	100.00%	55.00%	(449,076.84)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2028-29

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	801,545.77	(440,850.18)	360,695.59	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	37,230.27	(20,476.65)	16,753.62	4.645%
Mineral County School District	0.011000	1	240,901.73	(132,495.95)	108,405.78	30.055%
Mineral County	0.021900	1	479,613.45	(263,787.40)	215,826.05	59.836%
Mineral County Hospital District	0.002000	1	43,800.32	(24,090.18)	19,710.14	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
62,571,879	55.0%	100.0%	55.0%	(440,850.18)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	62,571,879	55.00%	100.00%	55.00%	(440,850.18)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC 2029-30

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	786,593.79	(432,626.58)	353,967.21	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	36,535.78	(20,094.68)	16,441.10	4.645%
Mineral County School District	0.011000	1	236,407.97	(130,024.38)	106,383.59	30.055%
Mineral County	0.021900	1	470,666.77	(258,866.72)	211,800.05	59.836%
Mineral County Hospital District	0.002000	1	42,983.27	(23,640.80)	19,342.47	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
61,404,667	55.0%	100.0%	55.0%	(432,626.58)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	61,404,667	55.00%	100.00%	55.00%	(432,626.58)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION

## MINERAL COUNTY

### RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2030-31

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	771,647.50	(424,406.13)	347,241.37	100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	35,841.55	(19,712.85)	16,128.70	4.645%
Mineral County School District	0.011000	1	231,915.92	(127,553.76)	104,362.16	30.055%
Mineral County	0.021900	1	461,723.50	(253,947.93)	207,775.57	59.836%
Mineral County Hospital District	0.002000	1	42,166.53	(23,191.59)	18,974.94	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
60,237,900	55.0%	100.0%	55.0%	(424,406.13)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	60,237,900	55.00%	100.00%	55.00%	(424,406.13)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION

## MINERAL COUNTY

### RENEWABLE ENERGY ABATEMENT WORKSHEET

#### DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND  
 ORNI 47, LLC      2031-32      TOTAL TAXES DUE      756,707.03      TAXES AFTER ABATEMENT      340,518.16      PERCENT TAXES AFTER ABATEMENT      100.0000%

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	35,147.59	(19,331.17)	15,816.42	4.645%
Mineral County School District	0.011000	1	227,425.61	(125,084.09)	102,341.52	30.055%
Mineral County	0.021900	1	452,783.72	(249,031.05)	203,752.67	59.836%
Mineral County Hospital District	0.002000	1	41,350.11	(22,742.56)	18,607.55	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
59,071,588	55.0%	100.0%	55.0%	(416,188.87)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	59,071,588	55.00%	100.00%	55.00%	(416,188.87)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION      MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET      DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC      2032-33

COMBINED TAX RATE	TOTAL TAXES DUE	PERCENT TAXES AFTER ABATEMENT
0.036600	741,772.54	100.000%
	(407,974.91)	333,797.63
	TOTAL RENEW ABATEMENT	TOTAL TAXES AFTER ABATEMENT

TAXING ENTITY	TAX RATE	SCHOOL SWITCH	TOTAL TAXES DUE	RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TOTAL TAXES
State of Nevada	0.001700	1	34,453.92	(18,949.66)	15,504.26	4.645%
Mineral County School District	0.011000	1	222,937.10	(122,615.41)	100,321.69	30.055%
Mineral County	0.021900	1	443,847.50	(244,116.13)	199,731.37	59.836%
Mineral County Hospital District	0.002000	1	40,534.02	(22,293.71)	18,240.31	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
57,905,740	55.0%	100.0%	55.0%	(407,974.91)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	57,905,740	55.00%	100.00%	55.00%	(407,974.91)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

# NEVADA DEPARTMENT OF TAXATION

# MINERAL COUNTY

## RENEWABLE ENERGY ABATEMENT WORKSHEET

DISTRICT 150

EXCLUDES STATE RENEWABLE ENERGY FUND

ORNI 47, LLC 2033-34

COMBINED TAX RATE	TOTAL TAXES DUE	TOTAL RENEW ABATEMENT	TAXES AFTER ABATEMENT	PERCENT TAXES AFTER ABATEMENT
0.036600	726,844.06	(399,764.24)	327,079.82	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	33,760.52	(18,568.29)	15,192.23	4.645%
Mineral County School District	0.011000	1	218,450.40	(120,147.72)	98,302.68	30.055%
Mineral County	0.021900	1	434,914.89	(239,203.19)	195,711.70	59.836%
Mineral County Hospital District	0.002000	1	39,718.25	(21,845.04)	17,873.21	5.464%

NET TAXABLE VALUE	AVERAGE ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
56,740,364	55.0%	100.0%	55.0%	(399,764.24)

ASSET	TOTAL TAXABLE VALUE	ABATEMENT PERCENTAGE	TAXABLE VALUE PERCENTAGE	WEIGHTED RENEW ABATEMENT PERCENTAGE	CURRENT YEAR ABATEMENT
Unitary Value	56,740,364	55.00%	100.00%	55.00%	(399,764.24)
		55.00%	0.00%	0.00%	-
		55.00%	0.00%	0.00%	-
			0.00%	0.00%	-

Exhibit E – Pre Filed Testimony of Mr. Eyal Hen or Ormat Nevada, Inc.



Application No. 12-0622G

Direct Testimony of

**EYAL HEN**

on behalf of

ORMAT NEVADA, INC.

AND

ORNI 47, LLC

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is Eyal Hen 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 Director of Finance for Ormat Technologies, Inc. ("OTI"), the parent company of Ormat Nevada, Inc. ("ONI").

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

A. ORNI 47, LLC ("ORNI 47") and ONI (collectively ORNI 47 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 Don A. Campbell (“DAC”) geothermal power project (formerly known as the Wild Rose geothermal power project) being developed by Ormat, and to provide specific information related to the DAC project to assist the Director of the Nevada Governor’s Office of Energy (“Director”) in considering the application for a partial property tax abatement.

**Q. CAN YOU PLEASE EXPLAIN IN DETAIL THE DAC GEOTHERMAL POWER PROJECT?**

A. Ormat is developing an air-cooled geothermal power plant (“DAC”) located in north-central Mineral County, approximately 22 miles from Gabbs, Nevada. DAC is expected to deliver a generating capacity of 16 MW under a 20-year power purchase agreement (“PPA”) with Southern California Public Power Authority (“SCCPA”). Ormat has secured four (4) leases for the land in the vicinity of DAC 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 THE DAC PROJECT?**

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

**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 DAC PROJECT?**

A. No.

**Q. WILL THE DAC 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 DAC PROJECT?**

A. Yes. Ormat applied and received a partial tax abatement on the sales and use taxes associated with the DAC project.

**Q. HOW LONG WILL THE DAC PROJECT BE IN OPERATION?**

A. We have signed a 20-year PPA with SCCPA. 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. HOW MANY EMPLOYEES WORKED ON THE CONSTRUCTION OF THE DAC PROJECT?**

A. While the numbers fluctuated from week-to-week, we averaged 50 or more 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 DAC 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 DAC PROJECT AFTER IT BEGAN OPERATION?**

A. Ormat has five (5) full-time employees working at DAC 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 DAC 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 DAC PROJECT MAKE IN NEVADA?**

A. The DAC project will make a capital investment of more than \$80 million in the State of Nevada.

**Q. WILL THE FINANCIAL AND EMPLOYMENT BENEFITS THE STATE OF NEVADA AND ITS RESIDENTS RECEIVE FROM THE DAC 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 MINERAL COUNTY IS REQUIRED TO PROVIDE DAC 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 Mineral County will receive exceeds the projected cost of services it will provide DAC.

**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 DAC. Ormat has demonstrated during this application process that the DAC project has met and will meet all the requirements for approval of the partial tax abatements provided for in NRS Chapter 701A. The DAC project offers significant financial and employment benefits to the State of Nevada and Mineral County. If Ormat receives the partial tax abatement for DAC, 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**



# Eyal Hen, MBA, CPA

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9711 Northmont Lane, Reno, NV 89521  
Home: 775-842-1215 • Cell: 775-376-2031  
eyalhen@livecareermail.com

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## EXECUTIVE PROFILE

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Accomplished Global Financial Director offering distinguished career in driving development of financial operations in corporate environments. Direct international teams and collaborate cross-functionally to oversee auditing and deliver financial reporting to C-level executives and stakeholders. Exceptional leader with proven contributions establishing new departments and controls, leading employees, communicating with investors and delivering results that exceed business objectives. Build strong relationships and serve as resourceful and trusted advocate for company, employees and clients. Specialized expertise in thorough and timely financial reporting guided by GAAP and IFRS standards. Bilingual in English and Hebrew.

## CORE ACCOMPLISHMENTS

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Upon company's initial public offering, set up and built accounting, treasury, tax and financial reporting departments.  
Authored and established all internal financial controls per Sarbanes-Oxley Act requirements.  
Procured \$75MM in lines of credit from local banks and achieved \$300MM in worldwide corporate loans.  
Played key role in raising one billion dollars for various project financing.

## PROFESSIONAL EXPERIENCE

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### **Director of Finance, 01/2011 to Current** **Ormat Technologies, Inc. NYSE: ORA - Reno, NV**

Hold full accountability for all financial activities in US and 15 countries worldwide for a mid-sized international company.  
Supervise 14 staff in 4 departments, including accounting, treasury, tax and finance and reporting.  
Oversee preparation of follow-on offerings of over \$500MM, two 144A offerings of over \$350MM and total corporate bonds issuance of \$250MM.  
Perform project financing transactions, including tax monetization transactions of over \$500MM.  
Facilitate cash management and project finance of trust accounts.  
Deliver project financing inter alia depositary accounts and financing agreements for accounting, tax and treasury requirements.  
Conduct financing transactions, including Department of Energy Loan guarantee under section 1705 and US Treasury cash grant under section 1603 to ARRA, tax monetization transactions and extensions to lines of credit.  
Liaise between the company and corporate financing clients, negotiating with banks for rates and covenants.  
Maintain excellent relations with clients through ensuring compliance with all relevant accounting, tax and treasury components under agreements.

### **Controller, 01/2006 to 01/2011**

Directed all accounting and budgeting activities, managing 7 accounting staff.  
Prepared and analyzed quarterly and annual financial statements, 10-K and 10-Q forms, according to US Generally Accepted Accounting Principles as well as International Financial Reporting Standards.  
Reviewed and analyzed financial packages from international sites and consolidate into group financial statements.

### **Assistant Controller, 01/2004 to 01/2006**

Executed corporate and project budgeting and control processes.  
Performed daily financial reporting excelling in accuracy.

**Senior Associate, 01/2001 to 01/2004**

**PricewaterhouseCoopers - Tel-Aviv, Israel**

Spearheaded auditing of Teva Pharmaceutical Industries, the largest generic pharmaceutical company in the world.

Developed annual and interim financial reports, valuations, due diligence, tax reports in cooperation with the Israel Chief Scientist and the Israeli Investment Center.

Audited international and local companies according to US and Israeli GAAP and IFRS, encompassing global and multi-currency accounting systems.

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**MILITARY EXPERIENCE**

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Platoon Commander/Electronic Warfare Technician, 11/1991 to 02/1996  
**Israeli Air Force**

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**EDUCATION**

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**Master of Business Administration: 2009**  
**University of Phoenix**

**Bachelor of Economics and Accounting: 2001**  
**Ben Gurion University - Beer Sheva, Israel**

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**PROFESSIONAL DEVELOPMENT & CERTIFICATION**

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Certified Public Accountant, Israel, 2004  
SEC procedures in the US and Israel  
US Taxes courses  
Developments in the United States GAAP and International Financial Reporting Standards  
International Financial Reporting Standards

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**AFFILIATIONS**

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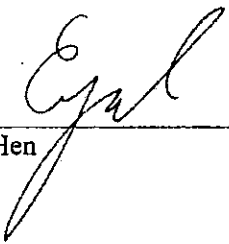
Interests Partnership 2000 Delegation, Bridging the US/Israeli Communities

**AFFIRMATION**

STATE OF NEVADA        )  
                                  : ss.  
COUNTY OF WASHOE    )

Eyal Hen, being first duly sworn, deposes and says:

That he is the person identified in the prepared Direct Testimony of Eyal Hen filed in Application No. 12-0622G 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.

  
\_\_\_\_\_  
Eyal Hen

SUBSCRIBED and SWORN to before  
me this 22 days of January, 2014.

  
\_\_\_\_\_  
Notary Public



Exhibit F - Governor's Office of Energy, Director Recusal dated January 29, 2014

**BRIAN SANDOVAL**  
Governor

**STATE OF NEVADA**



**PAUL A. THOMSEN**  
Director  
755 North Rook 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 # 12-0622G**  
**In the matter of: ORNI 47 LLC**

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**ORDER OF RECUSAL**

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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 29<sup>th</sup> day of January, 2014.

A handwritten signature in black ink, appearing to read "Paul A. Thomsen".

Paul A. Thomsen  
Director, Nevada Office of Energy