



January 3, 2014

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

Re: Tuscarora Tax Abatement Application

Dear Suzanne,

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

Page 2 – Estimated total capital investment: \$73,000,000.00

Page 11 – Percentage of anticipated construction employees  
who will be Nevada Residents: 50%

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

Sincerely,

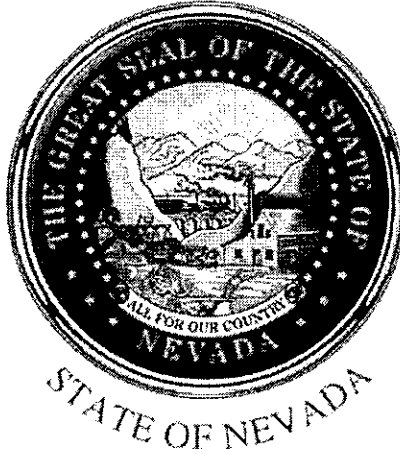
A handwritten signature in black ink, appearing to read "David O'Neill", written in a cursive style.

David O'Neill  
Accounting Manager

## ORMAT NEVADA, INC.

6225 Neil Road • Reno, NV 89511-1136 • Phone : (775) 356-9029 • Fax : (775) 356-9039  
E-mail: [ormat@ormat.com](mailto:ormat@ormat.com) Web site: [www.ormat.com](http://www.ormat.com)

# SECRETARY OF STATE



## NEVADA STATE BUSINESS LICENSE

**ORMAT NEVADA INC.**

**Nevada Business Identification # NV19921016142**

**Expiration Date: January 31, 2015**

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

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

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

**ROSS MILLER**  
Secretary of State

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

*Please Post in a Conspicuous Location*

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

<b>Facility Information</b>	
<b>Date of Submittal to NSOE:</b>	10-Jan-14
<input type="checkbox"/> Sales & Use Tax Abatement	<input checked="" type="checkbox"/> Property Tax Abatement
Company Name: <b>ORNI 42 LLC (owned by Ormat Nevada, Inc.)</b>	
Department of Taxation's Tax Payer ID number: <b>1002193540 (ONI)</b>	
Federal Employer ID number (FEIN, EIN or FID): <b>88-0278853 (ONI)</b>	
NAICS Code:	<b>187-221119 (ONI)</b>
Description of Company's Nevada Operations: <b>ORNI 42 LLC owns the Project. Ormat currently has thirteen (13) geothermal power plants in Nevada, located in Washoe, Churchill, Pershing, Mineral, Lander, and Elko counties including Steamboat Hills, Steamboat 2, Steamboat 3, Steamboat 1A, Burdette, Galena 2, Galena 3, Brady, Desert Peak, Jersey Valley, McGinness Hills, Tuscarora, and Campbell</b>	
Percentage of Company's Market Inside Nevada: <b>Approximately 54%</b>	
Mailing Address: <b>6225 Neil Rd.</b>	
City:	<b>Reno</b>
Phone:	<b>775-356-9029</b>
APN:	<b>005-037-01, 005-037-02</b>
Taxation District where facility is located:	<b>6</b>
<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 <input type="checkbox"/> Transmission that contributes to the capability of the electrical grid to accommodate and transmit electricity produced from Nevada renewable	
Name Plate Production Capacity of the Facility: <b>25 MW</b>	
Net Output Production Capacity of the Facility in MW: <b>18MW</b>	

Annual Net Production Capacity of the Facility in MWh (or other appropriate unit): <b>141,553 MWh</b>
Estimated total capital investment:
Percent of total estimated capital investment expended in Nevada: <b>27%</b>
Anticipated first date of purchasing tangible personal property for the project: <b>March 1, 2011</b>
Anticipated date or time range for the start of construction: <b>April 20, 2011</b>
Anticipated date or time range for the commencement of operation of the facility: <b>November 22, 2011</b>
Address of the Real Property for the Generation Facility: <b>HC 32 Box 200, Hwy 226 North of Elko</b>
City: <b>Tuscarora</b>

Size of the total Facility Land (acre): <b>10</b>
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Are you required to file any paper work with the PUC and/or FERC?		
If yes,	Purpose of the Filing with PUC: <b>Power Purchase Agreement approval with Nevada Utility</b>	Filing Date OR Anticipated filing Date: <b>7/29/2010</b>
If yes,	Purpose of the Filing with FERC: <b>QF Certificati</b>	Filing Date OR Anticipated filing Date: <b>6/10/2011</b>

<b>1</b>	<b>Elko County</b>
<b>2</b>	<b>Tuscarora (city)</b>
<b>3</b>	
<b>4</b>	
<b>5</b>	
<b>6</b>	
<b>7</b>	
<b>8</b>	
<b>9</b>	

<b>1</b>	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>2</b>	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>3</b>	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>4</b>	Summary of the PUC and FERC Dockets if any PUC and FERC filing have started
<b>5</b>	Copy of the Business Plan for the Nevada Facility
<b>6</b>	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>7</b>	Website link to company profile
<b>8</b>	Copy of the Current Nevada State Business License
<b>9</b>	Facility Information Form
<b>10</b>	Employment Information, construction, and permanent employee salary schedules
<b>11</b>	Supplemental Information Form
<b>12</b>	Taxation Reporting Forms (Summary Sheet and Schedules 1 through 8)
<b>13</b>	Names and contact information for construction company, contractors, subcontractors
<b>14</b>	Letter from the utility or company describing the highlights of PPA, LOI, or MOU.
<b>15</b>	Confidential Information Identification Form

List of Required Permits or Authorizations for the Proposed Facility

Permit or Authorization Title	Issuing Agency	Project Circumstance Requiring Permit or Authorization	Steps to Obtain Permit	Application Date	Approval Date or Expected Approval Date
<b>I. Federal Permits or Authorizations</b>					
Environmental Assessment (T-Line)	Bureau of Land Management ("BLM")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		01/03/08
Environmental Assessment (Project Site)	DOE	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		07/29/11
FONSI/DR (T-Line)	BLM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		07/29/11
Qualifying Small Generator	Federal Energy Regulation Committee	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		10/08/11
Section 401 CW A Certification	NDEP Bureau of Water Pollution Control ("BWPC")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	03/05/11	06/13/11
Section 404 CW A Permit	U.S. Army Corps of Engineers	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	03/05/11	08/26/11
Temporary Working in Waterways	NDEP Bureau of Water Pollution Control ("BWPC")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	04/05/11	05/05/11
<b>II. State of Nevada Permits or Authorizations</b>					
CAPP Permit to Construct	Nevada Division of Environmental Protection ("NDEP") Bureau of Air Pollution Control ("BAPC")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	01/14/11	04/28/11
CAPP Permit to Operate	NDEP BAPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	05/16/11	03/11/11
Surface Area Disturbance Permit	NDEP BAPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/14/11

State of Nevada Renewable Energy Tax Abatement Application AFN: 14-0104GT

Class II AQ Permit to Operate	NDEP BAPC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	02/05/11	03/14/11
Construction Stormwater Permit/SW PPP	NDEP Bureau of Water Pollution Control ("BW PC")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	10/30/10	02/18/11
General Stormwater Permit/SW PPP	NDEP BW PC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	11/21/11	05/12/11
On-Site Sewage Disposal (General) Permit	NDEP BW PC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	08/15/11	06/01/12
Underground Injection Control Permit (UIC)	NDEP BW PC	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	06/25/09	06/26/09
Drilling Permit - Well 66-5 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	07/21/10	07/22/10
Drilling Permit - Well 66A-5 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		11/14/06
Drilling Permit - Well 87-5ST (TG)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/14/11
Drilling Permit - Well 87A-5 (Injection)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		09/24/07
Drilling Permit - Well 53-8 (Production)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/20/07
Drilling Permit - Well 72-8 (Production)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		01/17/07
Drilling Permit - Well 65-8 (Production)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		06/22/10
Drilling Permit - Well 65A-8 (Production)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		12/10/10
Drilling Permit - Well 65B-8 (Production)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		01/20/12
Drilling Permit - Well 65C-8 (Production)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/20/07

State of Nevada Renewable Energy Tax Abatement Application AFN: 14-0104GT

Drilling Permit - Well 42-17 (conductor)	NDOM	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		09/24/07
Hazardous Materials Permit	Nevada State Fire Marshal	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	01/15/11	October 2011
Permit to Appropriate (clean) Water - 70147	Nevada Division of Water Resources ("NDWR")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	10/09/04	07/21/10
Permit to Appropriate (clean) Water - 80549	Nevada Division of Water Resources ("NDWR")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	10/02/11	11/07/11
Permit to Appropriate (clean) Water - 80550	Nevada Division of Water Resources ("NDWR")	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	10/02/11	11/07/11
Permit to Appropriate (geothermal) Water - 70146	NDWR	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements	05/25/04	07/21/10
Makeup Water Well MW 1	NDWR	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		08/27/07
Makeup Water Well MW 2	NDWR	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		08/27/07
Makeup Water Well MW 3	NDWR	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		10/02/12
Makeup Water Well MW 4	NDWR	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		10/02/12
Boiler Pressure Vessel permits	Nevada Division of Industrial Relations	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		09/23/11
<b>III. County Permits or Authorizations</b>					
Parcel Map Approval	Elko County Planning Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		05/18/11
Zoning Designation of M-1	Elko County Planning Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/29/11
Conditional Use Permit	Elko County Planning Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/29/11
Variance (Access Road Width)	Elko County Planning Commission	Local State and Federal regulatory framework	Analysis, Documentation and Application necessary to fulfill regulatory requirements		03/29/11





State of Nevada Renewable Energy Tax Abatement Application AFN:

NOTE: Project contract  
will be purchasing go  
entitled to cl

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

ors, subcontractors, and other entities including owner that  
ods and equipment for the construction of the Facility are  
claim or receive the sales and use tax abatement

**Contractors and Subcontractors List**

<b>3D Concrete, Inc.</b>
86-0850948
P.O. Box 458, Battle Mountain, NV, 89820
idtlisa@battlemountain.net
<b>ABC Fire and Cylinder Service</b>
88-0221330
1025 Telegraph Street, , Reno, NV, 89502
karla@abcfireco.com
<b>Advanced Communication Technology Services</b>
20-5836656
10 Greg Street, Suite 124, Sparks, NV, 89431
invoice@actsreno.com
<b>Ahern Rentals Inc.</b>
88-0381960
4241 S. Arville Street, , Las Vegas, NV, 89103
jerial@ahern.com
<b>Air Filter Sales and Service</b>
20-2465453
64 Hardy Dr., Sparks, NV, 89431
airfiltersales@sbcglobal.net
<b>Applied Mechanical, Inc.</b>
88-0445910
2010 Kleppe Lane, , Sparks, NV, 89431
phess@applied-mech.com
<b>Applied Staffing</b>



**Employment Information**



**New Operations or Expansion**

<b>CONSTRUCTION EMPLOYEES</b>		<b>Full Time</b>	<b>Part Time</b>
Number of anticipated construction employees who will be employed during the entire construction phase?		552	
Percentage of anticipated construction employees who will be Nevada Residents?		271	
Average anticipated hourly wage of construction employees, excluding management and administrative employees:		\$ 42.50	
Number of anticipated construction employees who will be employed during the second-quarter of construction?		284	
Number of anticipated second-quarter construction employees who will be Nevada Residents?		143	
<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		0	



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: Determined by vendors

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

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)	(e) = (c) x (d)	(f) = $\Sigma(e) / \Sigma(c)$	
#	Job Title	# of Nevada Employees	# of Non-Nevada Employees	Total # of Employees	Total Hourly Wage per category (\$)	Average Hourly Wage (\$)
	<b>Construction Employees, excluding</b>					
	Management and Administrative Employees					
	Civil Construction Employees	30	36	66		
	Fire Construction Employees	5		5		
	Mechanical Employees	60	125	185		
	Cooling Tower Construction Employees	15	15	30		
	Electrical Employees	25	50	75		
	T-Line	60	30	90		
	Buildings	16		16		
	Gathering System	20	25	45		
	Ormat	38		38		
	<b>TOTAL</b>	<b>269</b>	<b>281</b>	<b>550</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL CONSTRUCTION PAYROLL</b>	<b>\$ - based on average wage</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.

### FULL TIME EMPLOYEES

		(a)	(b)	(c) = (a)+(b)	(e) = (c) x (d)	(f) = $\Sigma(e) / \Sigma(c)$
#	Job Title	# of Nevada Employees	# of Non-Nevada Employees	Total # of Employees	Total Hourly Wage per job title (\$)	Average Hourly Wage (\$)
	<b>Construction Employees, excluding</b>					
	<b>Management and Administrative Employees</b>					
	Civil Construction Employees	6	12	18		
	Fire Construction Employees					
	Mechanical Employees	30	60	90		
	Cooling Tower Construction Employees	9	9	18		
	Electrical Employees	20	20	40		
	T-Line	30	15	45		
	Buildings	16		16		
	Gathering System	20	25	45		
	Ormat	10		10		
	<b>TOTAL</b>	<b>141</b>	<b>141</b>	<b>282</b>	<b>\$ -</b>	<b>\$ -</b>

<b>TOTAL CONSTRUCTION PAYROLL</b>	<b>\$ -</b>
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**State of Nevada Renewable Energy Tax Abatement Application AFN: 14-0104GT 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.

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

No - the plant and wells for this project was constructed on private land.

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

The facility generates all power in Elko County, including its transmission to the Nevada Utility Company.

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

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

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

See Attached under "Facility Information"

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

No

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

Yes, ORNI 42 LLC previously applied for state or local abatements in the State of Nevada and received a sales/use tax abatement but was denied the property tax abatement. The Jersey Valley facility owned by ORNI 15, LLC, a subsidiary of ONI was approved for the sales/use tax and property tax abatement under Bill 522 on August 25, 2010.

State of Nevada Renewable Energy Tax Abatements Application AFN: 14-0104GT Summary Report Schedules 1 through 8

Company: ORNI 42 LLC

Division:

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



Company Name: ORNI 42 LLC  
 Division:

**Instructions:**

- (1) List each item of real property improvements subject to property tax in Col. A. Pursuant to NRS 361.035, real property includes all houses, buildings, fences, ditches, structures, erections, railroads, toll roads and bridges, or other improvements built or erected upon any land, whether such land is private property or public property, as well as mobile or manufactured
- (2) For each item in Col. A, complete the requested information in Col. B (if applicable), and Col. C through Col. F.
- (3) The total estimated cost reported in Col. F should include estimated or actual costs of labor, materials, supervision, contractors' profit and overhead, architects' plans and specifications, engineering plans, building permits, site preparation costs, sales taxes and insurance; costs of buying or assembling land such as escrow fees, legal fees, right of way costs, demolition, storm drains, rough grading or other land improvement costs, yard improvements including septic systems, signs, landscaping, paving, walls, yard lighting; off-site costs including roads, utilities, park fees, jurisdictional hookup, tap-in, impact
- (4) Use Schedule 3 to report land; Schedule 4 to report operating leases; and Schedule 5 to report contributions in aid of
- (5) Attach additional sheets as necessary.

A	B	C	F
Real Property Improvements Itemized Description	G/L Account No. (if applicable)	Estimated Date of Completion	Estimated Total Construction Cost
Project Management		Qtr. 2, 2012	
Engineering		Qtr. 2, 2012	
Procurement - BOP		Qtr. 2, 2012	
Transportation		Qtr. 2, 2012	
Construction - General		Qtr. 2, 2012	
Construction - Civil		Qtr. 2, 2012	
Construction - Mechanical		Qtr. 2, 2012	
Construction - Electrical		Qtr. 2, 2012	
Building		Qtr. 2, 2012	
Start-up Testing		Qtr. 2, 2012	
Transmission Line & Substation		Qtr. 2, 2012	
Gathering System		Qtr. 2, 2012	
Field Development		Qtr. 2, 2012	
Commissions & Fees		Qtr. 2, 2012	
Pre-Development Costs		Qtr. 2, 2012	
<b>Grand Total</b>			<b>0</b>

State of Nevada Renewable Energy Tax Abatements Application AFN: 14-0104GT Property Tax: Real Property Land Schedule

3

Company: ORNI 42 LLC  
 Division: \_\_\_\_\_

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

A Line #	B Where Situated		D Tax District	E Brief Description, Size of the Land (acre), Date Acquired	F Assessor's Parcel Number (APN)	G Owned (O) Leased (L) Rented (Rtd)	H G/L Account Number (if applicable)	I Purchase Price (if applicable)	J Assessor's Taxable Value
	C County	C City or Town							
1				3,321 Acres lease rights acquired in 2010 from Ellison Ranching	005-120-001 & 005-140-001, 002	L			16,605
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12	<b>Grand Total</b>								<b>16,605</b>















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

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

David O'Neill  
Name of person authorized for signature:

\_\_\_\_\_  
Signature:

Accounting Manager  
Title:

\_\_\_\_\_  
Date:

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 :*

As Marked

*Basis for claims of confidentiality :*

The information redacted contains cost information that is proprietary and its release would benefit competitors of Ormat

State of Nevada  
Renewable Energy Tax Abatements Application  
AFN: 14-0104GT

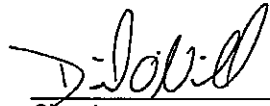
**Attestation and Signature**

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

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

David O'Neill  
Name of person authorized for signature:

Accounting Manager  
Title:

  
Signature:  
01/10/14  
Date:

ORNI 42 LLC

Application Checklist Requirements  
Tuscarora Geothermal Project  
Elko County, Nevada  
(Redacted )

COVER PAGE

**Corporate Profile:**

ORNI 42 LLC 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 utilizing internally designed and manufactured equipment. Ormat currently owns and operates power plants in the United States including: Brady (NV), Desert Peak 2 (NV), Steamboat Complex (NV), Wild Rose, (NV), Jersey Valley (NV), McGinness Hills (NV), Mammoth Complex (CA), Heber Complex (CA), Ormesa Complex (CA), Puna (HI), and owns and operates REG plants in North and South Dakota, Colorado, Minnesota and Montana. Ormat also has operating power plants in Nicaragua, Guatemala, Kenya, and New Zealand.

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

**Summary of Domestic Projects:**

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

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

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

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

McGinness Hills Project: Located in Lander County, NV consists of one (1) plant and has a current generating capacity of 33.7 MW. The McGinness Hills Project operates using 18 full-time employees, excluding administration.

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

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

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

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

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

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

**Description of Proposed Project:**

The Company has developed a geothermal power plant in Elko County ("The Project") that delivers 18 MW of power generation under a 20-year power purchase agreement ("PPA") with Nevada Power Company ("NPC"). The plant was constructed on 3,321 acres of private land leased from Ellison Ranching Company's Spanish Ranch.

The Project consists of three (3) production wells, six (6) injection wells, and two (2) Ormat Energy Converter (OECs) that produce energy from hydrothermal reservoirs containing water which is heated by hot rock located deep within the earth's surface. The geothermal fluid is pumped to the surface where heat is extracted for commercial use, after which the geothermal fluid is injected back into the hydrothermal reservoir where it is reheated. The OEC units were manufactured by an Ormat subsidiary company. The energy changes ownership to NV Energy after the step-up transformer in the plant's switchyard, located in Elko County.



The Project consumed approximately 7.5 MWh of diesel fuel power generation during construction. The generating facility uses electrical power supplied from the grid (under an agreement with Sierra Pacific Power Company) for the sole purpose of start up or after plant shutdown. Approximately 1.5 MWh of electricity is used for the startup process and expected average use is approximately 4 times a year. The power plant will also use 300kW of diesel power that will supply essential power to critical systems during shutdowns and grid power losses. The project operates on the Organic Rankine Cycle (ORC), using organic fluid (pentane), which is vaporized by heat from the geothermal fluid, and is used to drive the turbines. The pentane is then condensed and recycled back to the heat exchanger to be reused in a closed loop.

The substation and transmission line is owned by ORNI 42 LLC.

The substation is located in Elko County, Nevada and includes a transformer, supporting equipment, and controls that step up energy voltage from 12.47 kV to transmission voltage of 120 kV.

The 120 kV transmission line is located in Elko County, Nevada. The transmission line length is approximately 24.5 miles, of which 16 miles is located on private land. The remaining 8.5 miles is located on BLM land for which ORNI 42 LLC has obtained a Right-of-Way grant from the BLM (NVN-089518). The transmission line connects the Project's substation to Sierra Pacific Power Company's Humboldt Substation, located about 7 miles west of the intersection of State Route 226 and 225.

The construction of the facility began April 20, 2011 and operation commenced on November 22, 2011.

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

The Company is requesting abatement for Property Tax.

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

- Offer the lowest cost renewable to the Utility and residents of Nevada. The abatement reduces cost to the rate payer,
- Significantly impact the Company's ability to continue future exploration and expand the Project in the future, if supported and,

- Stabilize the local economy by requiring a mandatory percentage of employees be residents of Nevada.

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

Portions Redacted

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

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

Employment Information:

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

Nevada vendors include:

3D Concrete, Inc. ,Battle Mountain  
ABC Fire & Cylinder Service ,Reno  
Advanced Communication Technology Services ,Sparks  
Ahern Rentals Inc. ,Las Vegas  
Air Filter Sales and Service ,Sparks  
Applied Mechanical, Inc. ,SPARKS  
Applied Staffing Solutions ,Reno  
Aztech Inspections & Testing, LLC ,Las Vegas  
Black Eagle Consulting, Inc. ,Reno  
BOSS TANKS INC. ,ELKO

Burgarello Alarm, Inc. ,Sparks  
Canyon Construction Co. ,Elko  
Carson Pump, LLC ,Carson City  
Charles H. Chester Plumbing and Heating Inc. ,Elko  
ChemTreat, Inc. ,Minden  
Chicken Hawk Transport ,SPARKS  
Chilton Engineering & Surveying Ltd. ,Elko  
Clean Harbors Environmental Services ,Reno  
CLP Resources, Inc. ,Reno  
Code Review Services, Inc. ,Sparks  
Converse Consultants ,Reno  
Davis Laboratories Inc. ,Las Vegas  
Eagle Communications, LLC ,Elko  
Ed's Place Equipment Rental LLC ,Elko  
Elko Sanitation ,Elko  
Ellison Electric LLC ,Elko  
Ellison Minerals, Inc. ,Tuscarora  
Emerson Network Power - Electrical Reliability Services , Las Vegas  
Farr West Engineering dba Farr West-Chilton Engineering ,Elko  
Grandinetti Trucking Inc. ,Yerington  
Great Basin Welding Services, LLC ,Reno  
Grove Madsen Industries ,Reno  
Hammond Homes and Construction LLC ,Fallon  
Huck Salt Company, Inc. ,Fallon  
Hydro Resources-West, Inc. ,Winnemucca  
J.C.'S XPRESS INC. ,Sparks  
Jacques Errecart ,Elko  
JBR Environmental Consultants ,Elko  
JP Engineering ,Reno  
Julie's Sign Shoppe, Inc. ,Reno  
M&H Enterprises, Inc. ,Las Vegas  
McBride Machine Inc. ,Sparks  
Merit Electric Company ,Reno  
Nevada Energy Systems Inc. ,Reno  
Northern Sierra Construction Inc. ,Reno  
NV Energy ,RENO  
Office Furniture Sales & Supply ,Elko  
Pro Fire Pro Design ,Reno  
Reed Electric & Field Service ,Reno

Reese River Associates LLC ,Sparks  
Reno Windustrial Company ,Reno  
RFI Communications, Inc. ,Reno  
Robison Engineering Company, Reno  
Ruby Mountain Natural Spring Water ,Spring Creek  
SCS Engineers ,North Las Vegas  
Sierra Chemical Company ,Sparks  
Sierra Electronics ,SPARKS  
Sierra EnvironmentalMonitoring, Reno  
Slater Seeding Inc. ,Elko  
Sterling Crane, LLC ,Arvada  
Stonehouse Drilling and Construction, LLC ,Reno  
Taylor Made Iron Services, LLC ,Elko  
Terry's Pumpin & Potties, Inc. ,Elko  
The Best Company Inc. dba Colorado TBC, Inc., Fallon  
Thurston Testing Laboratory ,Elko  
Tipton's Pest Control ,Elko  
Titan Wire & Cable LLC ,Sparks  
Tobey-Wade Consulting ,Reno  
Tri Sage Consulting, Reno  
US Geomatics ,Reno  
Wedco Inc. ,Reno  
WetLab Western Environmental Testing Laboratory ,Sparks  
Wolf Machine, Inc. ,Sparks  
WWW CONSTRUCTION INC ,RENO  
Zonge Geosciences, Inc. ,Reno

ONI used outside vendors who ensured that:

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

**Annual Report:** ORNI 42 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:** See attached PUC document which references an existing Power Purchase Agreement with local power company.

**Business Plan:** Redacted

**PUC Docket:** See attached

**List of Permits:** Redacted

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

**Property Tax Assessment Schedules:** Redacted