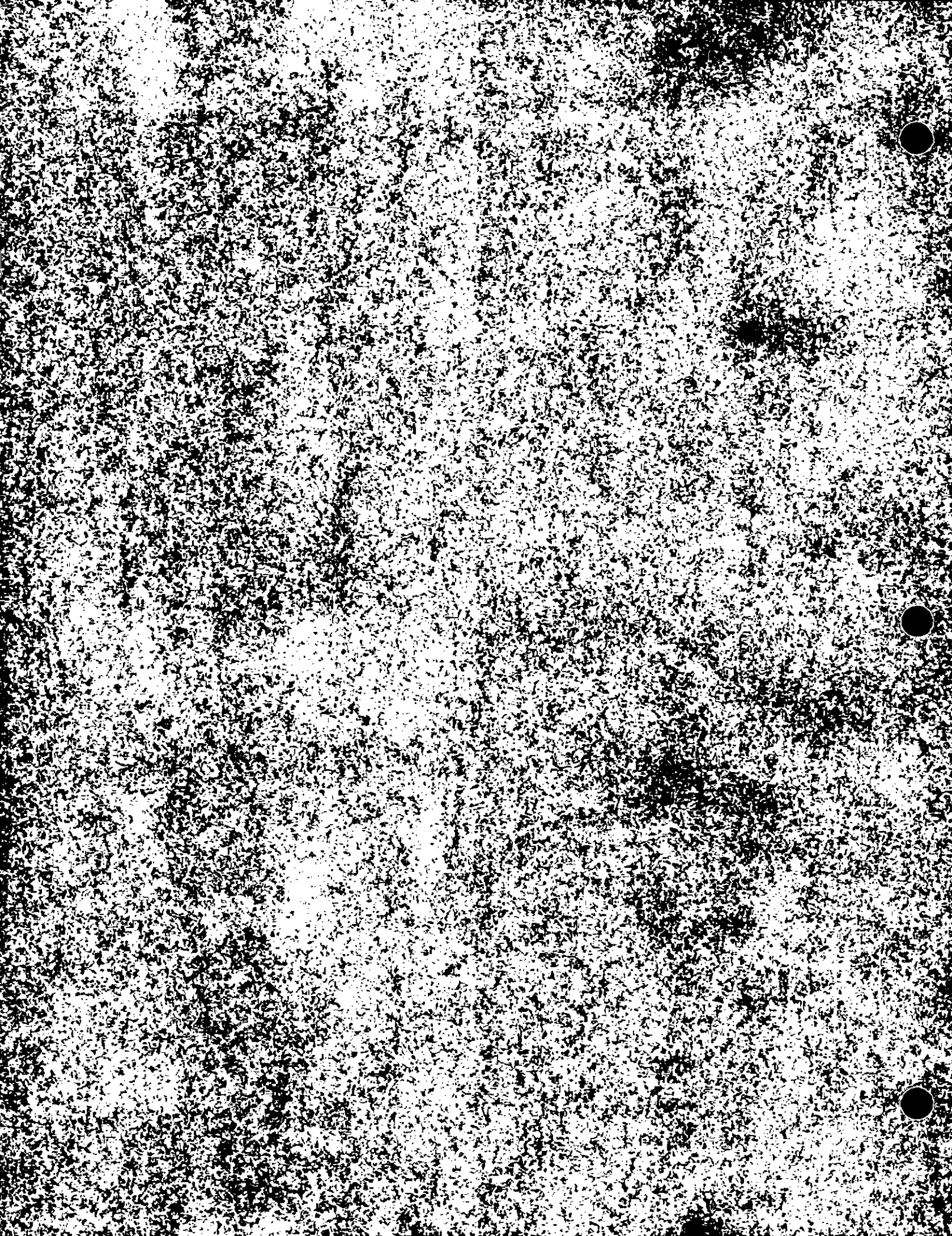


**Lander County**  
**Board of Commissioners**

**Special Meeting**

**January 30, 2014**

**PUBLIC PACKET**



# SPECIAL AGENDA

## LANDER COUNTY COMMISSIONERS MEETING TOWN BOARD OF BATTLE MOUNTAIN & AUSTIN BOARD OF COUNTY HIGHWAY COMMISSIONERS

JANUARY 30, 2014

LANDER COUNTY COURTHOUSE  
COMMISSIONERS CHAMBER  
315 SOUTH HUMBOLDT STREET  
BATTLE MOUNTAIN, NEVADA

Also Via Teleconference At

AUSTIN COURTHOUSE  
COMMISSION OFFICE  
122 MAIN STREET  
AUSTIN, NEVADA

- 9:00 A.M. Call to Order  
Pledge of Allegiance  
\*Discussion for possible action regarding approval of Agenda Notice.

Public Comment - For non-agendized items only. *Persons are invited to submit comments in writing and/or attend and make comments on any agenda item at the Board meeting. All public comment may be limited to three (3) minutes per person, at the discretion of the Board. Reasonable restrictions may be placed on public comments based upon time, place and manner, but public comment based upon viewpoint may not be restricted.*

### \*COMMISSIONERS

- \*(1) Discussion for possible action regarding providing notice to the Director of the Nevada Office of Energy that the Board of Lander County Commissioners intends to consider an application submitted by ORNI 39, LLC (owned by Ormat Nevada, Inc.), for a partial abatement of taxes imposed pursuant to Chapter 361 of the Nevada Revised Statutes (NRS) submitted pursuant to NRS 701A.365, for the McGinness Hills geothermal power plant located in Lander County; discussion regarding the information that needs to be provided at the February 13, 2014 Commission meeting on whether to approve or deny the application; and other matters properly related thereto.

*Public comment.*

- \*(2) Discussion for possible action regarding requesting a presentation by ORNI 39, LLC (owned by Ormat Nevada, Inc.), concerning the McGinness Hills geothermal power plant based upon the application submitted for a partial abatement of taxes pursuant to Nevada Revised Statutes (NRS) 701A.360, and other matters properly related thereto.

*Public comment.*

Public Comment - For non-agendized items only. *Persons are invited to submit comments in writing and/or attend and make comments on any agenda item at the Board meeting. All public comment may be limited to three (3) minutes per person, at the discretion of the Board. Reasonable restrictions may be*

*placed on public comments based upon time, place and manner, but public comment based upon viewpoint may not be restricted.*

**ADJOURN**

\*Denotes discussion/action item with information provided at the meeting. Action may be taken according to the "Nevada Open Meeting Law Manual" via a telephone conference call in which a quorum of the Board members is simultaneously linked to one another telephonically.

**NOTE: TIMES ARE APPROXIMATE**

This is the tentative schedule for the meeting. The Board reserves the right to take items out of order to accomplish business in the most efficient manner. The Board may combine two or more agenda items for consideration. The Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

*Notice to persons with disabilities:* Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the County Clerk in writing at the Courthouse, 315 S. Humboldt Street, Battle Mountain, Nevada 89820, or call (775) 635-5738 at least one day in advance of the meeting.

**NOTICE:** Any member of the public that would like to request any supporting material from the meeting, please contact Sadie Sullivan, Lander County Clerk, 315 S. Humboldt Street, Battle Mountain, Nevada 89820 (775) 635-5738.

**AFFIDAVIT OF POSTING**

State of Nevada    )  
                                  ) ss.  
County of Lander    )

Molly Gonzalez, Executive Secretary, of said Lander County, Nevada, being duly sworn, says, that on the 24<sup>th</sup> day of January A.D., 2014, she posted a notice, of which the attached is a copy, at the following places: 1) Battle Mountain Civic Center, 2) Battle Mountain Post Office, 3) Lander County Courthouse 4) Swackhamer's Plaza Bulletin Board, and 5) Austin Courthouse, in said Lander County, where proceedings are pending.

MOLLY GONZALEZ, EXECUTIVE SECRETARY *Molly Gonzalez*  
Subscribed and sworn to before me this 24<sup>th</sup> day of January 2014.

WITNESS *Gregory E. Egan*



January 31, 2014

*VIA FAX (775) 687-1869 and U.S. MAIL*

Brita Tryggvi, Deputy Director  
Nevada Office of Energy  
755 North Roop Street, Suite 202  
Carson City, Nevada 89701

Dear Ms. Tryggvi:

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Garner". The signature is written in a cursive, flowing style.

Brian Garner, Chairman  
Lander County Board of Commissioners



January 30, 2014

*VIA FAX (775) 687-1869 and U.S. MAIL*

Paul Thomsen, Director  
Nevada Office of Energy  
755 North Roop Street, Suite 202  
Carson City, Nevada 89701

Dear Mr. Thomsen:

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

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

Sincerely,

Brian Garner, Chairman  
Lander County Board of Commissioners



January 30, 2014

*VIA FAX (775) 687-1869 and U.S. MAIL*

Paul Thomsen, Director  
Nevada Office of Energy  
755 North Roop Street, Suite 202  
Carson City, Nevada 89701

Dear Mr. Thomsen:

This letter shall serve as notice, pursuant to Nevada Revised Statutes ("NRS") 701A.360, that the Lander County Board of Commissioners would like a presentation by ORNI 39, LLC (owned by Ormat Nevada, Inc.) ("Ormat"), concerning the McGinness Hills geothermal power plant pursuant to Nevada Revised Statutes (NRS) 701A.360.

Lander County requests that Ormat provide its presentation at the Commission meeting on Thursday, February 13, 2014.

Sincerely,

Brian Garner, Chairman  
Lander County Board of Commissioners

cc: Ormat, 6225 Neil Road, Reno, Nevada 89511

**PARTIAL ABATEMENT**

NRS 701A.365(2)

The board of county commissioners:

**DENY**

(b) May, in considering an application pursuant to this subsection, **deny an application only if** the board of county commissioners determines, based on relevant information, that:

(1) The projected cost of the services that the local government is required to provide to the facility will exceed the amount of tax revenue that the local government is projected to receive as a result of the abatement; or

(2) The projected financial benefits that will result to the county from the employment by the facility of the residents of this State and from capital investments by the facility in the county will not exceed the projected loss of tax revenue that will result from the abatement . . . .

**APPROVE**

(c) **Must not condition the approval** of the application on a requirement that the facility agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility . . .





February 13, 2014

*VIA FAX (775) 687-1869 and U.S. MAIL*

Paul Thomsen, Director  
Nevada Office of Energy  
755 North Roop Street, Suite 202  
Carson City, Nevada 89701

Dear Mr. Thomsen:

The Lander County Board of Commissioners ("Board") approves/denies the application submitted by ORNI-39, LLC (owned by Ormat Nevada, Inc.), for a partial abatement of taxes for the McGinness Hills geothermal power plant located in Lander County.

APPROVE: Pursuant to Nevada Revised Statutes ("NRS") 701A.365, the Board approves the application and with no conditions as required under NRS 701A.365(2)(c).

(c) **Must not condition the approval** of the application on a requirement that the facility agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility

DENY: Pursuant to Pursuant to Nevada Revised Statutes ("NRS") 701A.365, the Board denies the application because . . . as required under NRS 701A.365(2)(b).

(b) May, in considering an application pursuant to this subsection, **deny an application only if** the board of county commissioners determines, based on relevant information, that:

(1) The projected cost of the services that the local government is required to provide to the facility will exceed the amount of tax revenue

that the local government is projected to receive as a result of the abatement; or

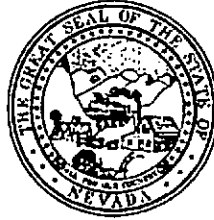
(2) The projected financial benefits that will result to the county from the employment by the facility of the residents of this State and from capital investments by the facility in the county will not exceed the projected loss of tax revenue that will result from the abatement . . . .

Sincerely,

Brian Garner, Chairman  
Lander County Board of Commissioners

BRIAN SANDOVAL  
Governor

STATE OF NEVADA



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

**GOVERNOR'S OFFICE OF ENERGY**

---

January, 29, 2014

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

---

**ORDER OF RECUSAL**

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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

**Lander County Treasurer Grace Powrie**

From: Lander County Treasurer Grace Powrie [treasurer@landercountynv.org]  
 Sent: Wednesday, January 29, 2014 2:57 PM  
 To: loiyabe1@gmail.com  
 Cc: Grace Powrie  
 Subject: Ormat for 3 years

Unsecured Tax Billing & Payment History

Account #.....	MM 000180	Current Owner...	ORMAT NEVADA, INC	1/29/14	Balance ..
Property Loc...	1350 GRASS VALLEY ROAD				
Set to Tax Year...	Show Special Assessments for Year...	Date	Amount		
Yr/Typ	Billed to/Payer/Adj Reason				
2011-12	ORMAT NEVADA, INC	12/14/11	30,869.22		30,869.22
Pmt-Ck	ORMAT NEVADA, INC	01/13/12	15,434.61		15,434.61
Pmt-Ck	ORMAT NEVADA, INC	03/05/12	15,434.61		.00
2012-13	ORMAT NEVADA, INC	12/13/12	1,885,175.89		1,885,175.89
Pmt-Ck	ORMAT NEVADA, INC	01/28/13	1,885,175.89		.00
2013-14	ORMAT NEVADA, INC	12/11/13	2,081,453.55		2,081,453.55
Pmt-Ck	ORMAT NEVADA, INC	01/21/14	2,081,453.55		.00

Year... 2012

Amount to Apportion.....	30,869.22	% of Total
Description	Amount	
Hospital	4,700.49	15.2271
School	6,900.31	22.3534
STATE	1,564.07	5.0668

Year... 2013

Amount to Apportion.....	1,885,175.89	% of Total
Description	Amount	
Hospital	287,057.81	15.2271
School	421,400.19	22.3534
STATE	95,517.38	5.0668

Year... 2014

Amount to Apportion.....	2,081,453.55	% of Total
Tax # Description	Amount	
Hospital	316,945.23	15.2271
School	465,274.84	22.3534
STATE	105,462.30	5.0668

O.K. Ray,  
 Here is the scoop.  
 Grace

**Ray Williams**

---

**From:** Lander County Treasurer Grace Powrie <treasurer@landercountynv.org>  
**Sent:** Wednesday, January 29, 2014 2:57 PM  
**To:** toiyabe1@gmail.com  
**Cc:** 'Grace Powrie'  
**Subject:** Ormat for 3 years

**Unsecured Tax Billing & Payment History**

Account #..... MM 000180 Current Owner... ORMAT NEVADA, INC  
Property Loc... 1350 GRASS VALLEY ROAD 1/29/14  
Set to Tax Year... Show Special Assessments for Year... 13:57:15

Yr/Typ	Billed to/Payer/Adj Reason	Date	Amount	Balance
2011-12	ORMAT NEVADA, INC	12/14/11	30,869.22	30,869.22
Pmt-Ck	ORMAT NEVADA, INC	01/13/12	15,434.61-	15,434.61
Pmt-Ck	ORMAT NEVADA, INC	03/05/12	15,434.61-	.00
2012-13	ORMAT NEVADA, INC	12/13/12	1,885,175.89	1,885,175.89
Pmt-Ck	ORMAT NEVADA, INC	01/28/13	1,885,175.89-	.00
2013-14	ORMAT NEVADA, INC	12/11/13	2,081,453.55	2,081,453.55
Pmt-Ck	ORMAT NEVADA, INC	01/21/14	2,081,453.55-	.00

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Year... 2013

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Year... 2014

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Hospital	316,945.23	15.2271
School	465,274.84	22.3534
STATE	105,462.30	5.0668

O.K. Ray,  
Here is the scoop.  
Grace

**ORMAT - MCGINNESS HILLS**

Tax Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Real Property	61,182,945	60,265,201	59,361,223	58,470,804	57,593,742	56,729,836	55,878,889	55,040,705	54,215,095	53,401,868
Personal Property	853,701	811,016	770,465	731,942	695,345	660,578	627,549	596,171	566,363	538,045
Net Assessed	62,036,646	61,076,217	60,131,688	59,202,746	58,289,087	57,390,414	56,506,437	55,636,877	54,781,457	53,939,913
Taxes	\$2,081,454	\$2,049,229	\$2,017,538	\$1,986,371	\$1,955,715	\$1,925,563	\$1,895,904	\$1,866,728	\$1,838,027	\$1,809,792
55% abated taxes	\$1,144,799	\$1,127,076	\$1,109,646	\$1,092,504	\$1,075,643	\$1,059,060	\$1,042,747	\$1,026,701	\$1,010,915	\$995,386

Tax Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Real Property	52,600,840	51,034,650	50,269,130	49,515,093	48,772,367	48,040,781	47,320,170	46,610,367	45,911,212	45,222,543
Personal Property	511,142	461,306	438,241	416,329	395,512	375,737	356,950	339,102	322,147	306,040
Net Assessed	53,111,983	51,495,956	50,707,371	49,931,422	49,167,879	48,416,518	47,677,119	46,949,469	46,233,359	45,528,583
Taxes	\$1,782,013	\$1,727,792	\$1,701,334	\$1,675,299	\$1,649,681	\$1,624,471	\$1,599,663	\$1,575,249	\$1,551,222	\$1,527,575
55% abated taxes	\$980,107	\$950,286	\$935,734	\$921,414	\$907,324	\$893,459	\$879,814	\$866,387	\$853,172	\$840,166

**Estimated abated taxes for 20 years**      **\$19,712,341**

(Approximately 1.5% decline in value each year for real property improvements, accounting for the 1.5% depreciation each year, excluding cost index factors.)  
 (Approximately 5% decline in value each year for personal property equipment, excluding cost index factors.)

January 31, 2014

RECEIVED

FEB 03 2014

LANDER CO. CLERK

Electronic Filing and US Mail

Donna Skau  
Commission Secretary  
Public Utilities Commission of Nevada  
1150 E. William Street  
Carson City, NV 89701

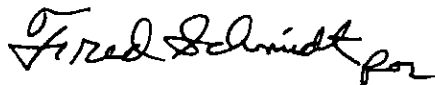
RE: Docket No. 14-\_\_\_\_\_. Application of ORNI 39 LLC, for authority under the provisions of the Utility Environmental Protection Act for a permit to construct a 230-kV transmission line and associated facilities, including a 48 MW geothermal energy generating facility, to be located in Lander County, Nevada.

Dear Ms. Skau:

Accompanying this letter, for filing with the Public Utilities Commission of Nevada (the "Commission") and pursuant to the Nevada Utility Environmental Protection Act, is the Application of ORNI 39 LLC for authority under the provisions of the Utility Environmental Protection Act for a permit to construct a 230-kV transmission line and associated facilities, including a 48 MW geothermal energy generating facility, to be located in Lander County, Nevada. Also enclosed is a Draft Notice for the Application and a check for \$200.00 for the filing fee.

Please contact me at 775-327-3067 if you have any questions or require additional information.

Very truly yours,



Bryce C. Alstead  
for HOLLAND & HART LLP

BCA/cma  
Enclosures  
cc: Parties of Record

## PUBLIC UTILITIES COMMISSION OF NEVADA

### COVER SHEET

Pursuant to the Utility Environmental Act Permit Application Guidelines of the Public Utilities Commission of Nevada, the following information is provided as part of the cover sheet to the Application of ORNI 39, LLC, for authority under the provisions of the Utility Environmental Protection Act for a permit to construct a 230-kV transmission line and related facilities, including a 48 MW geothermal energy generating facility ("Proposed Project").

- **Name of the Applicant:** ORNI 39, LLC
- **Name of the Proposed Facility:** McGinness Hills II and McGinness Hills II 230 kV Transmission Line Extension

- **Name, Address and Telephone Number for Additional Information:**

Randy Peterson  
Kyle Snyder  
Ormat Nevada, Inc.  
6225 Neil Road  
Reno, Nevada 89511  
Telephone: (775) 356-9029  
Email: [repeterson@ormat.com](mailto:repeterson@ormat.com)  
Email: [ksnyder@ormat.com](mailto:ksnyder@ormat.com)

Fred Schmidt  
Bryce Alstead  
Holland & Hart LLP  
377 South Nevada Street  
Carson City, Nevada 89703  
Telephone: (775) 684-6000  
Email: [fschmidt@hollandhart.com](mailto:fschmidt@hollandhart.com)  
Email: [balstead@hollandhart.com](mailto:balstead@hollandhart.com)

- **Environmental Statement Abstract:**

The Applicant has attached copies of the Final Environmental Assessment and the Finding of No Significant Impact ("FONSI") to the Application. *See* Exhibits 1 and 2 of the Application. Through the environmental assessment process, the Bureau of Land Management ("BLM") conducted a resource evaluation, analyzed each resource, assessed the cumulative impact related to the Proposed Project and identified the mitigation measures, which are included in the Final Environmental Assessment. The FONSI issued by the BLM concluded that net effects of the Applicant's geothermal facilities (both McGinness I and McGinness II) would be positive for public health and safety; that the construction of McGinness I and McGinness II would not disturb any wetlands or riparian vegetation; and that project-specific mitigation measures would serve to mitigate environmental impacts.

- **Public Notice:**

A copy of the Public Notice of the Amended Application and proof of publication of the Public Notice, as required by Nevada Revised Statutes 704.870 are attached as Exhibit 7 of the Application.



Holland & Hart LLP  
777 East William Street, Suite 200  
Carson City, Nevada 89701

1                                    **BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA**

2  
3 Application of ORNI 39 LLC, for authority                                    )  
4 under the provisions of the Utility Environmental                                    )  
5 Protection Act for a permit to construct a 230-kV                                    )                                    Docket No. 14- \_\_\_\_\_  
6 transmission line and associated facilities, including a                                    )  
7 48 MW geothermal energy generating facility, located in                                    )  
8 Lander County, Nevada.                                    )  
9 \_\_\_\_\_ )

10                                    **APPLICATION OF ORNI 39 LLC FOR A PERMIT TO CONSTRUCT A 230 KV**  
11 **TRANSMISSION LINE AND ASSOCIATED FACILITIES, INCLUDING A 48 MW**  
12 **GEOTHERMAL ENERGY GENERATING FACILITY UNDER THE**  
13 **UTILITY ENVIRONMENTAL PROTECTION ACT**

14                                    **TABLE OF CONTENTS**

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# SPECIAL AGENDA

## LANDER COUNTY COMMISSIONERS MEETING TOWN BOARD OF BATTLE MOUNTAIN & AUSTIN BOARD OF COUNTY HIGHWAY COMMISSIONERS

JANUARY 30, 2014

LANDER COUNTY COURTHOUSE  
COMMISSIONERS CHAMBER  
315 SOUTH HUMBOLDT STREET  
BATTLE MOUNTAIN, NEVADA

Also Via Teleconference At

AUSTIN COURTHOUSE  
COMMISSION OFFICE  
122 MAIN STREET  
AUSTIN, NEVADA

- 9:00 A.M. Call to Order  
Pledge of Allegiance  
\*Discussion for possible action regarding approval of Agenda Notice.

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### \*COMMISSIONERS

- \*(1) Discussion for possible action regarding providing notice to the Director of the Nevada Office of Energy that the Board of Lander County Commissioners intends to consider an application submitted by ORNI 39, LLC (owned by Ormat Nevada, Inc.), for a partial abatement of taxes imposed pursuant to Chapter 361 of the Nevada Revised Statutes (NRS) submitted pursuant to NRS 701A.365, for the McGinness Hills geothermal power plant located in Lander County; discussion regarding the information that needs to be provided at the February 13, 2014 Commission meeting on whether to approve or deny the application; and other matters properly related thereto.

*Public comment.*

- \*(2) Discussion for possible action regarding requesting a presentation by ORNI 39, LLC (owned by Ormat Nevada, Inc.), concerning the McGinness Hills geothermal power plant based upon the application submitted for a partial abatement of taxes pursuant to Nevada Revised Statutes (NRS) 701A.360, and other matters properly related thereto.

*Public comment.*

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