

A Renewable Energy Solution on Hawaii Island – The Puna Geothermal Plant

Puna Geothermal Venture
Pahoa, Hawai'i
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WORLD BANK GROUP

Puna Geothermal Venture, Hawaii



Green energy you can rely on

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Introduction

Market leader with proven track record in the geothermal sector

Our mission is to become a leading global renewable energy provider



50
Years of
experience



595
\$million Revenue
in 2015

Own &
Operate nearly
700 MW

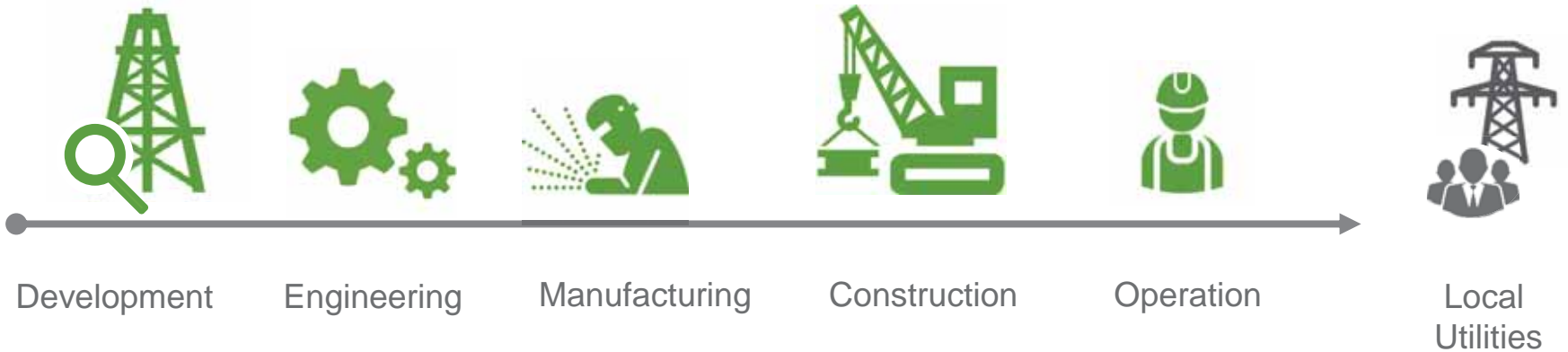


1,060
Employees



The Only Vertically Integrated Geothermal Player

Electricity Segment



66% of total revenues¹

(1) Five years average (2011-2015)

The Only Vertically Integrated Geothermal Player

Products Segment



Engineering



Manufacturing



Construction



Local Utilities,
Developers
C&I

34% of total revenues¹

(1) Five years average (2011-2015)

Why Geothermal



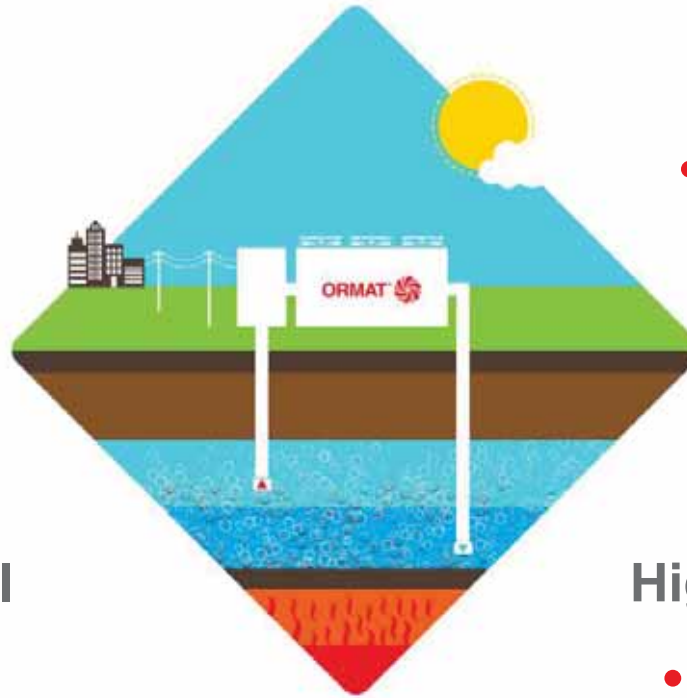
Renewable

- Supporting legislation
- Growing demand



Global growth potential

- Estimated 10X the installed capacity



Competitive

- Firm & flexible
- Cost effective

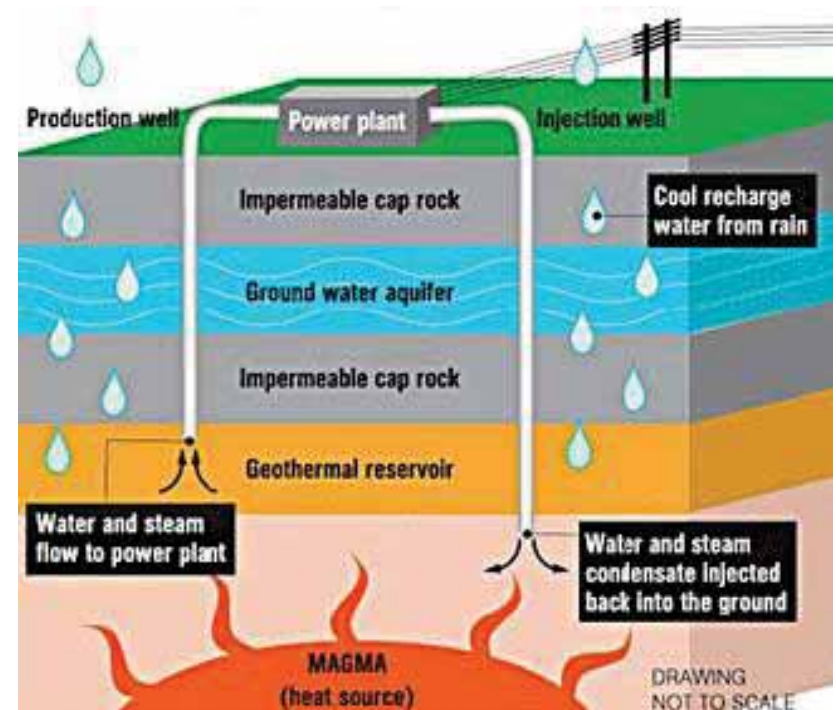
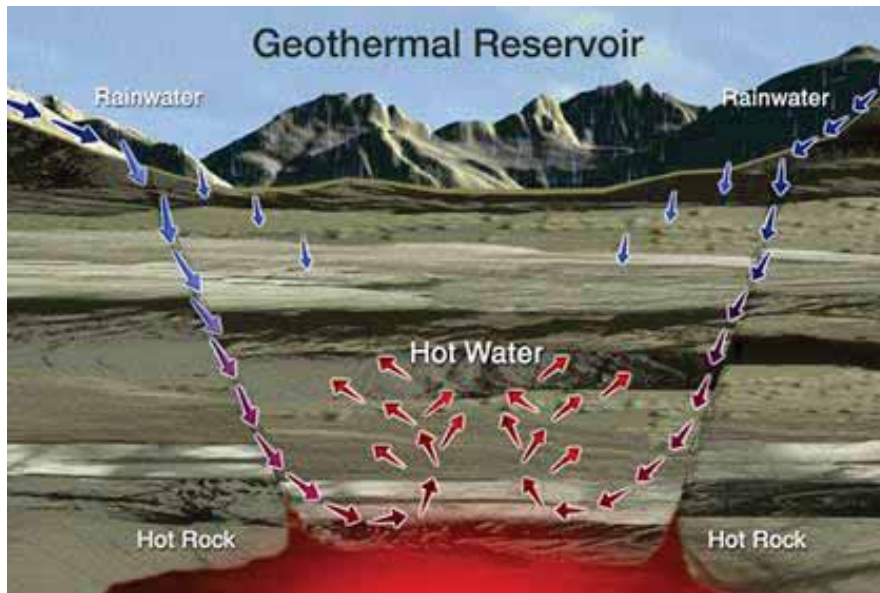


High entry barriers

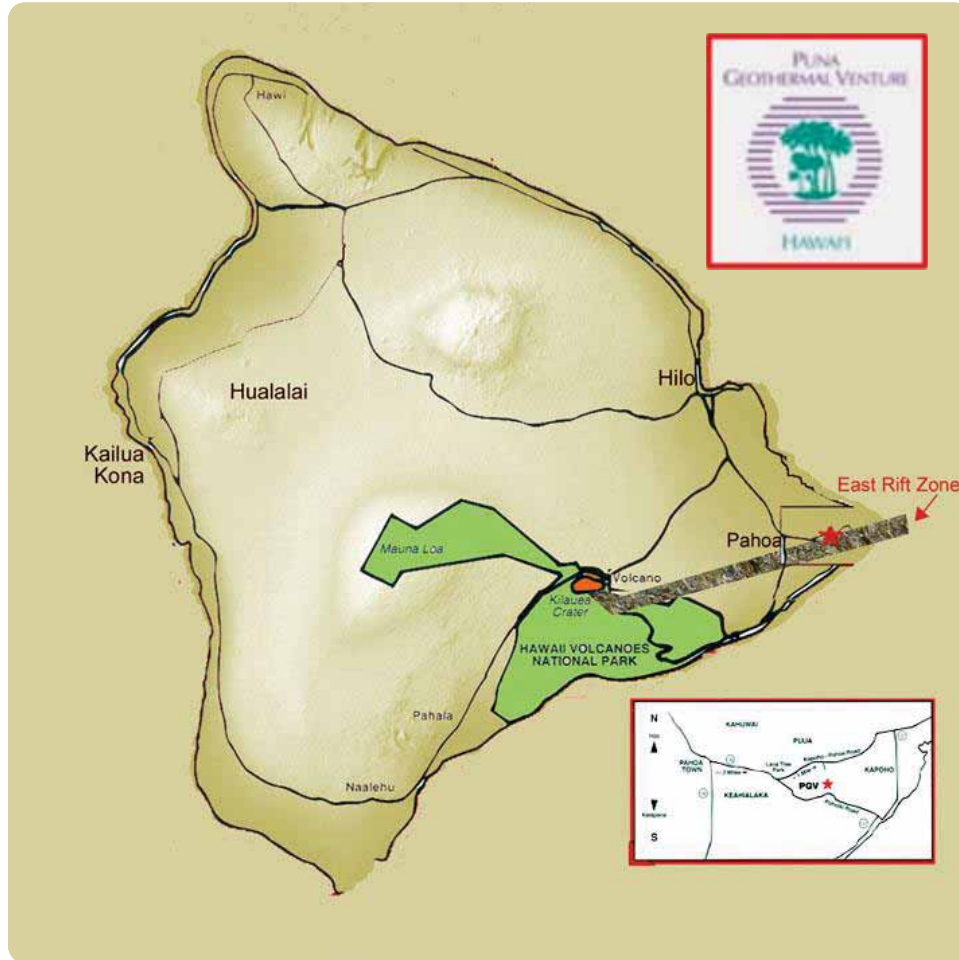
- Niche market
- Capital intensive
- Expertise

Geothermal Overview

Geothermal delivers cost-effective, clean and reliable electricity



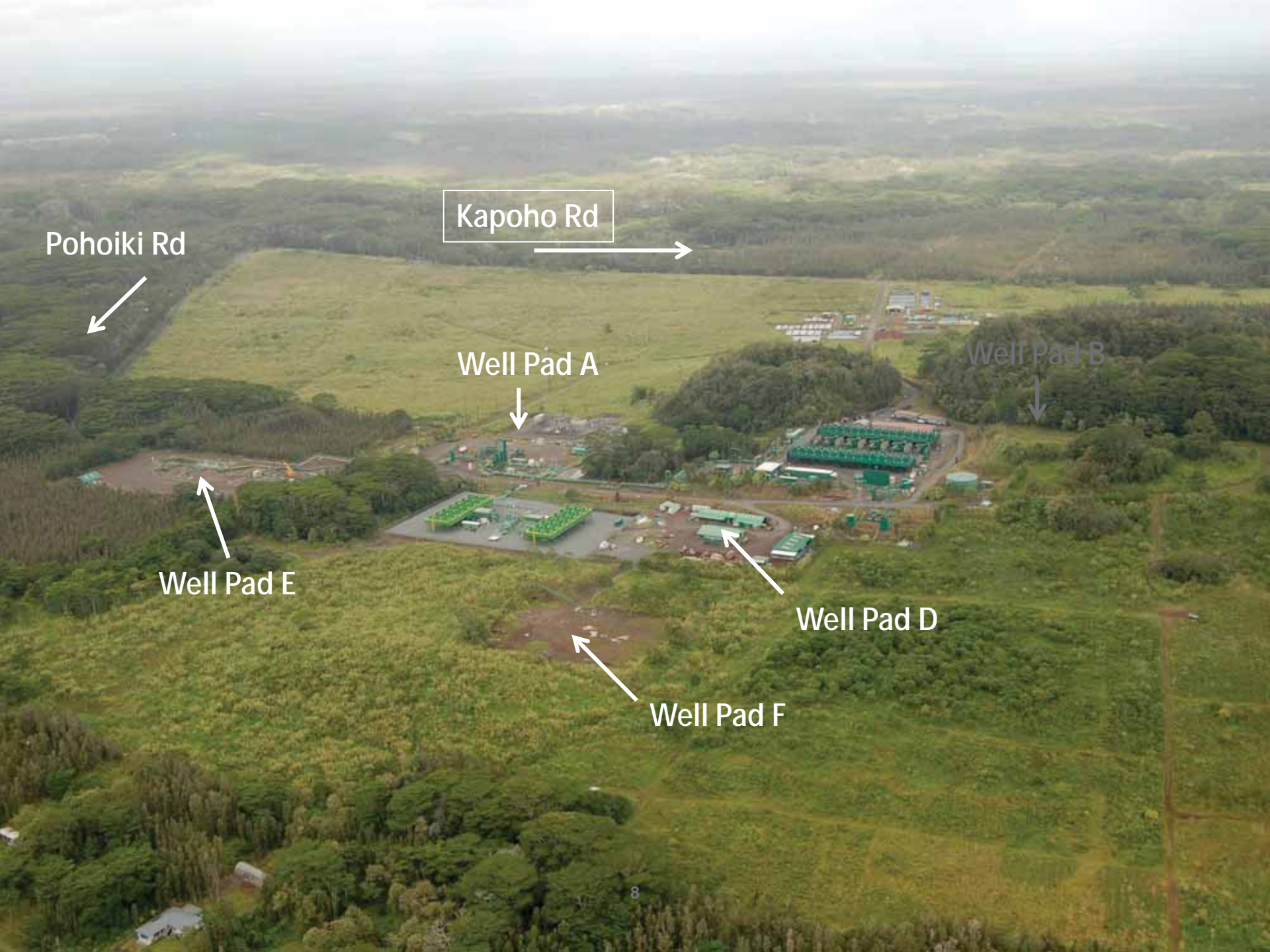
Puna Geothermal Venture Site



Online since 1993

Today: 6 production wells
5 injection wells





Kapoho Rd

Pohoiki Rd

Well Pad A

Well Pad B

Well Pad E

Well Pad D

Well Pad F

Hawai'i Geothermal History



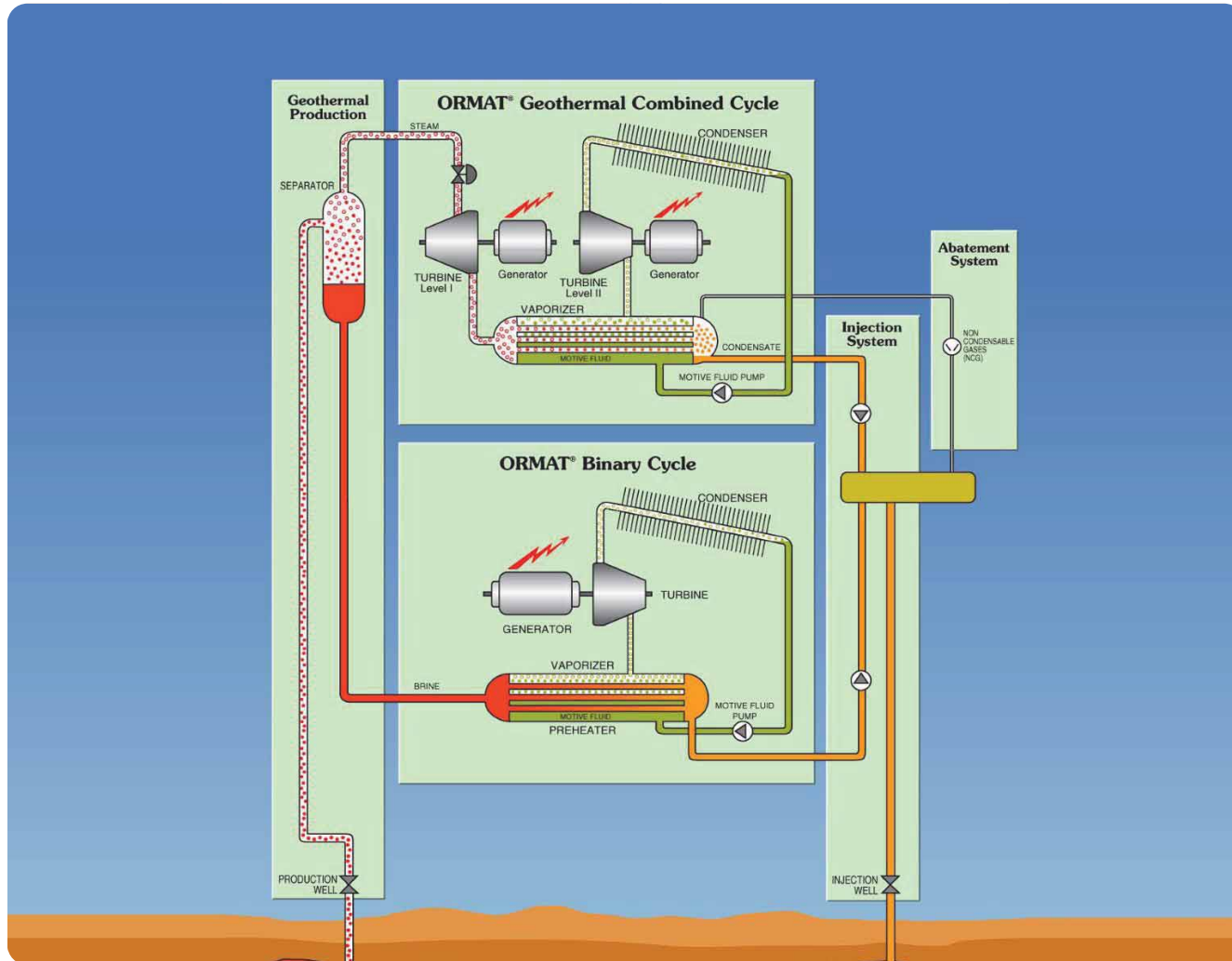
- 1961–1962: First geothermal wells drilled in Kapoho by Richard Lyman
- 1981–1989: HGP-A 3 MW geothermal facility proves viability; but with drawback of H₂S emissions release and noise (Ormat was not involved)
- 1993: First commercial geothermal power plant startup, 25 MW facility located in Puna
- 1995: 5 MW Expansion
- 2012: Commercial Operation for 8 MW Expansion

PGV Operations



- Dispatchable between 38 – 22 MW, air-cooled, power plant
- Firm pricing has saved rate payers over \$10 million in 2012 - 2014
- 100% re-injection
- No fossil fuel consumption
- Near-zero emissions
- Utilizes best available control technology for noise mitigation, clean

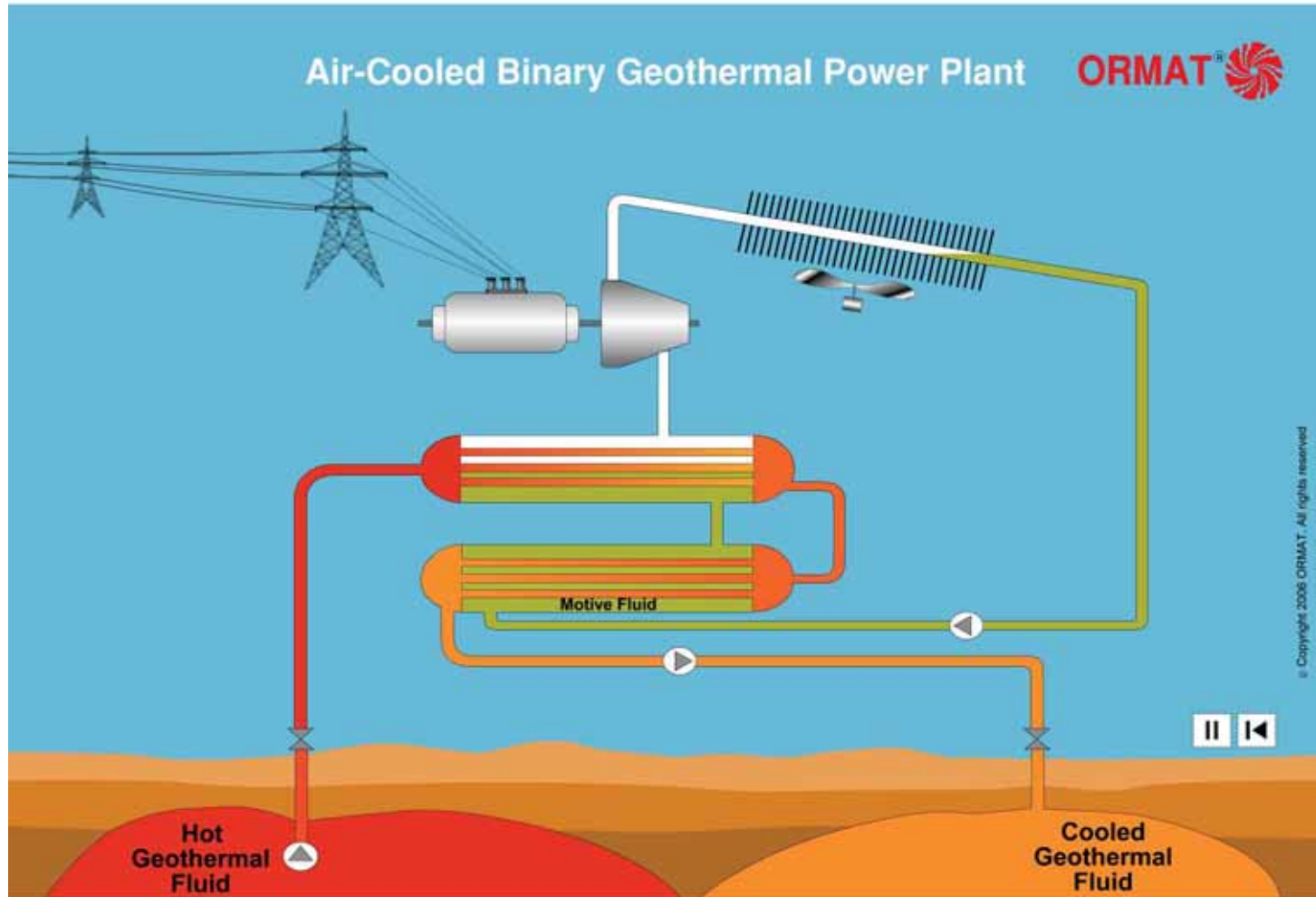
How it Works...



Lower Power Plant
Binary Unit



How it Works...



Geothermal Benefits



- Dispatchable & baseload
- Reliable, sustainable, and renewable
- Emergency grid response
- Low land utilization
- Highest local economic benefits
- Sustainable clean energy jobs
- No fuel consumption
- Contributes to energy diversity
- Tax base and payroll contribution affecting local economy in excess of \$4 million annually

On-going Efforts

- Fostering relationships with all stakeholders & neighbors
 - Regular community meetings
 - Numerous site tours
- Maintain ongoing relationships
 - Cultural and environmental stewardship, reciprocity
 - Internship program and scholarship participation with Hawai'i Community College
 - Continued close communications with Civil Defense, Fire Department Routine and regular updates to government agencies, legislators

Tropical Storm Iselle, Aug. 7, 2015



PGV Employees Clearing Trees for Trapped Neighbors



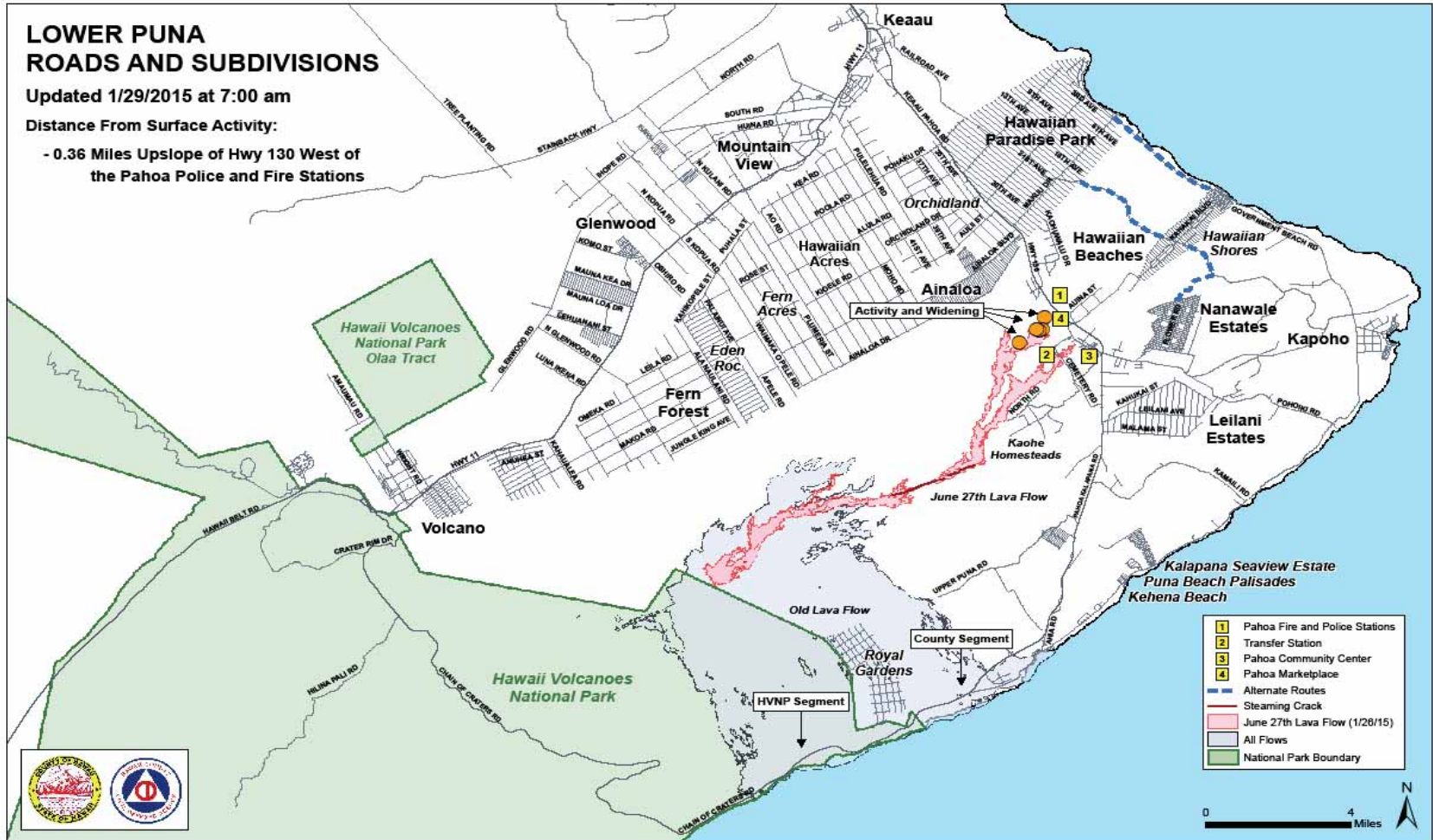
69 kV Transmission Line Damaged by Iselle



Felled Trees at PGV



Lava Flow, June 27, 2015



69 kV Transmission Pole, June 27 Lava Flow



69 kV Transmission Line, June 27 Lava Flow



June 27 Lava Flow Front in Pahoia Town, Oct. 30th



Support, Lessons Learned and Improvements Resulting from Iselle and June 27 Lava Flow Experiences

- Donated \$25,000 to Red Cross
 - Statewide support
 - Tropical storm Iselle
 - June 27 lava flow
- Improved response procedures to tropical weather systems in collaboration with Civil Defense and HELCO
- Technical plant improvements to implement “island mode” operations
- Long term backup of monitoring stations
- Ability to keep lower Puna powered up in the event lava cuts off lower Puna from the HELCO grid

Future of Geothermal in Hawai'i

- Geothermal development is an essential component for reaching Hawai'i goal of 100% renewable energy by 2045
- PGV is the only existing renewable resource that can replace oil-fired dispatchable units
- Hawai'i Island and Maui carry significant potential for additional geothermal development
- Earlier this year Ormat was selected by HELCO for an additional 25 MW facility through HELCO's geothermal RFP
- Hawai'i County ordinance for night time drilling ban is detrimental to further geothermal development
 - No developer will develop until ban is removed

The Power of Experience



Thank you

For further information: www.ormat.com/ IR@ormat.com