



viridity energy
An **ORMAT** Company

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ORMAT ANNOUNCES COMMERCIAL OPERATION OF HINESBURG BATTERY ENERGY STORAGE SYSTEM, UNDER AN AGREEMENT WITH VERMONT ELECTRIC COOPERATIVE

RIBBON CUTTING CEREMONY TO BE HELD ON OCTOBER 24, 2019

RENO, Nev. October 24, 2019, Ormat Technologies, Inc.¹ (NYSE: ORA) today announced the commercial operation of the Hinesburg Battery Energy Storage System (Hinesburg BESS) under an agreement with Vermont Electric Cooperative (VEC). The project is a collaborative effort between our wholly owned subsidiary, Viridity Energy Solutions, Inc. (Viridity), VEC, and WEG Electric Corp (WEG). A ribbon cutting ceremony to officially mark the launch of Hinesburg BESS is scheduled for 3p.m. on October 24, 2019 at the project site, which is located at 1121 Pond Brook Road Hinesburg, Vermont.

Through an innovative partnership structure, Viridity teamed with WEG to compete for the project via a competitive RFP process and was selected to develop and install the BESS in the fall of 2017.

“We brought together the best products, services and engineering talent to deliver a battery energy storage system that will provide cost and reliability benefits to VEC and its customers for years to come,” commented Isaac Angel, Chief Executive Officer. “The system, which was delivered according to the agreed upon schedule, not only supplies up to 4 megawatt hours of energy at peak consumption times, but also provides much needed ancillary services to the region’s power grid. We are proud to bring on-line our first BESS project in New England, as part of our strategy to develop, own and operate energy storage facilities in several key US markets, also including PJM, Texas and California.”

Under the terms of the agreement with VEC, Ormat via Viridity built, owns and operates the lithium battery energy storage system and will provide coincident peak load reduction services to VEC over a minimum term of 10 years. Now in commercial operation, Viridity schedules, dispatches, monitors and supports the system 24 hours a day, 365 days a year to achieve VEC’s and Ormat’s mutual business objectives. The Hinesburg BESS increases flexibility for VEC, allowing it to draw power from the battery during peak demand times to reduce VEC’s transmission costs and also help stabilize fluctuations in voltage and frequency as the supply and demand for electricity varies. VEC and its customers benefit from the peak load management services while Ormat benefits from generating revenues by operating the system in the merchant markets managed by the New England Independent System Operator (ISONE).

WEG’s Vermont based energy storage business unit served as system integrator and equipment supplier providing a turnkey solution that interfaces with Viridity’s on-site energy management system and remote network operations center. WEG’s inverters and controls are integrated with Samsung lithium batteries and balance of system components at the VEC owned site, which is adjacent to VEC’s Hinesburg substation. WEG also provided overall engineering and construction, testing and commissioning services of the Hinesburg BESS and is currently providing operations and maintenance related services.

¹ Ormat Technologies, Inc. is also referred to herein as the “Company”, “Ormat”, “we” or “us”

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The system is sized to provide a guaranteed 1MW discharge during one to four hours per forecasted event over the ten-year agreement.

“Energy storage as a service, where utilities and other customers can avoid a capital investment, and only pay for the benefits received will be an enabler for rapid deployment on the grid, similar to what was done in the solar industry over the last 10 years,” remarked Chris McKay, Director of Sales for WEG’s BESS business. “We’re proud that our Vermont based engineering and project team was able to execute for a local utility like VEC through our partnership with Ormat via Viridity.”

“Storage is a key part of the energy transformation that is now thoroughly underway to ensure an affordable and reliable grid,” said Rebecca Towne, CEO of Vermont Electric Cooperative. “This one megawatt battery is VEC’s first utility-scale storage project and it is already helping VEC save up to \$100,000 per year by reducing peak loads. It will also help to reduce regional carbon emissions during peak times when the grid relies on dirtier, fossil-fuel powered generators across New England. We are proud of this project and appreciate this successful partnership with WEG and Viridity.”

ABOUT ORMAT TECHNOLOGIES

With over five decades of experience, Ormat Technologies, Inc. is a leading geothermal company and the only vertically integrated company engaged in geothermal and recovered energy generation (“REG”), with the objective of becoming a leading global provider of renewable energy. The Company owns, operates, designs, manufactures and sells geothermal and REG power plants primarily based on the Ormat Energy Converter – a power generation unit that converts low-, medium- and high-temperature heat into electricity. With 77 U.S. patents, Ormat’s power solutions have been refined and perfected under the most grueling environmental conditions. Ormat has 584 employees in the United States and 762 overseas. Ormat’s flexible, modular solutions for geothermal power and REG are ideal for vast range of resource characteristics. The Company has engineered, manufactured and constructed power plants, which it currently owns or has installed to utilities and developers worldwide, totaling over 2,900 MW of gross capacity. Ormat’s current 917 MW generating portfolio is spread globally in the U.S., Kenya, Guatemala, Indonesia, Honduras, and Guadeloupe. Ormat expanded its operations to provide energy storage and energy management solutions, by leveraging its core capabilities and global presence as well as through its Viridity Energy Solutions Inc. subsidiary.

ORMAT’S SAFE HARBOR STATEMENT

Information provided in this press release may contain statements relating to current expectations, estimates, forecasts and projections about future events that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally relate to Ormat's plans, objectives and expectations for future operations and are based upon its management's current estimates and projections of future results or trends. Actual future results may differ materially from those projected as a result of certain risks and uncertainties.

For a discussion of such risks and uncertainties, see "Risk Factors" as described in Ormat’s Form 10-K filed with the Securities and Exchange Commission (“SEC”) on March 1, 2019 and from time to time, in Ormat’s quarterly reports on Form 10-Q that are filed with the SEC.

These forward-looking statements are made only as of the date hereof, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.