NGP’s Blue Mountain ‘Faulkner 1’ 49.5 MW geothermal power plant will be fully operational by October 2009

Nevada Geothermal Power’s (NGP) Blue Mountain ‘Faulkner 1’ 49.5 MW geothermal power project is three months ahead of schedule and plans to be producing electricity and generating revenue by early October 2009.

Ormat Nevada Inc., a subsidiary of Ormat Technologies Inc. (NYSE:ORA), under an Engineering Procurement Construction contract with NGP, expects to be ready to start power plant commissioning during August and NGP will have the necessary elements (transmission line and well field) in place to start production testing at this time.

“We are extremely pleased with the pace and quality of the plant construction work being done by Ormat. Timely completion will allow NGP to benefit from early revenue generation and substantial interest cost savings. Most importantly early operations will launch NGP into a profitable geothermal energy company focused on growth,” stated Brian Fairbank, President & CEO, NGP.
Brian Fairbank, President & CEO, Nevada Geothermal Power Inc., was in Washington, D.C. on May 6, 2009 for the Geothermal Energy Association (GEA) Geothermal Energy Project Showcase. Mr. Fairbank showcased NGP’s progress at Blue Mountain, which included a video presentation, to the D.C. energy, policy and technology community as well as leading geothermal companies from around the world. Thermasource and Ormat Technologies Inc. also highlighted NGP’s Blue Mountain project.

The focus of the event was to discuss the potential impact geothermal development can have on our energy needs by implementing experimental technologies, hydrothermal, co-production, EGS, and small power.

The video shown at the event is available on NGP’s website at: http://www.nevadageothermal.com/i/video/NGPVIDEO-part2.html.

NGP’s Blue Mountain 49.5 MW geothermal power project is located 21 miles west of Winnemucca, Humboldt County, Nevada.

Winnemucca is a quaint town of 7500 people that covers 5.4 square miles. Named for a famous Pajute Indian Chief, Old Winnemucca, in the late 1800’s, it is one of Nevada’s oldest towns.

The livelihood of this community is uniquely tied to the land in one form or another with its major industries being cattle & sheep ranching, and gold & silver mining. As NGP’s Blue Mountain geothermal power plant comes online this Fall, geothermal power will become part of Winnemucca’s vibrant community and add to its list of industries.

“[The Blue Mountain geothermal power project] is going to put Humboldt County and Winnemucca on the map,” states Winnemucca’s Mayor, DiAn Putnam. “What better opportunity can we have to be successful generating power and then other people can see that we are a viable place for not only geothermal and green energy, but for business in general.”

Famed for being referenced in the Hank Snow original song “I’ve Been Everywhere Man,” Winnemucca was named to American Cowboy Magazine’s 2009 ‘Top 20 Places to Live in the West.’

To learn more about Winnemucca, please visit: http://www.winnemucca.nv.us. However, we recommend that you stop in next time you are in the Humboldt County area.

NGP Sponsors Winnemucca Rodeo

The National High School Rodeo Association recently held their state finals in Winnemucca, NV from June 9-14, 2009. NGP proudly sponsored the Boys Cutting Saddle which was won by Casey Barton. Congratulations Casey!
Blue Mountain Construction Progress Progress Report

As of June 16, 2009, NGP is pleased to report the following status updates:

**Completed**

- Ormat is greater than 90% complete and has started system checks.
- Additional water licenses have been obtained for the cooling water allowing NGP to draw extra ground water to support the cooling system for the expanded geothermal power plant.
- Ormat’s transformer testing has been completed and has been shipped to the Blue Mountain site.
- Wilson Utility has completed the construction of the transmission line.
- All personnel have been hired for the operation of the ‘Faulkner 1’ power plant and training has been underway for two months.
- All six Ormat turbines are installed.
- Administration building, cooling tower construction and fans are complete.

**In progress**

- Well pumps are being installed.
- NV Energy will complete the switchyard station by the end of June at the grid interconnection point north of Mill City and has planned system modifications as per the Large Generator Interconnection Agreement to allow connection to the grid.
- Water well drilling and water pipeline construction is anticipated to be completed the first week of July.
- Microwave communication and local power distribution systems construction are underway.
- Well field pipeline/gathering system are under construction and are expected to be completed July 2009.
- Currently drilling Well 58B-15 (fifth injector well).

Keep up to date! Visit NGP’s website: [http://www.nevadageothermal.com](http://www.nevadageothermal.com) or follow NGP on Twitter: [http://twitter.com/ngpgeothermal](http://twitter.com/ngpgeothermal)
NGP Completes Successful Production Well Drilling for Blue Mountain

Production well drilling is complete at Blue Mountain ‘Faulkner 1’ 49.5 MW (gross) binary cycle geothermal power plant.

The successful production drilling program consisted of six wells (14-14, 15-14, 17-14, 23-14, 25-14, and 26A-14). Each production well is between 7 – 7.5 MW (net) for a total of 42-45 MW net output. With four successful injector wells, NGP is currently drilling their fifth injector well.

For more information about this news release, please visit: http://www.nevadageothermal.com/s/News.asp

NGP Secures Access to Geothermal Resource

April 2009, NGP’s wholly owned subsidiary, Desert Valley Gold Co., obtained the mineral rights to Blue Mountain from Gryphon Gold Corp.’s wholly owned subsidiary, Nevada Eagle Resources (NER). NGP acquired these rights in order to protect access to the geothermal resource.

“NGP remains focused on developing the geothermal potential at Blue Mountain. We are pleased to have secured the mineral claims in order to secure access to the geothermal resource,” stated Brian Fairbank, President & CEO.

For more information about this news release, please visit: http://www.nevadageothermal.com/s/News.asp

Nevada Geothermal Power Pipeline Progress as of June 2009
NGP Site Visit to Blue Mountain May 1, 2009

To view the entire slideshow, please visit NGP’s website at: www.nevadageothermal.com
GEOTHERMAL GLOSSARY: GEOTHERMAL FINANCING

The PTC, ITC, Cash Grants, and Loan Guarantee programs are all U.S. federal incentive programs that are designed to subsidize renewable energy production. NGP is currently accessing these programs for Blue Mountain Phase 1.

Production Tax Credit (PTC)
The PTC is provided in the form of an annual tax credit and requires a tax investor. The current PTC program has a value of US$21 per MWh based on the first ten years of operations (with an annual price escalator). Companies hoping to utilize the PTC must apply based on projects in production before 2013.

Investment Tax Credit (ITC)
The ITC is provided in the form of a one-time tax credit and requires a tax investor. The current ITC program has a value of 30% of the total eligible capital costs* for the project. Companies hoping to utilize the PTC must apply based on projects in production before the end of 2013.

Cash Grant
The Cash Grant is provided in the form of a one-time grant and does not require a tax investor. The current Cash Grant Program has a value of 30% of the total eligible capital costs* for the project. Companies that are eligible for the ITC are also able to partake in the Cash Grant Program. For Cash Grants, companies must apply based on projects in production before the end of 2010 and for geothermal if construction begins in 2009 or 2010 (and plans to be in production before 2014).

Loan Guarantees
The Loan Guarantee Program guarantees loans by the federal government assuming a private debt obligation if the borrower defaults and will support loans up to 80% of a project’s costs. Additionally, the program should result in reduced financing costs for geothermal companies by lowering interest rates on loans supported by these guarantees. To be eligible for loan guarantees, companies must apply based on projects that are in the construction phase before September 30, 2011.

* Currently, eligible capital costs are not defined and more guidance is expected in July 2009

US DOE: US$350M in Grants for Geothermal

Announced in Nevada on May 27, 2009 by President Obama, the U.S. Department of Energy (DOE), as part of the American Reinvestment and Recovery Act, is allocating US$350 million for funding geothermal power development. During President Obama’s announcement, he declared, “the nation that leads the world in creating new sources of clean energy will be the nation that leads the 21st century global economy. That’s the nation I want America to be.”

The Recovery Act funding will be invested into four different areas [geothermal demonstration projects; Enhanced Geothermal Systems (EGS) research and development; innovative exploration techniques; and a National Geothermal Data System, Resource Assessment and Classification System] via grants ranging from $1 million to $20 million in denominations.

NGP is thrilled with this new funding allotment and intends to submit several applications for these grants.

To learn more about the DOE funding opportunity, please visit our website at: http://www.nevadageothermal.com/s/GeoNews.asp
NGP entered into a Procurement and Construction Agreement with Industrial Builders Inc., a general contractor that has been building America’s infrastructure for more than 50 years, to perform turnkey construction services for a geothermal fluid gathering and re-injection system (pipeline) connecting to the power plant production and injection wells for their Blue Mountain 49.5 geothermal power project.

The agreement includes the procurement of materials and equipment, construction, testing and supervision of testing. Pipeline foundation work has begun and the start the pipeline installation commenced in May and is expected to be completed by July 2009.

To learn more about Industrial Builders Inc., you can visit: http://www.industrialbuilders.com

NGP’s New Auditors Deloitte & Touche

In March of 2009, NGP changed auditors from Morgan & Co., Chartered Accountants to Deloitte & Touche LLC, Chartered Accountants.

NGP would like to thank Morgan & Company for the services and looks forward to a successful relationship with Deloitte & Touche.

For more information about this news release, please visit: http://www.nevadageothermal.com/s/News.asp

NGP on Twitter: http://twitter.com/NGPGeothermal
NGP on YouTube: http://youtube.com/NGPGeothermal

NGP Appoints Gavin Cooper to Board of Directors

Gavin Cooper, C.A. has been appointed to NGP’s Board of Directors and will be a member of the Audit Committee. Mr. Cooper is replacing Ross Glanville who is stepping down as a NGP Director due to other commitments. The Company would like to thank Mr. Glanville for his active service to NGP and welcome Mr. Cooper to the NGP team.

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Geothermal Gathering and Re-injection System Initiated

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Meet NGP’s CFO Andrew Studley

For almost two years, Andrew Studley has been the Chief Financial Officer at NGP which gives him the onerous responsibility of being in charge of all aspects of finance and administration at an emerging geothermal power company. With an experienced and efficient group of people behind him, Mr. Studley describes his job as fitting together the pieces of a large and complex financial puzzle.

Throughout his 24 years in engineering, corporate planning, accounting, finance and administration, Mr. Studley has always been drawn towards projects with a positive environmental aspect to them. When he was offered the job at NGP, it was an easy decision for him.

“Not only does geothermal power have a smaller footprint than traditional forms of energy, the U.S. Government wants to see growth in the renewable energy industry. They want to build an industry that will be a leading industry and create value around the world,” states Mr. Studley. “North Americans can feel good about benefiting from this emerging industry and I am proud to be a part of it.”

NGP will also be able to benefit from this federal government interest by accessing not only the production tax credits and renewable portfolio standards that were already in place, but also additional incentives through the stimulus package, such as bonus depreciation, investment tax credits and cash grants. These will help NGP to gain greater financial benefit for their flagship geothermal power project in Nevada.

With NGP’s Blue Mountain ‘Faulkner 1’ 49.5 MW gross geothermal power plant months away from its early completion date of October 2009, there are only a few pieces of this puzzle left to complete. As someone who is project-orientated, Mr. Studley is ready for the next project and the next level of complexity that NGP now faces as they start reporting earnings, paying back loans and all the rest of the wonderful and new responsibilities that come with being a geothermal power producer.

Mr. Studley, along with the management, directors and employees at NGP, deserves credit for all the hard work and dedication contributed to completing the first geothermal power plant three months ahead of schedule. As the Company comes closer to generating power and revenue, it can now look beyond the Blue Mountain ‘Faulkner 1’ project and toward completing the other projects in the pipeline.

“...with all the procedures in place, it will be easier to evolve into the next project.”

By October 2009, NGP will have its first geothermal power plant producing clean energy, but this is just the beginning for this growing young company. “We have a good group of experienced people that work well together,” states Mr. Studley, “and with all the procedures in place, it will be easier to evolve into the next project.”

Max Walenciak Promoted to V.P. of Development & Operations

Max Walenciak has been promoted to Vice President of Development and Operations for NGP’s wholly-owned U.S. subsidiary Nevada Geothermal Power Company, based in Reno, NV.

Since May 2007, Mr. Walenciak has been the Manager of Geothermal Project Development. NGP is pleased that Mr. Walenciak has accepted this new appointment. Congratulations Max!