CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 Fax: 713-266-2333

May 30, 2017

Mr. Ronnie Golson
Superintendent
McCamey ISD
100 E. 11th Street
McCamey, TX

Re: **Amendments to Morada del Sol, LLC Chapter 313 Application – McCamey ISD**

Dear Mr. Golson:

Attached are new amended pages of Morada del Sol, LLC's Chapter 313 application to McCamey ISD. The new amendments made since the amended application was submitted to the board in April are as follows:

- Tab 4 of the application
  - References to spare parts and storage containers have been removed at the request of the Comptroller.
- Tab 7 of the application
  - References to spare parts and storage containers have been removed at the request of the Comptroller.
- Tab 8 of the application
  - References to spare parts and storage containers have been removed at the request of the Comptroller.
- Schedule A1 of the application has been revised to show the estimated investment of $348.5 million from the $350 million estimated investment in the original amended application to reflect the removal of storage containers and spare parts mentioned above.
- Schedule A2 of the application has been updated to show the estimated investment over a 25-year period based on the new investment shown in Schedule A1.
- Schedule B of the application has been updated to show the estimated value of buildings and personal property based upon the new investment shown in Schedules A1 and A2.

Would you please contact me if you have questions or comments?

Sincerely,

D. Dale Cummings

cc: Karl Pierce, First Solar, Inc.
Randall Rayford, First Solar, Inc.
Sara Leon, Powell and Leon LLP

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here ▶ Ronnie Golson
Print Name *(Authorized School District Representative)*

Superintendent
Title

sign here ▶
Signature *(Authorized School District Representative)*

6/19/17
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here ▶ Karl Pierce
Print Name *(Authorized Company Representative (Applicant))*

Authorized Representative
Title

sign here ▶
Signature *(Authorized Company Representative (Applicant))*

June 15, 2017
Date

CYNTHIA M HINOJOSA
My Commission Expires
July 8, 2018

(Notary Seal)

GIVEN under my hand and seal of office this, the

15th day of June, 2017

Cynthia M Hinojosa
Notary Public in and for the State of Texas

My Commission expires: July 8, 2018

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

TAB 4
Detailed Description of the Project

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

Morada del Sol, LLC ("Morada") is requesting an appraised value limitation from McCamey Independent School District (ISD) for the Morada del Sol Solar Project (the "Project"). Morada del Sol LLC proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in McCamey Independent School District. The proposed Project will be constructed within a Reinvestment Zone that was created by Upton County on August 8, 2016. Maps showing the location of the Project are attached in Tab 11.

The Project will be constructed on approximately 1,300 acres, which is part of a larger, long-term lease agreement with a local landowner. The Project will be located entirely within McCamey Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 240 MW-AC in size;
- First Solar PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to the transmission line described immediately below;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

Morada del Sol requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in January 2018 with project completion by December 2018.

TAB 7

Description of Qualified Investment

The Project will be constructed on approximately 1,300 acres, which is part of a larger, long-term lease agreement with a local landowner. The Project will be located entirely within McCamey Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 240 MW-AC in size;
- First Solar PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to the transmission line described immediately below;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
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Morada del Sol requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in January 2018 with project completion by December 2018.

NOTE - The maps in TAB 11 shows the proposed project area with the original preliminary panel and inverter locations shown with black rectangles with dark green shading. The additional 100 MW of additional solar panels are shown on the aerial map with yellow rectangles. On the map without the aerial background the additional 100 MW of solar panels are shown with magenta rectangles. The exact placement of these panels and inverters is subject to ongoing planning, soil studies, and engineering and will be finally determined before construction begins.

TAB 8

Description of Qualified Property

The Project will be constructed on approximately 1,300 acres, which is part of a larger, long-term lease agreement with a local landowner. The Project will be located entirely within McCamey Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 240 MW-AC in size;
- First Solar PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to the transmission line described immediately below;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

Morada del Sol requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in January 2018 with project completion by December 2018.

Amended 5-30-17

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Date 5/30/2017
Applicant Name Morada del Sol, LLC
ISD Name McCamey ISD

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	**Total Investment** (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2016	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				$ -	$ -	$ -	$ -	$ -
Complete tax years of qualifying time period	QTP1	2017-2018	2017	$ -	$ -	$ -	$ -	$ -
	QTP2	2018-2019	2018	$ 348,300,000	$ 200,000	$ -	$ -	$ 348,500,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				$ 348,300,000	$ 200,000	$ -	$ -	$ 348,500,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				$ 348,500,000				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

Amended 5-30-17

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments

Date 5/30/2017
Applicant Name Morada del Sol, LLC
ISD Name McCamey ISD

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Other investment made during this year that will not become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property {SEE NOTE]	**Total Investment** (A+B+C+D)
				Enter amounts from TOTAL row in Schedule A1 in the row below				
Total Investment from Schedule A1*	--	**TOTALS FROM SCHEDULE A1**		$ 348,300,000	$ 200,000	$ -	$ -	$ 348,500,000
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2016-2017	2016	$ -	$ -	$ -	$ -	$ -
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2017-2018	2017	$ -	$ -	$ -	$ -	$ -
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2018-2019	2018	$ -	$ -	$ -	$ -	$ -
Value limitation period***	1	2019-2020	2019	$ -	$ -	$ 52,250	$ -	$ 52,250
	2	2020-2021	2020	$ -	$ -	$ 119,630	$ -	$ 119,630
	3	2021-2022	2021	$ -	$ -	$ 102,484	$ -	$ 102,484
	4	2022-2023	2022	$ -	$ -	$ 118,055	$ -	$ 118,055
	5	2023-2024	2023	$ -	$ -	$ 129,086	$ -	$ 129,086
	6	2024-2025	2024	$ -	$ -	$ 455,480	$ -	$ 455,480
	7	2025-2026	2025	$ -	$ -	$ 464,021	$ -	$ 464,021
	8	2026-2027	2026	$ -	$ -	$ 475,958	$ -	$ 475,958
	9	2027-2028	2027	$ -	$ -	$ 494,804	$ -	$ 494,804
	10	2028-2029	2028	$ -	$ -	$ 481,869	$ -	$ 481,869
Total Investment made through limitation				$ 348,300,000	$ 200,000	$ 2,893,638	$ -	$ 351,393,638
Continue to maintain viable presence	11	2029-2030	2029			$ 508,816		$ 508,816
	12	2030-2031	2030			$ 531,580		$ 531,580
	13	2031-2032	2031			$ 512,722		$ 512,722
	14	2032-2033	2032			$ 556,979		$ 556,979
	15	2033-2034	2033			$ 563,726		$ 563,726
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034			$ 563,048		$ 563,048
	17	2035-2036	2035			$ 569,882		$ 569,882
	18	2036-2037	2036			$ 575,116		$ 575,116
	19	2037-2038	2037			$ 598,569		$ 598,569
	20	2038-2039	2038			$ 619,914		$ 619,914
	21	2039-2040	2039			$ 649,255		$ 649,255
	22	2040-2041	2040			$ 650,845		$ 650,845
	23	2041-2042	2041			$ 667,955		$ 667,955
	24	2042-2043	2042			$ 699,232		$ 699,232
	25	2043-2044	2043			$ 718,183		$ 718,183

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row.**

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Amended 5-30-17

Date 5/30/2017

Applicant Name Morada del Sol, LLC

ISD Name McCamey ISD

Form 50-296A

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property: Estimated Market Value of Land	Qualified Property: Estimated Total Market Value of new buildings or other new improvements	Qualified Property: Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Estimated Taxable Value: Market Value less any exemptions (such as pollution control) and before limitation	Estimated Taxable Value: Final taxable value for I&S after all reductions	Estimated Taxable Value: Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*		2016-2017	2016	$ -	$ -	$ -	$ -	$ -	$ -
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*		2017-2018	2017	$ -	$ -	$ -	$ -	$ -	$ -
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*		2018-2019	2018	$ -	$ -	$ -	$ -	$ -	$ -
Value Limitation Period	1	2019-2020	2019	$ -	$ 200,000	$ 338,051,000	$ 338,251,000	$ 338,251,000	$ 25,000,000
	2	2020-2021	2020	$ -	$ 197,000	$ 311,019,920	$ 311,216,920	$ 311,216,920	$ 25,000,000
	3	2021-2022	2021	$ -	$ 194,045	$ 283,988,885	$ 284,182,930	$ 284,182,930	$ 25,000,000
	4	2022-2023	2022	$ -	$ 191,134	$ 253,579,384	$ 253,770,519	$ 253,770,519	$ 25,000,000
	5	2023-2024	2023	$ -	$ 188,267	$ 223,169,927	$ 223,358,195	$ 223,358,195	$ 25,000,000
	6	2024-2025	2024	$ -	$ 185,443	$ 192,760,513	$ 192,945,957	$ 192,945,957	$ 25,000,000
	7	2025-2026	2025	$ -	$ 182,662	$ 158,972,632	$ 159,155,293	$ 159,155,293	$ 25,000,000
	8	2026-2027	2026	$ -	$ 179,922	$ 128,563,302	$ 128,743,223	$ 128,743,223	$ 25,000,000
	9	2027-2028	2027	$ -	$ 177,223	$ 108,289,543	$ 108,466,766	$ 108,466,766	$ 25,000,000
	10	2028-2029	2028	$ -	$ 174,565	$ 98,151,355	$ 98,325,919	$ 98,325,919	$ 25,000,000
Continue to maintain viable presence	11	2029-2030	2029	$ -	$ 171,946	$ 71,120,656	$ 71,292,602	$ 71,292,602	$ 71,292,602
	12	2030-2031	2030	$ -	$ 169,367	$ 67,739,567	$ 67,908,934	$ 67,908,934	$ 67,908,934
	13	2031-2032	2031	$ -	$ 166,826	$ 67,737,026	$ 67,903,853	$ 67,903,853	$ 67,903,853
	14	2032-2033	2032	$ -	$ 164,324	$ 67,734,524	$ 67,898,848	$ 67,898,848	$ 67,898,848
	15	2033-2034	2033	$ -	$ 161,859	$ 67,732,059	$ 67,893,918	$ 67,893,918	$ 67,893,918
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034	$ -	$ 159,431	$ 67,729,631	$ 67,889,063	$ 67,889,063	$ 67,889,063
	17	2035-2036	2035	$ -	$ 157,040	$ 67,727,240	$ 67,884,280	$ 67,884,280	$ 67,884,280
	18	2036-2037	2036	$ -	$ 154,684	$ 67,724,884	$ 67,879,568	$ 67,879,568	$ 67,879,568
	19	2037-2038	2037	$ -	$ 152,364	$ 67,722,564	$ 67,874,928	$ 67,874,928	$ 67,874,928
	20	2038-2039	2038	$ -	$ 150,078	$ 67,720,278	$ 67,870,357	$ 67,870,357	$ 67,870,357
	21	2039-2040	2039	$ -	$ 147,827	$ 67,718,027	$ 67,865,855	$ 67,865,855	$ 67,865,855
	22	2040-2041	2040	$ -	$ 145,610	$ 67,715,810	$ 67,861,420	$ 67,861,420	$ 67,861,420
	23	2041-2042	2041	$ -	$ 143,426	$ 67,713,626	$ 67,857,051	$ 67,857,051	$ 67,857,051
	24	2042-2043	2042	$ -	$ 141,274	$ 67,711,474	$ 67,852,749	$ 67,852,749	$ 67,852,749
	25	2043-2044	2043	$ -	$ 139,155	$ 67,709,355	$ 67,848,510	$ 67,848,510	$ 67,848,510

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.