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TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

February 6, 2017

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Amended Application to the Iraan-Sheffield Independent School District from Midway Solar LLC
(**First Qualifying Year 2018, First Value Limitation Year 2019**)

To the Local Government Assistance & Economic Analysis Division:

In response to your email dated January 31, 2017, please find enclosed the following amendment to address the concerns outlined below:

1. Please find enclosed an updated transmittal letter. The request to keep Section 13 confidential has been withdrawn.
2. Please find enclosed an updated Tab 5
3. The land will not be qualified property.
4. Tab 17 – Section 16 Signature Page
5. Section 2 Authorized Company Representative (Applicant) has been updated.
6. Application page 7- Section 14-Wage and Employment has been updated with the wages for 2016.
7. Tab 13- Wages has been updated with the wages for 2016.
8. Scheduled C- Employment Information has been updated to reflect the minimum guaranteed wage.
9. The previous request was submitted on company letterhead. However, the waiver has been revised to indicate the general industry standard for operating a solar farm.
10. Tab 14 has been updated with Schedules A1, A2, B, C, and D
11. Section 13 and Tab 10 have been updated to demonstrate that there is no existing property inside the project boundaries. The farm buildings are located outside the reinvestment zone.
12. A map with project area inside the ISD and county boundaries has been provided.

A copy of the amended application will be submitted to the Pecos County Appraisal District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: Pecos County Appraisal District
Midway Solar LLC

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February 6, 2017

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Iraan-Sheffield Independent School District from Midway Solar LLC
(**First Qualifying Year 2018, First Value Limitation Year 2019**)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Iraan-Sheffield Independent School District is notifying Midway Solar LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant submitted the Application to the school district on November 8, 2016. The Board voted to accept the application on November 8, 2016. The application has been determined complete as of January 9, 2017. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered. The Applicant has requested that the value limitation begin in 2019. Please prepare the economic impact report.

The Applicant has requested that a Section 9 of the Application pursuant to Section Tex. Gov't Code Section 552.104. The timing of the planned construction indicates the company's direct plans for the timing necessary to develop the project in Iraan-Sheffield. Releasing this information gives competitors the opportunity to undercut negotiations with landowners and power purchasers. Furthermore, the public release of the information in Section 9 of the Application regarding the timing of the investment would reveal information which the company believes would cause the company to suffer substantial competitive harm and weaken its position in competitive siting decisions. Pursuant to this same statute, the information in Tabs 9 and 10, which the company has also requested to remain confidential, should remain confidential as both provide information by which competitors would be able to determine the areas the company has determined suitable for this project's development. Revealing this information publicly permits

other developers to financially benefit as they do not need to expend the funds to determine the suitability of the site.

In addition, the Applicant has requested Tabs 9 and a portion of Tab 11 and Tab 16, specifically the specific location and detailed layout of the planned solar, be kept confidential until such time the Board votes to approve the application. In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110.

A copy of the application will be submitted to the Pecos County Appraisal District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: Pecos County Appraisal District
Midway Solar LLC

SECTION 1: School DIstrict Information *(continued)*

3. Authorized School District Consultant *(If Applicable)*

First Name: Dan
Last Name: Casey
Title: Partner
Firm Name: Moak Casey & Associates
Phone Number: 512-485-7878
Fax Number: 512-485-7888
Mobile Number *(optional)*:
Email Address: dcasey@moakcasey.com

4. On what date did the district determine this application complete? . . . . . January 9, 2017

5. Has the district determined that the electronic copy and hard copy are identical? . . . . . ☑ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name: Henry
Last Name: Yun
Title: President
Organization: 174 Power Global Corp
Street Address: 300 Spectrum Center Drive, #1250
Mailing Address: 300 Spectrum Center Drive, #1250
City: Irvine
State: CA
ZIP: 92618
Phone Number: 949-748-5996
Fax Number:
Mobile Number *(optional)*:
Business Email Address: henry.yun@us.q-cells.com

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? . . . . . ☑ Yes ☐ No

2a. If yes, please fill out contact information for that person.

First Name: Jason
Last Name: Garewal
Title: Director
Organization: Hanway Q CELLS USA Corp
Street Address: 300 Spectrum Center Drive, #1250
Mailing Address: 300 Spectrum Center Drive, #1250
City: Irvine
State: CA
ZIP: 92618
Phone Number: 949-748-5996
Fax Number:
Mobile Number *(optional)*: 848-204-7896
Business Email Address: jason.garewal@us.q-cells.com

3. Does the applicant authorize the consultant to provide and obtain information related to this application? . . . . . ☑ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
   - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
   - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
   - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? . . . . . [ ] Yes [X] No
   - 2a. If yes, attach complete documentation including:
     - a. legal description of the land (**Tab 9**);
     - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
     - c. owner (**Tab 9**);
     - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
     - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? . . . . [X] Yes [ ] No
   - 3a. If yes, attach the applicable supporting documentation:
     - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
     - b. legal description of reinvestment zone (**Tab 16**);
     - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
     - d. guidelines and criteria for creating the zone (**Tab 16**); and
     - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
   - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? . . . . . N/A

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In **Tab 10**, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In **Tab 10**, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in **Tab 10**:
   - a. maps and/or detailed site plan;
   - b. surveys;
   - c. appraisal district values and parcel numbers;
   - d. inventory lists;
   - e. existing and proposed property lists;
   - f. model and serial numbers of existing property; or
   - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): . . . . . $ 0
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property *(that property described in response to question 2)*: . . . . . $ 0

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:

   ☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☑ Fourth Quarter of 2016 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

   Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 2

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☑ Yes ☐ No

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 828.00

   b. 110% of the average weekly wage for manufacturing jobs in the county is 1,251.00

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,108.08

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? . . . . . ☐ §313.021(5)(A) or ☑ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 57,620.16

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 58,000.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? . . . . . ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

TAB 5

Documentation to assist in determining if limitation is a determining factor

The applicant's parent company for this project is an national solar developer with the ability to locate projects of this type in other countries and states in the US with strong solar characteristics. The applicant is actively developing and constructing other projects throughout the US and internationally. Projects in active development which are competing with Midway Solar for capital and corporate commitment to construct are located in: AZ, NV, UT, WY, and FL; with other markets under consideration as well.

The applicant requires this appraised value limitation in order to move forward with constructing this project in Texas. Specifically, without the available tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project in Texas becomes unlikely.

Property taxes can be the highest operating expense for a solar generation facility as solar plants do not have any associated fuel costs for the production of electricity, and with Texas wholesale electricity prices already below the national average in Texas, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates, including power sales under a bi-lateral contract. Markets such as California that have state wide available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement. As such, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project and spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis.

This is true even if the entity is able to contract with an off-taker under a power purchase agreement because the low rate contracted for is not financeable without the tax incentives. More specifically, a signed power purchase agreement in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state subsidies, the other states offer a much higher rate of return for the project financiers. Without the tax incentives in Texas, a project with a power purchase agreement becomes unfinanciable.

1170-iraan-midway-amendment001
February 6, 2017

October 26, 2016

Mr. Kevin Allen, Superintendent
Iraan-Sheffield Independent School District
P.O. Box 486
Iraan, Texas 79744-0486

Re: Chapter 313 Job Waiver Request

Dear Mr. Allen:

Midway Solar LLC ("Midway") hereby requests the minimum new job creation requirement, as provided under Texas Tax Cod 313.025(f-1), be waived.

Midway has committed to create not less than 2 FTE year round and 2-3 FTE equivalent seasonal local jobs for preventative and corrective maintenance of the improvements once commercial operation begins for the 30 or more year operating life.

Large scale solar projects typically require 200 or more direct jobs during the one-year construction timeline. However, once the construction phase ends and commercial operations begin, only a few highly skilled technicians are required. Generally, the number of employees needed to operate a solar project does not vary significantly with the size of the project. Therefore, a 182 megawatt project requires approximately 2 FTE employees. The waiver would be for 2 jobs.

These permanent employees and seasonal employees will maintain and service installed equipment including solar panels, inverters, mounting systems, electrical connections, project substation, etc. to support safe and reliable operation of the project.

The waiver request herein is in line with general industry practice for the number of jobs being created for solar energy generation facility of a similar size. This is also evidenced by previously filed limitation agreement applications by other developers who similarly requested a waiver of the job requirements.

Sincerely,

Jason Garewal
Director of Project Development, Midway Solar LLC

TAB 13-Calculation of Wage Targets

Year	Period	Area	Ownership	Industry	Avg Weekly Wages
2016	1st Qtr	Pecos County	Private	Total, All Industries	$850
2016	2nd Qtr	Pecos County	Private	Total, All Industries	$779
2016	3rd Qtr	Pecos County	Private	Total, All Industries	$815
2015	4th Qtr	Pecos County	Private	Total, All Industries	$867
				AVERAGE	**$828**
2015	4th Qtr	Pecos County	Private	Manufacturing	$1,262
2016	3rd Qtr	Pecos County	Private	Manufacturing	$1,423
2016	2nd Qtr	Pecos County	Private	Manufacturing	$1,291
2016	1st Qtr	Pecos County	Private	Manufacturing	$1,027
				110% of AVERAGE	**$1,251**

Regional Wage Calculation

Region	Hourly/Annual	Average Weekly Wage
Permian Basin	$25.18/$52,382	$1,007.35
	CALCULATION	$1,007.35*1.1=$1,108.08
	Annual Wage	$ 57,620.16

Quarterly Employment and Wages (QCEW)

Back

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2015	1st Qtr	Pecos County	Private	00	0	10	Total, All Industries	$935
2016	1st Qtr	Pecos County	Private	00	0	10	Total, All Industries	$850
2015	2nd Qtr	Pecos County	Private	00	0	10	Total, All Industries	$842
2016	2nd Qtr	Pecos County	Private	00	0	10	Total, All Industries	$779
2015	3rd Qtr	Pecos County	Private	00	0	10	Total, All Industries	$806
2016	3rd Qtr	Pecos County	Private	00	0	10	Total, All Industries	$815
2015	4th Qtr	Pecos County	Private	00	0	10	Total, All Industries	$867
2015	4th Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$1,262
2016	3rd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$1,423
2015	3rd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$959
2016	2nd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$1,291
2015	2nd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$693
2016	1st Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$1,027
2015	1st Qtr	Pecos County	Private	31	2	31-33	Manufacturing	$778

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

Date: 11/7/2016

Applicant Name: Midway Solar LLC

ISD Name: Iraan-Sheffield

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)	2014	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				$ 67,599,665	Qualified Investment	Qualified Investment		$ 67,599,665.00
Complete tax years of qualifying time period	QTP1	2018-2019	2018	$ 208,317,335	Qualified Investment	Qualified Investment		$ 208,317,335
	QTP2	2019-2020	2019	$ -	Qualified Investment	Qualified Investment		
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				$ 275,917,000				$ 275,917,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				$ 275,917,000				

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.

1170-iraan-midway-amendment001
February 6, 2017

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

Date: 11/7/2016

Applicant Name: Midway Solar LLC

ISD Name: Iraan-Sheffield

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**		$ 275,917,000				$ 275,917,000
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2017-2018	2017	$ 67,599,665				$ 67,599,665
Value limitation period***	1	2019-2020	2019	$ -				$ -
	2	2020-2021	2020	$ -				$ -
	3	2021-2022	2021	$ -				$ -
	4	2022-2023	2022	$ -				$ -
	5	2023-2024	2023	$ -				$ -
	6	2024-2025	2024	$ -				$ -
	7	2025-2026	2025	$ -				$ -
	8	2026-2027	2026	$ -				$ -
	9	2027-2028	2027	$ -				$ -
	10	2028-2029	2028	$ -				$ -
Continue to maintain viable presence	11	2029-2030	2029					
	12	2030-2031	2030					
	13	2031-2032	2031					
	14	2032-2033	2032					
	15	2033-2034	2033					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034					
	17	2035-2036	2035					
	18	2036-2037	2036					
	19	2037-2038	2037					
	20	2038-2039	2038					
	21	2039-2040	2039					
	22	2040-2041	2040					
	23	2041-2042	2041					
	24	2042-2043	2042					
	25	2043-2044	2043					

* 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.

1170-iraan-midway-amendment001
February 6, 2017

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

Date: 11/7/2016
Applicant Name: Midwa
ISD Name: Iraan-Sheffi

Form 50-296A
Revised May 2014

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period	0	2017-2018	2017	0	0	0	0	0	0
	0	2018-2019	2018	0	0	0	0	0	0
Value Limitation Period	1	2019-2020	2019	0	$ 275,917,000		$ 275,917,000	$ 275,917,000	30,000,000
	2	2020-2021	2020	0	$ 234,529,450		$ 234,529,450	$ 234,529,450	30,000,000
	3	2021-2022	2021	0	$ 199,350,033		$ 199,350,033	$ 199,350,033	30,000,000
	4	2022-2023	2022	0	$ 169,447,528		$ 169,447,528	$ 169,447,528	30,000,000
	5	2023-2024	2023	0	$ 144,030,398		$ 144,030,398	$ 144,030,398	30,000,000
	6	2024-2025	2024	0	$ 122,425,839		$ 122,425,839	$ 122,425,839	30,000,000
	7	2025-2026	2025	0	$ 104,061,962		$ 104,061,962	$ 104,061,962	30,000,000
	8	2026-2027	2026	0	$ 88,452,668		$ 88,452,668	$ 88,452,668	30,000,000
	9	2027-2028	2027	0	$ 75,184,768		$ 75,184,768	$ 75,184,768	30,000,000
	10	2028-2029	2028	0	$ 63,907,052		$ 63,907,052	$ 63,907,052	30,000,000
Continue to maintain viable presence	11	2029-2030	2029	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	12	2030-2031	2030	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	13	2031-2032	2031	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	14	2032-2033	2032	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	15	2033-2034	2033	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	17	2035-2036	2035	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	18	2036-2037	2036	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	19	2037-2038	2037	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	20	2038-2039	2038	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	21	2039-2040	2039	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	22	2040-2041	2040	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	23	2041-2042	2041	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	24	2042-2043	2042	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400
	25	2043-2044	2043	0	$ 55,183,400		$ 55,183,400	$ 55,183,400	$ 55,183,400

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.

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Schedule C: Employment Information

Date: 11/7/2016

Applicant Name: Midway Solar LLC

ISD Name: Iraan-Sheffield

Form 50-296A

Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	**Column B**	**Column C**	**Column D**	**Column E**
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	**Average** annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	**Average** annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	**0**	2017-2018	2017	90 FTE	$45,000	88	0	0
	0	2018-2019	2018	90 FTE	$45,000	88	2	$58,000
Value Limitation Period *The qualifying time period could overlap the value limitation period.*	1	2019-2020	2019	0	0	0	2	$58,000
	2	2020-2021	2020	0	0	0	2	$58,000
	3	2021-2022	2021	0	0	0	2	$58,000
	4	2022-2023	2022	0	0	0	2	$58,000
	5	2023-2024	2023	0	0	0	2	$58,000
	6	2024-2025	2024	0	0	0	2	$58,000
	7	2025-2026	2025	0	0	0	2	$58,000
	8	2026-2027	2026	0	0	0	2	$58,000
	9	2027-2028	2027	0	0	0	2	$58,000
	10	2028-2029	2028	0	0	0	2	$58,000
Years Following Value Limitation Period	11 through 25	2029-2044	2029-2044	0	0	0	2	$58,000

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) [X] Yes [ ] No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? [X] Yes [ ] No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? [ ] Yes [X] No

1170-iraan-midway-amendment001
February 6, 2017

Schedule D: Other Incentives (Estimated)

Date: 11/7/2016

Applicant Name: Midway Solar LLC

ISD Name: Iraan-Sheffield

Form 50-296A

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	**Taxing Entity (as applicable)**	**Beginning Year of Benefit**	**Duration of Benefit**	**Annual Tax Levy without Incentive**	**Annual Incentive**	**Annual Net Tax Levy**
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Pecos County	2018	2018-2028	$ 2,030,414	$ 1,624,331	$ 406,083
	Iraan General Hospital District	2018	2018-2029	$ 772,597	$ 618,077	$ 154,519
	Midland College	2018	2018-2029	$ 95,248	$ 76,198	$ 19,050
	Middle Pecos Groundwater Conservation District	2018	2018-2030	$ 67,762	$ 54,210	$ 13,552
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
			TOTAL	$ 2,966,021	$ 2,372,816	$ 593,204

Additional information on incentives for this project:

1170-iraan-midway-amendment001
February 6, 2017

Form 50-296-A

Application for Appraised Value Limitation on Qualified Property

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 ▶ Kevin Allen
Print Name *(Authorized School District Representative)*

Superintendent
Title

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

November 14, 2016
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 ▶ Henry Yun
Print Name *(Authorized Company Representative (Applicant))*

President
Title

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

November 4, 2016
Date

GIVEN under my hand and seal of office this, the

_____ day of _____, _____

SEE ATTACHED

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: _____

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.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On November 4, 2016 before me, Sharon Joan Kim, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Henry Yun
Name(s) of Signer(s)

,

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature
Signature of Notary Public

SHARON JOAN KIM
Commission # 2122923
Notary Public - California
Orange County
My Comm. Expires Aug 10, 2019

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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