

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Ann Greenberg
First Name Last Name
Attorney
Title
Walsh Gallegos Trevino Russo & Kyle P.C.
Firm Name
(512) 454-6864 (512) 467-9318
Phone Number Fax Number
(510) 590-1178 agreenberg@wabsa.com
Mobile Number (optional) Email Address

- 4. On what date did the district determine this application complete?
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)

Yumin Liu
First Name Last Name
President East Blackland Solar Project 1 LLC
Title Organization
3000 Oak Road
Street Address
Suite 300
Mailing Address
Walnut Creek California 94597
City State ZIP
(415) 501-9519
Phone Number Fax Number
(510) 590-1178 yumin.liu@recurrentenergy.com
Mobile Number (optional) Business Email Address

- 2. Will a company official other than the authorized company representative be responsible for responding to future information requests? [x] Yes [ ] No

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

Michael Dennison
First Name Last Name
Manager, Development Recurrent Energy, LLC
Title Organization
2400 Webberville Road, Building C, Suite 100
Street Address
2400 Webberville Road, Building C, Suite 100
Mailing Address
Austin Texas 78702
City State ZIP
(830) 660-2505
Phone Number Fax Number
Mobile Number (optional) Business Email Address
michael.dennison@recurrentenergy.com

- 3. Does the applicant authorize the consultant to provide and obtain information related to this application? [x] Yes [ ] No

SECTION 9: Projected Timeline

1. Application approval by school board ..... February 19, 2018
2. Commencement of construction ..... First Quarter 2019
3. Beginning of qualifying time period ..... February 19, 2018
4. First year of limitation ..... 2020
5. Begin hiring new employees ..... Fourth Quarter 2019
6. Commencement of commercial operations ..... Fourth Quarter 2019
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? .....  Yes  No  
**Note:** Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? ..... Fourth Quarter 2019

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located ..... Travis County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ..... Travis Central Appraisal District
3. Will this CAD be acting on behalf of another CAD to appraise this property? .....  Yes  No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 

County: <u>Travis County   100%   .36900</u> <i>(Name, tax rate and percent of project)</i>	City: <u>N/A</u> <i>(Name, tax rate and percent of project)</i>
Hospital District: <u>Travis Co. Health   100%   .107385</u> <i>(Name, tax rate and percent of project)</i>	Water District: <u>N/A</u> <i>(Name, tax rate and percent of project)</i>
Other (describe): <u>Austin Com. College   100%   .10080</u> <i>(Name, tax rate and percent of project)</i>	Other (describe): <u>Travis Co. ESD   100%   .1000</u> <i>(Name, tax rate and percent of project)</i>
5. Is the project located entirely within the ISD listed in Section 1? .....  Yes  No  
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? .....  Yes  No  
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

**NOTE:** The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/).

1. At the time of application, what is the estimated minimum qualified investment required for this school district? ..... 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? ..... 20,000,000.00  
**Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? .....  Yes  No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
  - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
  - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
  - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? .....  Yes  No

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 2017  
(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? ..... 1
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 ..... 1,217.50
  - b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 2,114.20
  - c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,322.58
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? ..... 68,774.20
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 68,774.20
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***

Recurrent Energy<sup>1</sup> is a solar project developer who has successfully developed and sold more than 1.9 gigawatts-peak (GWp) of solar photovoltaic (PV) projects across North America. Based in the U.S. and headquartered in San Francisco, Recurrent Energy is a wholly-owned subsidiary of Canadian Solar and functions as the U.S. development arm of Canadian Solar's Energy Group. Recurrent Energy has one of North America's largest solar development portfolios, with a project pipeline across the United States exceeding 4GWp and more than 2.1GWp of contracted projects. 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 obtaining financing to construct the project in Texas would be in jeopardy.

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. With Texas wholesale electricity prices already below the national average, 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. Without the appraised value limitation, Recurrent Energy would look to maximize their investment by building in California, a state that provides many incentives for renewable energy projects, and which has higher average contracted power rates along with attractive incentives for developers to build projects.

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. If this application is not granted, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement with an off-taker because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project, including its executed ERCOT Standard Generation Interconnection Agreement with the Lower Colorado River Authority, its executed Chapter 381 Tax Rebate Agreement with Travis County and its executed Option-to-Lease Agreements with landowners in Travis County. In addition to terminating these agreements, the applicant would look to spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis. This is because other states have high electricity prices where a developer

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<sup>1</sup> The project, including its real estate contracts, is currently owned by a third party doing business as RRE Austin Solar LLC. East Blackland Solar Project 1 LLC holds an exclusive option to acquire the project and its real estate rights from RRE Austin Solar LLC; the transaction is estimated to close on or before May 31, 2018. East Blackland Solar Project 1 LLC is a wholly-owned subsidiary of Recurrent Energy Group Inc. East Blackland Solar Project 1 LLC intends to inform Elgin Independent School District and the Comptroller when the acquisition closes and will update the application at that time, if required.

**Amendment date: 4/23/2018**

can obtain a PPA with a much higher contracted rate, combined with state incentives for renewable energy generation, 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 is not financeable.

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Amendment date: 4/23/2018

**TAB 8**

***Description of Qualified Property***

East Blackland Solar Project 1 LLC anticipates constructing a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 120 MW. The exact capacity and the specific technology components will be determined during the development and design process.

A 120 MW solar PV generating facility may include qualified property consisting of the following:

- 1) Solar modules/panels and related foundations and equipment
- 2) Steel/aluminum/other metal mounting system with tracking capabilities
- 3) Underground conduit, communication cables, and electrical collection system wiring
- 4) Multiple combiner boxes
- 5) One or multiple project substation(s) including breakers, a transformer, and meters
- 6) Collection substation will be connected to utility interconnection by an above ground transmission line (including towers and interconnection equipment and facilities)
- 7) Inverter boxes on concrete or gravel pads
- 8) Operations and maintenance facility
- 9) Fencing for safety and security
- 10) Telephone/communications system
- 11) New or improved access and service roads
- 12) Meteorological equipment to measure solar irradiation and weather conditions
- 13) Land upon which the above equipment will be installed

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The map in TAB 11 shows the proposed project area with the preliminary solar equipment location within the highlighted areas. The exact placement of the equipment is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.

Taylor ISD

Amendment #1 dated: 4/23/2018

Pflugerville ISD

Coupland ISD

606 ft

586 ft

Gilleland to Elgin 138 kV

Elgin ISD

# RE Pflugerville Travis County, TX

Electric Transmission Lines

— 138 kV

Independent School Districts (ISD)

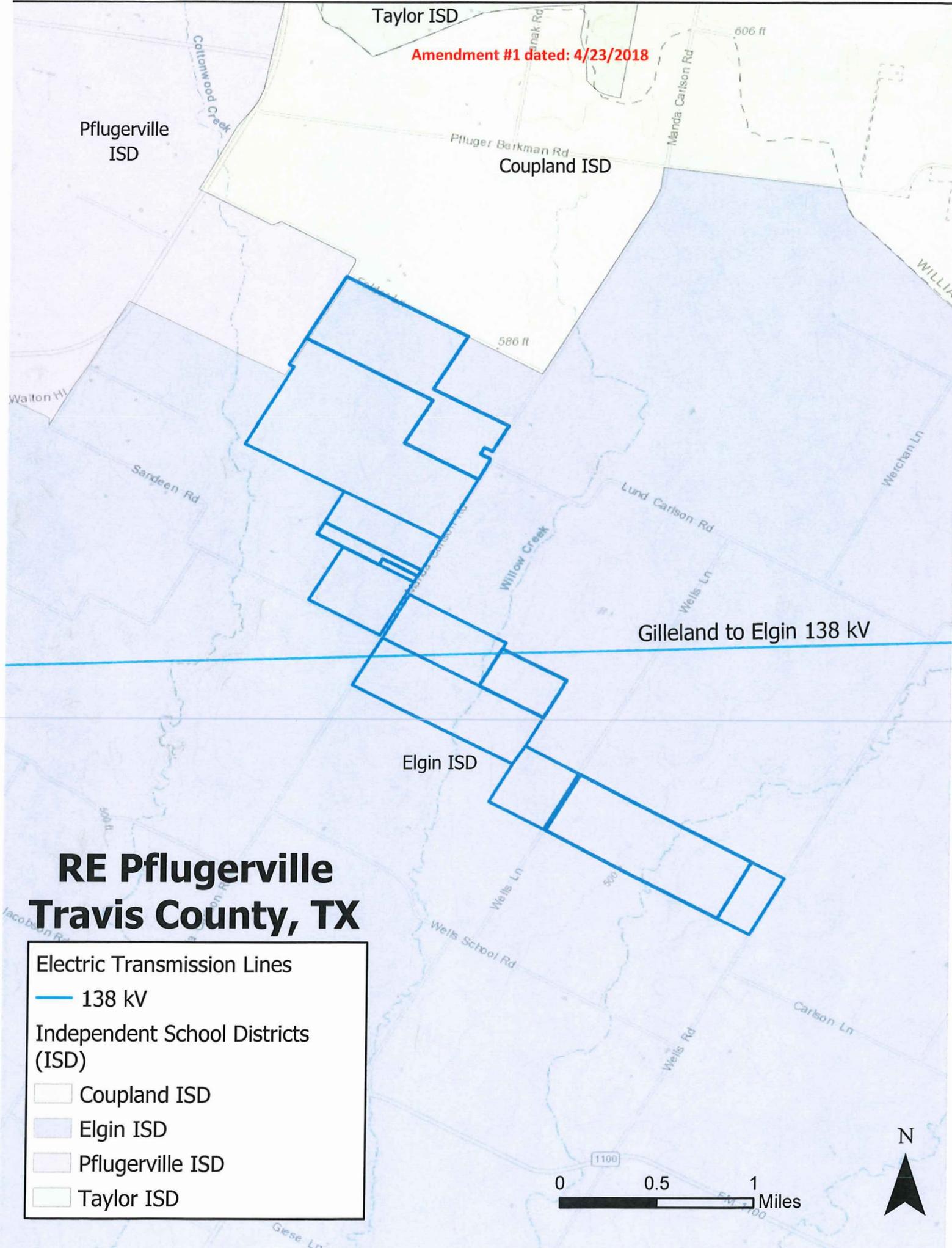
□ Coupland ISD

□ Elgin ISD

□ Pflugerville ISD

□ Taylor ISD

0 0.5 1 Miles



April 9<sup>th</sup>, 2018

Superintendent Jodi Duron  
Elgin Independent School District  
1002 North Avenue C  
Elgin, Texas 78621

Re: Chapter 313 Job Waiver Request

Dear Superintendent Duron,

Please consider this letter to be the formal request of East Blackland Solar Project 1 LLC to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

Based upon our knowledge of staffing requirements, and as evidenced by previously filed and approved Chapter 313 applications by solar developers, East Blackland Solar Project 1 LLC requests the job creation requirement under Chapter 313 of the Texas Tax Code be waived. In line with solar industry standards for job requirements, East Blackland Solar Project 1 LLC has committed to create two (2) new permanent jobs.

Solar projects create a large number of full-time, temporary jobs during the construction phase (1<sup>st</sup> year), but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations begin. These permanent employees of a solar energy project maintain and service solar panels, mounting infrastructure, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees described above, there also may be asset managers or technicians who supervise, monitor, and support solar project operations from offsite locations.

The waiver request herein is in line with industry standards for the number of jobs specifically relegated to a solar generation facility of this size. This is evidenced by previously filed limitation agreement applications by solar developers who similarly requested a waiver of the job requirements and in addition, by readily available documentation and education materials related to the development of solar generation facilities.

Sincerely,



Yumin Liu  
Vice President, East Blackland Solar Project 1 LLC

TAB 13

Calculation of three possible wage requirements with TWC documentation

<b><u>AVERAGE WEEKLY WAGES FOR ALL JOBS, ALL INDUSTRIES IN TRAVIS COUNTY</u></b>				
<i>FOUR MOST RECENT QUARTERS</i>				
<b>COUNTY</b>	<b>YEAR</b>	<b>QUARTER</b>	<b>Avg. Weekly Wage</b>	<b>Annualized</b>
Travis	2016	Q4	\$1,245	\$64,740
Travis	2017	Q1	\$1,187	\$61,724
Travis	2017	Q2	\$1,252	\$65,104
Travis	2017	Q3	\$1,186	\$61,672
		<b>AVERAGE:</b>	\$1,217.50	\$63,310

<b><u>AVERAGE WEEKLY WAGES FOR MANUFACTURING JOBS IN TRAVIS COUNTY</u></b>				
<i>FOUR MOST RECENT QUARTERS</i>				
<b>COUNTY</b>	<b>YEAR</b>	<b>QUARTER</b>	<b>Avg. Weekly Wage</b>	<b>Annualized</b>
Travis	2016	Q4	\$2,023	\$105,196
Travis	2017	Q1	\$2,083	\$108,316
Travis	2017	Q2	\$1,942	\$100,984
Travis	2017	Q3	\$1,640	\$85,280
		<b>AVERAGE:</b>	\$1,922.00	\$99,944
		<b>CALCULATION:</b>	<b>\$1,922.00 * 110% =</b> <b>\$2,114.20</b>	<b>\$99,944 * 110% =</b> <b>\$109,938.40</b>

**Amendment #1 dated: 4/23/2018**

Please refer to the attached TWC documentation below.

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# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

<input type="text" value="2016"/> Year	<input type="text" value="4th Qtr"/> Period	<input type="text" value="Travis County"/> Area	<input type="text" value="Total All"/> Ownership	<input type="text" value="00"/> Division	<input type="text" value="0"/> Level	<input type="text" value="10"/> Ind Code	<input type="text" value="Total, all industries"/> Industry	<input type="text" value="\$1,245"/> Avg Weekly Wages
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# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	3rd Qtr	Travis County	Total All	00	0	10	Total, all industries	\$1,187
2017	1st Qtr	Travis County	Total All	00	0	10	Total, all industries	\$1,252
2017	2nd Qtr	Travis County	Total All	00	0	10	Total, all industries	\$1,186

# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	4th Qtr	Travis County	Total All	31	2	31-33	Manufacturing	\$2,023

## Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2017	1st Qtr	Travis County	Total All	31	2	31-33	Manufacturing	\$2,083
2017	2nd Qtr	Travis County	Total All	31	2	31-33	Manufacturing	\$1,942
2017	3rd Qtr	Travis County	Total All	31	2	31-33	Manufacturing	\$1,640

**2016 Manufacturing Average Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>	<b>\$25.41</b>	<b>\$52,850</b>
<a href="#">1. Panhandle Regional Planning Commission</a>	\$22.52	\$46,834
<a href="#">2. South Plains Association of Governments</a>	\$18.27	\$38,009
<a href="#">3. NORTEX Regional Planning Commission</a>	\$24.14	\$50,203
<a href="#">4. North Central Texas Council of Governments</a>	\$26.06	\$54,215
<a href="#">5. Ark-Tex Council of Governments</a>	\$19.07	\$39,663
<a href="#">6. East Texas Council of Governments</a>	\$20.52	\$42,677
<a href="#">7. West Central Texas Council of Governments</a>	\$20.31	\$42,242
<a href="#">8. Rio Grande Council of Governments</a>	\$19.32	\$40,188
<a href="#">9. Permian Basin Regional Planning Commission</a>	\$26.00	\$54,079
<a href="#">10. Concho Valley Council of Governments</a>	\$18.78	\$39,066
<a href="#">11. Heart of Texas Council of Governments</a>	\$21.14	\$43,962
<a href="#">12. Capital Area Council of Governments</a>	\$30.06	\$62,522
<a href="#">13. Brazos Valley Council of Governments</a>	\$17.66	\$36,729
<a href="#">14. Deep East Texas Council of Governments</a>	\$18.06	\$37,566
<a href="#">15. South East Texas Regional Planning Commission</a>	\$33.42	\$69,508
<a href="#">16. Houston-Galveston Area Council</a>	\$27.52	\$57,246
<a href="#">17. Golden Crescent Regional Planning Commission</a>	\$26.38	\$54,879
<a href="#">18. Alamo Area Council of Governments</a>	\$21.67	\$45,072
<a href="#">19. South Texas Development Council</a>	\$15.02	\$31,235
<a href="#">20. Coastal Bend Council of Governments</a>	\$27.85	\$57,921
<a href="#">21. Lower Rio Grande Valley Development Council</a>	\$17.55	\$36,503
<a href="#">22. Texoma Council of Governments</a>	\$20.98	\$43,648
<a href="#">23. Central Texas Council of Governments</a>	\$18.65	\$38,783
<a href="#">24. Middle Rio Grande Development Council</a>	\$23.05	\$47,950

Source: Texas Occupational Employment and Wages

Data published: July 2017

Data published annually, next update will be July 31, 2018

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Calculation for 110% of average weekly wage in Capital Area Council of Governments Region:

$\$62,522 * 110\% = \$68,774.20$

$\$68,744.20 / 52 \text{ weeks} = \mathbf{\$1,322.58}$

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 Jodi Duron
Print Name (Authorized School District Representative)

sign here [Signature]
Signature (Authorized School District Representative)

74-26-18
Title Superintendent

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 Yumin Liu
Print Name (Authorized Company Representative (Applicant))

President

Title

sign here [Signature]
Signature (Authorized Company Representative (Applicant))

April 23, 2018

Date

Please see California Notary Acknowledgment attached as a separate page

GIVEN under my hand and seal of office this, the

day of

Notary Public in and for the State of Texas

My Commission expires:

(Notary Seal)

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 San Francisco )

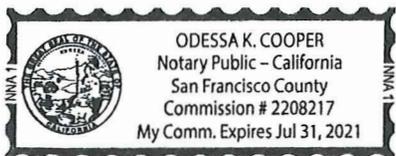
On April 23, 2018 before me, Odessa K. Cooper, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Yumin Liu
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 [Handwritten Signature]
Signature of Notary Public

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: East Blackland Solar Project 1- Form 50-296-A Document Date: April 23, 2018

Number of Pages: 8 Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name: Yumin Liu

- Corporate Officer - Title(s): President
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: