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June 4, 2019

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

RE: Amendment001 to Bronte Independent School District from 231RC 8me LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is Amendment001 to Bronte ISD from 231RC 8me LLC. In response to your request for information, the following responses have been provided:

Application page 5: Section 9

- Please provide a complete estimated date for question 3. – *Updated to January 1, 2020*

Application page 5: Section 10

- Question 3 is marked as “Yes”, is this correct? – *Changed to No*

Tab 5

- The tab indicates the applicant to be “225DD 8me LLC”. Please revise. *Updated Company Name to 231RC 8me*

Tab 10

- Please provide a map detailing the location of existing improvements within the project boundary. – *Added Map*

Tab 11-Maps: *Updated maps*

Tab 13 – Wages: *Updated wages since Q4 2018 is now available*

Tab 14 Schedules-Please review all schedules for accuracy and consistency.

New Signature Page: *Added new signature page*

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Runnels County Appraisal District
231RC 8me LLC

SECTION 9: Projected Timeline

- 1. Application approval by school board ... September 1, 2019
2. Commencement of construction ... Q4 2019
3. Beginning of qualifying time period ... January 1, 2020
4. First year of limitation ... Q1 2021
5. Begin hiring new employees ... Q3 2020
6. Commencement of commercial operations ... Q4 2020
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date ... [X] Yes [] No
8. When do you anticipate the new buildings or improvements will be placed in service? ... Q4 2020

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located ... Runnels County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ... Runnels CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ... [] Yes [X] 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: Runnels County, .615188 (100%)
City: N/A
Hospital District: North Runnels Hospital, .381 (100%)
Water District: Lipan-Kickapoo Water, .0103 (100%)
Other (describe): Valley Creek Wtr.Ctrl.Dis., .0103 (3%)
Other (describe): N/A
5. Is the project located entirely within the ISD listed in Section 1? ... [X] Yes [] No
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 [X] No

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/.

- 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)? ... [X] 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? ... [X] 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 2018
(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 689.75
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 968.55
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 934.53

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? 48,595.80

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 48,595.80

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

Limitation as a Determining Factor

Currently, 8minutenergy Renewables, LLC is considering a variety of other locations for 231RC 8me LLC but believes Bronte ISD would be an ideal location for this solar facility. Due to the national footprint of 8minutenergy Renewables, LLC, there are locations across the world and other parts of the United States being evaluated for the establishment of this solar facility. In the event a 313 agreement is not permitted, 8minutenergy Renewables, LLC will relocate 231RC 8me LLC to another area more financially viable for the continuation of this project. Additional sites being evaluated for the establishment of this facility include locations throughout California where 8minutenergy Renewables, LLC is actively developing and managing additional projects. Failure to reach a 313 value-limitation agreement would unfortunately dismiss Bronte ISD and Runnels County from receiving the economic benefits associated with the development of a solar facility within their jurisdiction. Therefore, it is our goal to reach a 313 value-limitation agreement for 231RC 8me LLC for the benefit of all parties.

231RC 8me LLC is a solar energy project managed by 8minutenergy Renewables, LLC. Their mission is to make solar energy abundant and be a leader in lowering the cost of dispatchable solar PV. 8minutenergy Renewables, LLC is a privately held company focused on producing reliable solar energy with consistent long-term pricing with over 7,500 MW under development, 8minutenergy Renewables, LLC is eager to continue their development of projects within the United States. Their team of experienced professionals are committed to building quality stakeholder relationships in the communities they choose to invest.

8minutenergy Renewables, LLC is the United States' largest independent solar PV and energy storage developer. Many of the nation's largest and most recognizable solar PV projects have been developed by 8minutenergy Renewables LLC, including Mount Signal Solar Farm in California, one of the world's largest solar facility.

8minutenergy Renewables, LLC is always evaluating various solar projects for development and where to commit substantial long-term investment based on economic rate of return on investment in the proposed projects. The economic benefits provided by a Chapter 313 Value Limitation is one of the most important components in their analysis.

Not only 8minutenergy Renewables, LLC, but all prudent renewable energy developers, know tax incentives play an important role in attracting capital intensive energy facilities due to the high property tax burden in Texas. Because of the direct impact on any proposed project's economic viability, the decision to invest in Texas, or any other state, requires any capital investment by 8minutenergy Renewables, LLC to be based on expected economic return on their investment.

Property tax liabilities compose a substantial ongoing cost of operation that directly impacts the rate of return on the investment for 231RC 8me LLC. Therefore, without the 313 Value

Limitation tax incentive, the economics of this project could be less competitive with other capital-intensive projects and the viability of the proposed project becomes uncertain. 8minutenergy Renewables, LLC evaluates the economic viability of proposed projects through Discounted Cash Flow models (DCF), comparing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. To move forward, the model must show a rate of return where the project, with the valuation limitation agreement, would exceed the minimum rate of return required to proceed with the proposed investment. Therefore, receiving a value limitation agreement under Chapter 313 results in significant annual operating cost savings which would incentivize 8minutenergy Renewables, LLC to invest capital in the proposed project rather than making an alternative investment. This makes the ability to enter into a Chapter 313 appraised value limitation agreement with the school district "the determining factor" to invest in this project.

Tab 10

Description of Existing Improvement

The total value of existing improvements is \$189,950. Please find attached further information detailing the improvements. Note: the existing improvements are not a part of 231RC 8me, LLC.

Existing Improvements

within project boundary

1361-bronte-231RC8me amendment001

May 28, 2019

Legend

- Existing Improvements
- Project Boundary

Existing Improvements
(black outline)

Project Boundary
(yellow outline)

214

370



Tab 11

Maps

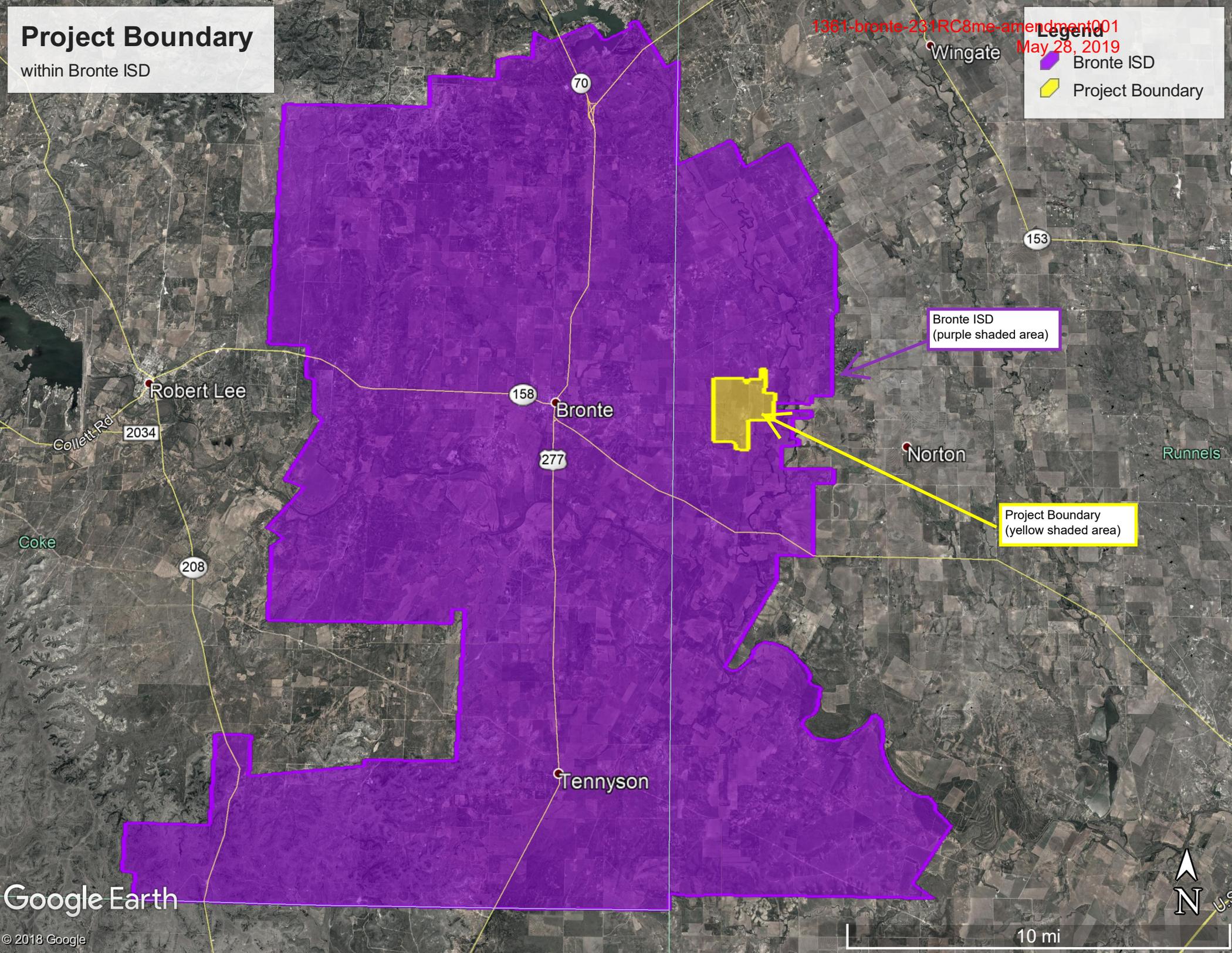
Project Boundary

within Bronte ISD

1351-bronte-231RC8me-amendment001
May 28, 2019

Legend

- Bronte ISD
- Project Boundary



Bronte ISD
(purple shaded area)

Project Boundary
(yellow shaded area)



10 mi

Project Boundary

within Reinvestment Zone

1351-bronte-231RC8me amendment001

May 28, 2019

Legend

-  Project Boundary
-  Proposed Reinvestment Zone

Project Boundary
(yellow outline)

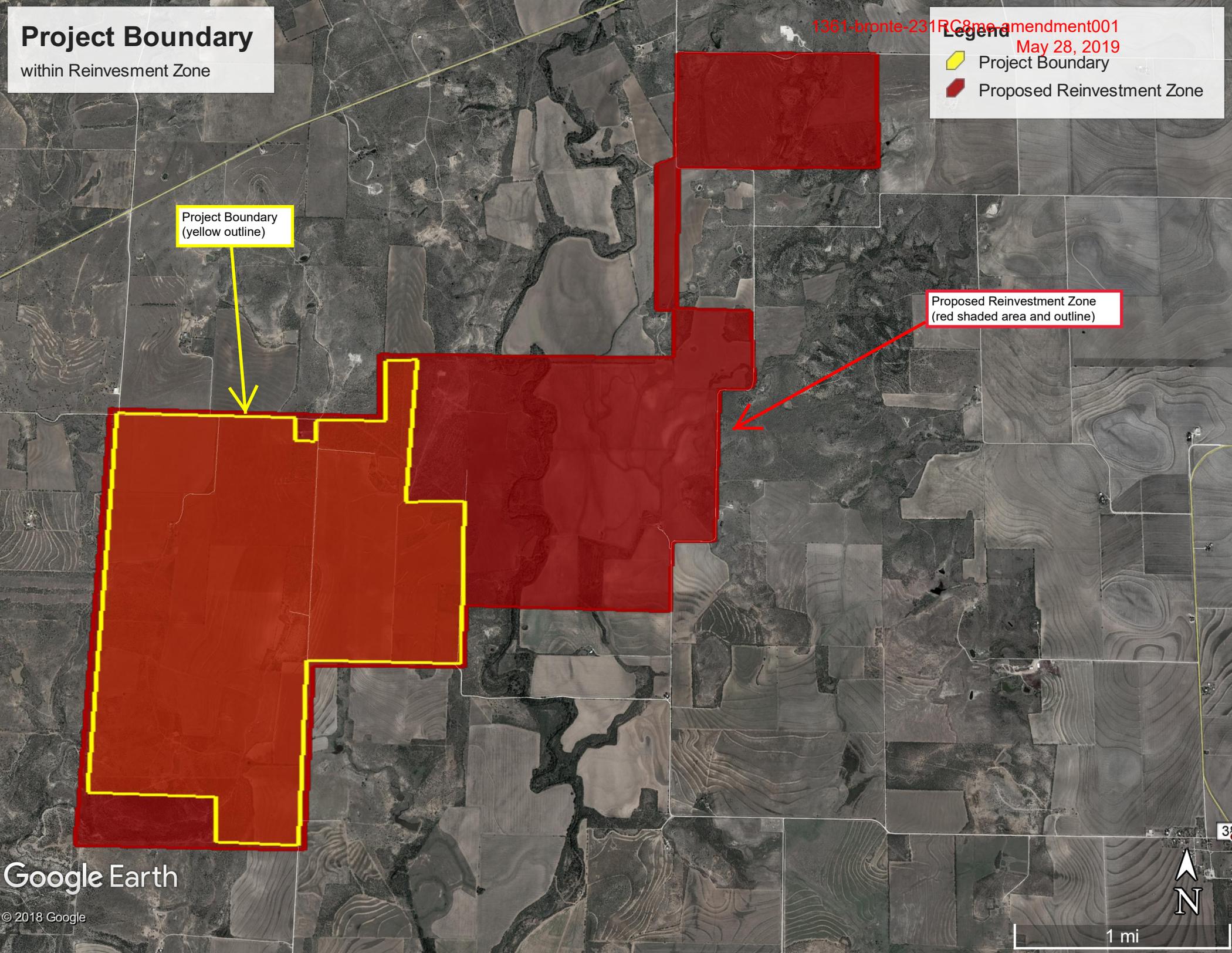
Proposed Reinvestment Zone
(red shaded area and outline)

Google Earth

© 2018 Google



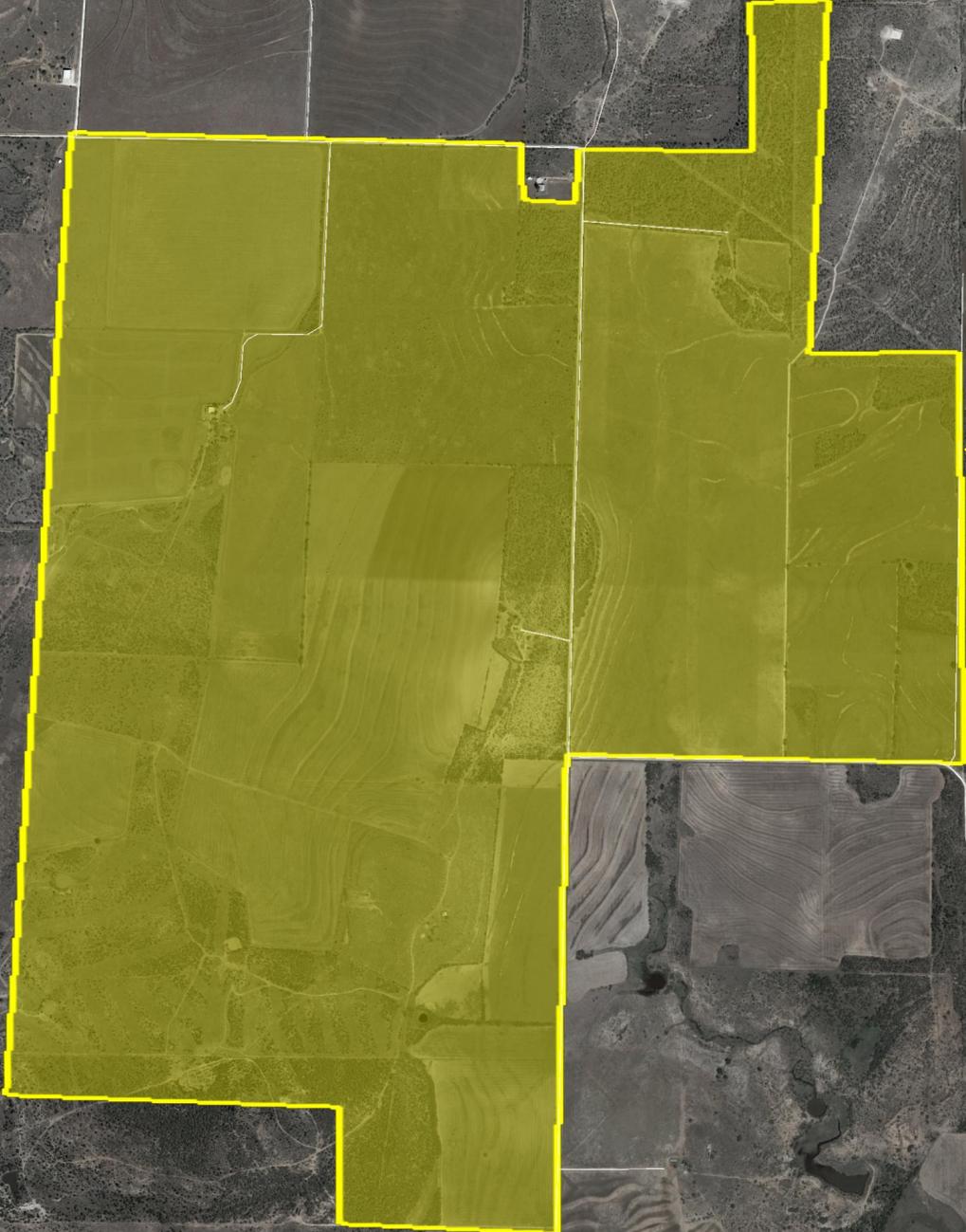
1 mi



Project Boundary

1351-bronte-231RC8me-amendment001
May 28, 2019

Legend
Project Boundary



Project Boundary
(yellow shaded area)



Site Schematic

1351-bronte-231RC8me-amendment001
May 28, 2019

- Legend**
- Project Boundary
 - Transmission Line

384

Transmission Line

O&M Building

Panel Distribution

Substation

Project Boundary
(yellow outline)

Panel Distribution Subject to Change



Tab 13

Calculation of Wage Requirements

U.S. Department of Labor—Bureau of Labor Statistics

The proceeding calculations are for the following wage requirements:

Calculation A: Runnels County Average Weekly Wage

Calculation B: 110% of Runnels County Average for Manufacturing Jobs

Calculation C: 110% of West Central Texas Council of Government Regional Manufacturing Wage

Calculation A: Runnels County Average Weekly Wage for all Jobs

Year	Quarter	Average Weekly Wage
2018	Q1	\$706.00
2018	Q2	\$644.00
2018	Q3	\$681.00
2018	Q4	\$728.00
2018	Q Average	\$ 689.75

In order to calculate Runnels County Average Weekly Wage for all Jobs, the following calculations were completed:

Quarterly Average Calculation:

Step 1: $\$706.00 + \$644.00 + \$681.00 + \$728.00 = \$2759.00$

Step 2: $\$2759.00/4 = \689.75

Calculation B: 110% of Runnels County Average Weekly Wage for Manufacturing Jobs

Year	Quarter	Average Weekly Wage
2018	Q1	\$852.00
2018	Q2	\$806.00
2018	Q3	\$943.00
2018	Q4	\$921.00
2018	Q Average	\$ 880.50
2018	110 % Q Average	\$968.55

In order to calculate 110% of the Runnels County Average Weekly Wage for Manufacturing Jobs, the following calculations were completed:

110% Quarterly Average Calculation

Step 1: $\$852.00 + \$806.00 + \$943.00 + \$921.00 = \$3522.00$

Step 2: $\$3522.00 / 4 = \880.50

Step 3 $\$880.50 * 1.10 =$ **\$968.55**

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

Reset

Export to Excel

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Runnels	Total All	Total, All Industries	706
2018	02	Runnels	Total All	Total, All Industries	644
2018	03	Runnels	Total All	Total, All Industries	681
2018	04	Runnels	Total All	Total, All Industries	728

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

Reset

Export to Excel

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Runnels	Private	Manufacturing	852
2018	02	Runnels	Private	Manufacturing	806
2018	03	Runnels	Private	Manufacturing	943
2018	04	Runnels	Private	Manufacturing	921

Tab 17

Signatures and Certification

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

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

Tim Siler
Print Name (Authorized School District Representative)

Superintendent
Title

sign here

[Signature]
Signature (Authorized School District Representative)

6/4/19
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

Thomas Buttgenbach
Print Name (Authorized Company Representative (Applicant))

President
Title

sign here

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

May 20, 2019
Date

GIVEN under my hand and seal of office this, the

day of

See attached

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.

ACKNOWLEDGMENT

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.

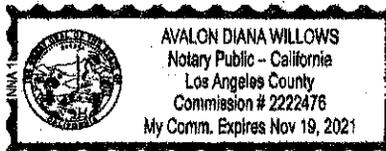
State of California
County of Los Angeles)

On May 20, 2019 before me, Avalon Diana Willows, Notary Public
(insert name and title of the officer)

personally appeared Thomas Hubertus Buttgenbach
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 Avalon Willows (Seal)