



## 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 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 rate of return with the valuation limitation agreement must 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.