



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

September 26, 2019

R.L. Richards
Superintendent
Muleshoe Independent School District
514 W. Ave G
Muleshoe, Texas 79347

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Muleshoe Independent School District and Willing Solar Energy, LLC, Application 1366

Dear Superintendent Richards:

On July 23, 2019, the Comptroller issued written notice that Willing Solar Energy, LLC (applicant) submitted a completed application (Application 1366) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on April 22, 2019, to the Muleshoe Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.

¹ All Statutory references are to the Texas Tax Code, unless otherwise noted.

- Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
- Sec. 313.024(d-2) Not applicable to Application 1366.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement within a year from the date of this letter.

Note that any building or improvement existing as of the application review start date of July 23, 2019, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,



Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Willing Solar Energy, LLC (project) applying to Muleshoe Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Willing Solar Energy, LLC.

Applicant	Willing Solar Energy, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Muleshoe ISD
2017-2018 Average Daily Attendance	1,341
County	Bailey
Proposed Total Investment in District	\$260,000,000
Proposed Qualified Investment	\$260,000,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	2*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$865
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$865
Minimum annual wage committed to by applicant for qualified jobs	\$45,000
Minimum weekly wage required for non-qualifying jobs	\$765
Minimum annual wage required for non-qualifying jobs	\$39,755
Investment per Qualifying Job	\$130,000,000
Estimated M&O levy without any limit (15 years)	\$17,935,235
Estimated M&O levy with Limitation (15 years)	\$5,270,607
Estimated gross M&O tax benefit (15 years)	\$12,664,628

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Willing Solar Energy, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	0	0	0	\$0	\$0	\$0
2021	300	585	884.77	\$13,500,000	\$45,340,000	\$58,840,000
2022	300	991	1291	\$13,500,000	\$80,130,000	\$93,630,000
2023	2	51	53	\$90,000	\$14,310,000	\$14,400,000
2024	2	(2)	0	\$90,000	\$8,210,000	\$8,300,000
2025	2	(27)	-25	\$90,000	\$3,820,000	\$3,910,000
2026	2	(41)	-39	\$90,000	\$1,010,000	\$1,100,000
2027	2	(39)	-37	\$90,000	-\$90,000	\$0
2028	2	(43)	-41	\$90,000	-\$820,000	-\$730,000
2029	2	(39)	-37	\$90,000	-\$1,550,000	-\$1,460,000
2030	2	(35)	-33	\$90,000	-\$2,290,000	-\$2,200,000
2031	2	(25)	-23	\$90,000	-\$2,040,000	-\$1,950,000
2032	2	(18)	-16	\$90,000	-\$1,800,000	-\$1,710,000
2033	2	(10)	-8	\$90,000	-\$1,070,000	-\$980,000
2034	2	(8)	-6	\$90,000	-\$330,000	-\$240,000
2035	2	(6)	-4	\$90,000	-\$580,000	-\$490,000
2036	2	(2)	0	\$90,000	-\$330,000	-\$240,000
2037	2	2	4	\$90,000	-\$90,000	\$0

Source: CPA REMI, Willing Solar Energy, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Muleshoe ISD I&S Tax Levy	Muleshoe ISD M&O Tax Levy	M&O and I&S Tax Levies	Bailey Couty Tax Levy	Muleshoe Area Hosp Tax Levy	High Plains Water Dist Tax Levy	Estimated Total Property Taxes
2022	\$40,000,000	\$40,000,000	0.0200	\$8,000	\$420,000	\$428,000	\$320,000	\$160,000	\$2,680	\$910,680
2023	\$242,560,000	\$242,560,000		\$48,512	\$2,546,880	\$2,595,392	\$1,940,480	\$970,240	\$16,252	\$5,522,364
2024	\$223,154,000	\$223,154,000		\$44,631	\$2,343,117	\$2,387,748	\$1,785,232	\$892,616	\$14,951	\$5,080,547
2025	\$202,214,000	\$202,214,000		\$40,443	\$2,123,247	\$2,163,690	\$1,617,712	\$808,856	\$13,548	\$4,603,806
2026	\$179,584,596	\$179,584,596		\$35,917	\$1,885,638	\$1,921,555	\$1,436,677	\$718,338	\$12,032	\$4,088,602
2027	\$155,161,184	\$155,161,184		\$31,032	\$1,629,192	\$1,660,225	\$1,241,289	\$620,645	\$10,396	\$3,532,555
2028	\$128,787,960	\$128,787,960		\$25,758	\$1,352,274	\$1,378,031	\$1,030,304	\$515,152	\$8,629	\$2,932,115
2029	\$100,308,921	\$100,308,921		\$20,062	\$1,053,244	\$1,073,305	\$802,471	\$401,236	\$6,721	\$2,283,733
2030	\$69,542,063	\$69,542,063		\$13,908	\$730,192	\$744,100	\$556,337	\$278,168	\$4,659	\$1,583,264
2031	\$52,425,382	\$52,425,382		\$10,485	\$550,467	\$560,952	\$419,403	\$209,702	\$3,513	\$1,193,569
2032	\$52,416,874	\$52,416,874		\$10,483	\$550,377	\$560,861	\$419,335	\$209,667	\$3,512	\$1,193,375
2033	\$52,408,536	\$52,408,536		\$10,482	\$550,290	\$560,771	\$419,268	\$209,634	\$3,511	\$1,193,185
2034	\$52,400,366	\$52,400,366		\$10,480	\$550,204	\$560,684	\$419,203	\$209,601	\$3,511	\$1,192,999
2035	\$52,392,358	\$52,392,358		\$10,478	\$550,120	\$560,598	\$419,139	\$209,569	\$3,510	\$1,192,817
2036	\$52,384,511	\$52,384,511		\$10,477	\$550,037	\$560,514	\$419,076	\$209,538	\$3,510	\$1,192,638
2037	\$52,376,821	\$52,376,821		\$10,475	\$549,957	\$560,432	\$419,015	\$209,507	\$3,509	\$1,192,463
			Total	\$341,624	\$17,935,235	\$18,276,858	\$13,664,941	\$6,832,470	\$114,444	\$38,888,713

Source: CPA, Willing Solar Energy, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Bailey County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county, Muleshoe Area Hospital and High Plains Water District.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Muleshoe ISD I&S Tax Levy	Muleshoe ISD M&O Tax Levy	M&O and I&S Tax Levies	Bailey County Tax Levy	Muleshoe Area Hosp Tax Levy	High Plains Water Dist Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.0200	1.0500		0.8000	0.4000	0.0067	
2022	\$40,000,000	\$40,000,000		\$8,000	\$420,000	\$428,000	\$320,000	\$160,000	\$2,680	\$908,000
2023	\$242,560,000	\$20,000,000		\$48,512	\$210,000	\$258,512	\$485,120	\$242,560	\$16,252	\$986,192
2024	\$223,154,000	\$20,000,000		\$44,631	\$210,000	\$254,631	\$446,308	\$223,154	\$14,951	\$924,093
2025	\$202,214,000	\$20,000,000		\$40,443	\$210,000	\$250,443	\$404,428	\$202,214	\$13,548	\$857,085
2026	\$179,584,596	\$20,000,000		\$35,917	\$210,000	\$245,917	\$359,169	\$179,585	\$12,032	\$784,671
2027	\$155,161,184	\$20,000,000		\$31,032	\$210,000	\$241,032	\$310,322	\$155,161	\$10,396	\$706,516
2028	\$128,787,960	\$20,000,000		\$25,758	\$210,000	\$235,758	\$257,576	\$128,788	\$8,629	\$622,121
2029	\$100,308,921	\$20,000,000		\$20,062	\$210,000	\$230,062	\$200,618	\$100,309	\$6,721	\$530,989
2030	\$69,542,063	\$20,000,000		\$13,908	\$210,000	\$223,908	\$139,084	\$69,542	\$4,659	\$432,535
2031	\$52,425,382	\$20,000,000		\$10,485	\$210,000	\$220,485	\$104,851	\$52,425	\$3,513	\$377,761
2032	\$52,416,874	\$20,000,000		\$10,483	\$210,000	\$220,483	\$104,834	\$52,417	\$3,512	\$377,734
2033	\$52,408,536	\$52,408,536		\$10,482	\$550,290	\$560,771	\$419,268	\$209,634	\$3,511	\$1,189,674
2034	\$52,400,366	\$52,400,366		\$10,480	\$550,204	\$560,684	\$419,203	\$209,601	\$3,511	\$1,189,488
2035	\$52,392,358	\$52,392,358		\$10,478	\$550,120	\$560,598	\$419,139	\$209,569	\$3,510	\$1,189,307
2036	\$52,384,511	\$52,384,511		\$10,477	\$550,037	\$560,514	\$419,076	\$209,538	\$3,510	\$1,189,128
2037	\$52,376,821	\$52,376,821		\$10,475	\$549,957	\$560,432	\$419,015	\$209,507	\$3,509	\$1,188,954
			Total	\$341,624	\$5,270,607	\$5,612,231	\$5,228,011	\$2,614,005	\$114,444	\$13,454,247
			Diff	\$0	\$12,664,627	\$12,664,627	\$8,436,930	\$4,218,465	\$0	\$25,434,466

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Willing Solar Energy, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that Willing Solar Energy, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
	2022	\$420,000	\$420,000	\$0	\$0
Limitation Period (10 Years)	2023	\$210,000	\$630,000	\$2,336,880	\$2,336,880
	2024	\$210,000	\$840,000	\$2,133,117	\$4,469,997
	2025	\$210,000	\$1,050,000	\$1,913,247	\$6,383,244
	2026	\$210,000	\$1,260,000	\$1,675,638	\$8,058,882
	2027	\$210,000	\$1,470,000	\$1,419,192	\$9,478,075
	2028	\$210,000	\$1,680,000	\$1,142,274	\$10,620,348
	2029	\$210,000	\$1,890,000	\$843,244	\$11,463,592
	2030	\$210,000	\$2,100,000	\$520,192	\$11,983,784
	2031	\$210,000	\$2,310,000	\$340,467	\$12,324,250
	2032	\$210,000	\$2,520,000	\$340,377	\$12,664,627
Maintain Viable Presence (5 Years)	2033	\$550,290	\$3,070,290	\$0	\$12,664,627
	2034	\$550,204	\$3,620,493	\$0	\$12,664,627
	2035	\$550,120	\$4,170,613	\$0	\$12,664,627
	2036	\$550,037	\$4,720,651	\$0	\$12,664,627
	2037	\$549,957	\$5,270,607	\$0	\$12,664,627
Additional Years as Required by 313.026(c)(1) (10 Years)	2038	\$549,877	\$5,820,485	\$0	\$12,664,627
	2039	\$549,800	\$6,370,285	\$0	\$12,664,627
	2040	\$549,724	\$6,920,009	\$0	\$12,664,627
	2041	\$549,649	\$7,469,658	\$0	\$12,664,627
	2042	\$549,576	\$8,019,235	\$0	\$12,664,627
	2043	\$549,505	\$8,568,739	\$0	\$12,664,627
	2044	\$549,435	\$9,118,174	\$0	\$12,664,627
	2045	\$549,366	\$9,667,540	\$0	\$12,664,627
	2046	\$549,299	\$10,216,839	\$0	\$12,664,627
	2047	\$549,233	\$10,766,072	\$0	\$12,664,627

\$10,766,072

is less than

\$12,664,627

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	No

Source: CPA, Willing Solar Energy, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2020	0	0	0	\$0	\$0	\$0	0	0	\$0
2021	300	585	884.77	\$13,500,000	\$45,340,000	\$58,840,000	4670000	-1660000	\$6,330,000
2022	300	991	1291	\$13,500,000	\$80,130,000	\$93,630,000	8200000	-1740000	\$9,940,000
2023	2	51	53	\$90,000	\$14,310,000	\$14,400,000	580000	1450000	-\$870,000
2024	2	(2)	0	\$90,000	\$8,210,000	\$8,300,000	440000	1440000	-\$1,000,000
2025	2	(27)	-25	\$90,000	\$3,820,000	\$3,910,000	300000	1370000	-\$1,070,000
2026	2	(41)	-39	\$90,000	\$1,010,000	\$1,100,000	210000	1260000	-\$1,050,000
2027	2	(39)	-37	\$90,000	-\$90,000	\$0	180000	1110000	-\$930,000
2028	2	(43)	-41	\$90,000	-\$820,000	-\$730,000	110000	980000	-\$870,000
2029	2	(39)	-37	\$90,000	-\$1,550,000	-\$1,460,000	60000	850000	-\$790,000
2030	2	(35)	-33	\$90,000	-\$2,290,000	-\$2,200,000	60000	750000	-\$690,000
2031	2	(25)	-23	\$90,000	-\$2,040,000	-\$1,950,000	50000	620000	-\$570,000
2032	2	(18)	-16	\$90,000	-\$1,800,000	-\$1,710,000	50000	540000	-\$490,000
2033	2	(10)	-8	\$90,000	-\$1,070,000	-\$980,000	50000	430000	-\$380,000
2034	2	(8)	-6	\$90,000	-\$330,000	-\$240,000	20000	370000	-\$350,000
2035	2	(6)	-4	\$90,000	-\$580,000	-\$490,000	-20000	300000	-\$320,000
2036	2	(2)	0	\$90,000	-\$330,000	-\$240,000	-50000	220000	-\$270,000
2037	2	2	4	\$90,000	-\$90,000	\$0	-80000	150000	-\$230,000
2038	2	(6)	-4	\$90,000	\$150,000	\$240,000	-90000	110000	-\$200,000
2039	2	(0)	2	\$90,000	\$150,000	\$240,000	-80000	50000	-\$130,000
2040	2	(2)	0	\$90,000	\$400,000	\$490,000	-90000	-40000	-\$50,000
2041	2	(0)	2	\$90,000	\$640,000	\$730,000	-110000	-90000	-\$20,000
2042	2	(4)	-2	\$90,000	\$150,000	\$240,000	-120000	-130000	\$10,000
2043	2	(4)	-2	\$90,000	-\$90,000	\$0	-140000	-180000	\$40,000
2044	2	(6)	-4	\$90,000	-\$90,000	\$0	-200000	-210000	\$10,000
2045	2	(8)	-6	\$90,000	-\$580,000	-\$490,000	-240000	-310000	\$70,000
2046	2	(12)	-10	\$90,000	-\$580,000	-\$490,000	-170000	-320000	\$150,000
2047	2	(4)	-2	\$90,000	\$890,000	\$980,000	-120000	-350000	\$230,000
Total							\$13,470,000	\$6,970,000	\$6,500,000
							\$17,266,072	is greater than	\$12,664,627

Analysis Summary

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?

Yes

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant’s decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Willing Solar Energy, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Invenergy, as the parent company of Willing Solar Energy, LLC, is North America’s largest privately-held renewable energy provider, with a national portfolio of wind, solar, storage, and natural gas project.
- Per Invenergy in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Without tax incentives such as the Ch. 313 Value Limitation on Qualified Property, the economic return for this project is negatively impacted to the point that locating the project in Bailey County becomes unlikely. If Willing Solar Energy, LLC was not able to obtain a value limitation agreement for this project, the project would most likely be terminated and financial resources would be allocated to projects with more favorable economic returns.”
 - B. “Invenergy is currently considering alternative sites outside the State of Texas for solar developments, including locations in the following states: Oklahoma and New Mexico.”
- Supplemental information provided by the applicant stated the following:
 - A. In ERCOT’s records, the project is known as Willing Solar Energy, LLC.
 - B. The project received the IGNR number from ERCOT, GEN-2017-190 on November 30, 2018.

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Supporting Information

Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value



Willing Solar Energy LLC
Application for Appraised Value Limitation on Qualified Property
To
Muleshoe ISD

CHECKLIST ITEM #5

Documentation to assist in determining if limitation is a determining factor

Section 8, Question 2: Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?

The only agreements that Willing Solar Energy LLC has entered into for this project are (i) written lease agreements with landowners that permit the installation of solar energy project facilities on the land, and (ii) consultant agreements for feasibility studies, tax matters, legal advice, etc. The written leases may be terminated by Willing Solar Energy LLC if it elects not to construct the project. None of the agreements described in this paragraph obligate Willing Solar LLC to construct the project.

Section 8, Questions 7 and 10: Is the applicant evaluating other locations not in Texas for the proposed project? Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?

Invenergy, as the parent company of Willing Solar Energy LLC, is North America's largest privately-held renewable energy provider, with a national portfolio of wind, solar, storage, and natural gas projects. With operations in several regions throughout the contiguous United States, Invenergy considers economic return on investment as they decide where to locate development projects.

Without tax incentives such as the Ch.313 Value Limitation on Qualified Property, the economic return for this project is negatively impacted to the point that locating the project in Bailey County becomes unlikely. If Willing Solar Energy LLC was not able to obtain a value limitation agreement for this project, the project would most likely be terminated and financial resources would be allocated to projects with more favorable economic returns.

Invenergy is currently considering alternative sites outside the State of Texas for solar developments, including locations in the following states: Oklahoma and New Mexico.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
Muleshoe ISD – Willing Solar Energy, LLC App. #1366

Comptroller Questions (via email on May 30, 2019):

1. *Is Willing Solar Energy, LLC currently known by any other project names?*
2. *Provide the project's IGNR number and when was it assigned.*
3. *Please also list any other names by which this project may have been known in the past – in media reports, investor presentations, or any listings with any federal or state agency.*

Applicant Response (via email on June 28, 2019):

1. *Is Willing Solar Energy, LLC currently known by any other project names?*
No, it is not.
2. *Has this project applied to ERCOT at this time? Yes.*
If so, please provide the project's IGNR number and when was it assigned.
GEN-2017-190, submitted 11/30/2018
3. *Please also list any other names by which this project may have been known in the past- in media reports, investor presentations, or any listings with any federal or state agency.*
Project in not know by any other names.