



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

September 27, 2019

Tim Siler
Superintendent
Bronte Independent School District
210 S. Jefferson Street
Bronte, Texas 76933

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Bronte Independent School District and BNB Tennyson Solar, LLC, Application 1372

Dear Superintendent Siler:

On July 3, 2019, the Comptroller issued written notice that BNB Tennyson Solar, LLC (applicant) submitted a completed application (Application 1372) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on May 8, 2019, to the Bronte 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 1372.

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 3, 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 BNB Tennyson Solar, LLC (project) applying to Bronte 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 BNB Tennyson Solar, LLC.

| | |
|---|--------------------------------------|
| Applicant | BNB Tennyson Solar, LLC |
| Tax Code, 313.024 Eligibility Category | Renewable Energy Electric Generation |
| School District | Bronte ISD |
| 2017-2018 Average Daily Attendance | 215 |
| County | Coke |
| Proposed Total Investment in District | \$145,000,000 |
| Proposed Qualified Investment | \$130,500,000 |
| 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 | \$866 |
| Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B) | \$866 |
| Minimum annual wage committed to by applicant for qualified jobs | \$45,016 |
| Minimum weekly wage required for non-qualifying jobs | \$777 |
| Minimum annual wage required for non-qualifying jobs | \$40,379 |
| Investment per Qualifying Job | \$72,500,000 |
| Estimated M&O levy without any limit (15 years) | \$6,528,244 |
| Estimated M&O levy with Limitation (15 years) | \$3,030,733 |
| Estimated gross M&O tax benefit (15 years) | \$3,497,510 |

* 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 BNB Tennyson Solar, LLC (modeled).

| Year | Employment | | | Personal Income | | |
|------|------------|--------------------|--------|-----------------|--------------------|--------------|
| | Direct | Indirect + Induced | Total | Direct | Indirect + Induced | Total |
| 2021 | 275 | 322 | 597 | \$12,375,000 | \$31,014,000 | \$43,389,000 |
| 2022 | 2 | 27 | 28.936 | \$90,033 | \$5,276,967 | \$5,367,000 |
| 2023 | 2 | 18 | 20 | \$90,033 | \$3,731,967 | \$3,822,000 |
| 2024 | 2 | 2 | 4 | \$90,033 | \$2,010,967 | \$2,101,000 |
| 2025 | 2 | (6) | -4 | \$90,033 | \$965,967 | \$1,056,000 |
| 2026 | 2 | (8) | -6 | \$90,033 | \$390,967 | \$481,000 |
| 2027 | 2 | (8) | -6 | \$90,033 | \$134,967 | \$225,000 |
| 2028 | 2 | (6) | -4 | \$90,033 | \$102,967 | \$193,000 |
| 2029 | 2 | (4) | -2 | \$90,033 | \$191,967 | \$282,000 |
| 2030 | 2 | (1) | 1 | \$90,033 | \$349,967 | \$440,000 |
| 2031 | 2 | 1 | 3 | \$90,033 | \$547,967 | \$638,000 |
| 2032 | 2 | 3 | 5 | \$90,033 | \$743,967 | \$834,000 |
| 2033 | 2 | 4 | 6 | \$90,033 | \$916,967 | \$1,007,000 |
| 2034 | 2 | 5 | 7 | \$90,033 | \$1,060,967 | \$1,151,000 |
| 2035 | 2 | 6 | 8 | \$90,033 | \$1,167,967 | \$1,258,000 |
| 2036 | 2 | 6 | 8 | \$90,033 | \$1,231,967 | \$1,322,000 |

Source: CPA REMI, BNB Tennyson Solar, 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* | Bronte ISD I&S Tax Levy | Bronte ISD M&O Tax Levy | Bronte ISD M&O and I&S Tax Levies | Coke County Tax Levy | East Coke County Hospital Tax Levy | Coke County FM & FC Tax Levy | Coke County Underground WCD Tax Levy | Estimated Total Property Taxes |
|------|---------------------------------|---------------------------------|--------------|-------------------------|-------------------------|-----------------------------------|----------------------|------------------------------------|------------------------------|--------------------------------------|--------------------------------|
| | | | 0.0000 | 1.0000 | | | 0.3894 | 0.3889 | 0.1183 | 0.0106 | |
| 2022 | \$94,660,650 | \$94,660,650 | | \$0 | \$946,607 | \$946,607 | \$368,619 | \$368,175 | \$112,021 | \$10,034 | \$1,805,456 |
| 2023 | \$87,105,060 | \$87,105,060 | | \$0 | \$871,051 | \$871,051 | \$339,197 | \$338,788 | \$103,080 | \$9,233 | \$1,661,349 |
| 2024 | \$78,952,881 | \$78,952,881 | | \$0 | \$789,529 | \$789,529 | \$307,451 | \$307,081 | \$93,433 | \$8,369 | \$1,505,863 |
| 2025 | \$70,143,419 | \$70,143,419 | | \$0 | \$701,434 | \$701,434 | \$273,146 | \$272,817 | \$83,008 | \$7,435 | \$1,337,841 |
| 2026 | \$60,636,210 | \$60,636,210 | | \$0 | \$606,362 | \$606,362 | \$236,124 | \$235,840 | \$71,757 | \$6,427 | \$1,156,510 |
| 2027 | \$50,370,561 | \$50,370,561 | | \$0 | \$503,706 | \$503,706 | \$196,149 | \$195,912 | \$59,609 | \$5,339 | \$960,714 |
| 2028 | \$39,285,778 | \$39,285,778 | | \$0 | \$392,858 | \$392,858 | \$152,983 | \$152,799 | \$46,491 | \$4,164 | \$749,295 |
| 2029 | \$27,311,052 | \$27,311,052 | | \$0 | \$273,111 | \$273,111 | \$106,352 | \$106,224 | \$32,320 | \$2,895 | \$520,902 |
| 2030 | \$20,646,874 | \$20,646,874 | | \$0 | \$206,469 | \$206,469 | \$80,401 | \$80,304 | \$24,434 | \$2,189 | \$393,796 |
| 2031 | \$20,638,536 | \$20,638,536 | | \$0 | \$206,385 | \$206,385 | \$80,369 | \$80,272 | \$24,424 | \$2,188 | \$393,637 |
| 2032 | \$20,630,366 | \$20,630,366 | | \$0 | \$206,304 | \$206,304 | \$80,337 | \$80,240 | \$24,414 | \$2,187 | \$393,482 |
| 2033 | \$20,622,358 | \$20,622,358 | | \$0 | \$206,224 | \$206,224 | \$80,306 | \$80,209 | \$24,404 | \$2,186 | \$393,329 |
| 2034 | \$20,614,511 | \$20,614,511 | | \$0 | \$206,145 | \$206,145 | \$80,275 | \$80,178 | \$24,395 | \$2,185 | \$393,179 |
| 2035 | \$20,606,821 | \$20,606,821 | | \$0 | \$206,068 | \$206,068 | \$80,245 | \$80,149 | \$24,386 | \$2,184 | \$393,032 |
| 2036 | \$20,599,285 | \$20,599,285 | | \$0 | \$205,993 | \$205,993 | \$80,216 | \$80,119 | \$24,377 | \$2,184 | \$392,889 |
| | | | Total | \$0 | \$6,528,244 | \$6,528,244 | \$2,542,170 | \$2,539,108 | \$772,552 | \$69,199 | \$12,451,273 |

Source: CPA, BNB Tennyson Solar, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Coke 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.

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 | | Bronte ISD I&S Tax Levy | Bronte ISD M&O Tax Levy | Bronte ISD M&O and I&S Tax Levies | Coke County Tax Levy | East Coke County Hospital Tax Levy | Coke County FM & FC Tax Levy | Coke County Underground WCD Tax Levy | Estimated Total Property Taxes |
|------|---------------------------------|---------------------------------|--------------|-------------------------|-------------------------|-----------------------------------|----------------------|------------------------------------|------------------------------|--------------------------------------|--------------------------------|
| | | | Tax Rate* | 0.0000 | 1.0000 | | 0.3894 | 0.3889 | 0.1183 | 0.0106 | |
| 2022 | \$94,660,650 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$368,619 | \$368,175 | \$112,021 | \$10,034 | \$1,058,849 |
| 2023 | \$87,105,060 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$339,197 | \$338,788 | \$103,080 | \$9,233 | \$990,298 |
| 2024 | \$78,952,881 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$307,451 | \$307,081 | \$93,433 | \$8,369 | \$916,334 |
| 2025 | \$70,143,419 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$273,146 | \$272,817 | \$83,008 | \$7,435 | \$836,406 |
| 2026 | \$60,636,210 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$236,124 | \$235,840 | \$71,757 | \$6,427 | \$750,148 |
| 2027 | \$50,370,561 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$196,149 | \$195,912 | \$59,609 | \$5,339 | \$657,009 |
| 2028 | \$39,285,778 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$152,983 | \$152,799 | \$46,491 | \$4,164 | \$556,437 |
| 2029 | \$27,311,052 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$106,352 | \$106,224 | \$32,320 | \$2,895 | \$447,791 |
| 2030 | \$20,646,874 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$80,401 | \$80,304 | \$24,434 | \$2,189 | \$387,328 |
| 2031 | \$20,638,536 | \$20,000,000 | | \$0 | \$200,000 | \$200,000 | \$80,369 | \$80,272 | \$24,424 | \$2,188 | \$387,252 |
| 2032 | \$20,630,366 | \$20,630,366 | | \$0 | \$206,304 | \$206,304 | \$80,337 | \$80,240 | \$24,414 | \$2,187 | \$393,482 |
| 2033 | \$20,622,358 | \$20,622,358 | | \$0 | \$206,224 | \$206,224 | \$80,306 | \$80,209 | \$24,404 | \$2,186 | \$393,329 |
| 2034 | \$20,614,511 | \$20,614,511 | | \$0 | \$206,145 | \$206,145 | \$80,275 | \$80,178 | \$24,395 | \$2,185 | \$393,179 |
| 2035 | \$20,606,821 | \$20,606,821 | | \$0 | \$206,068 | \$206,068 | \$80,245 | \$80,149 | \$24,386 | \$2,184 | \$393,032 |
| 2036 | \$20,599,285 | \$20,599,285 | | \$0 | \$205,993 | \$205,993 | \$80,216 | \$80,119 | \$24,377 | \$2,184 | \$392,889 |
| | | | Total | \$0 | \$3,030,733 | \$3,030,733 | \$2,542,170 | \$2,539,108 | \$772,552 | \$69,199 | \$8,953,763 |
| | | | Diff | \$0 | \$3,497,510 | \$3,497,510 | \$0 | \$0 | \$0 | \$0 | \$3,497,510 |

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, BNB Tennyson Solar, 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 BNB Tennyson Solar, 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 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 | 2019 | \$0 | \$0 | \$0 | \$0 |
| | 2020 | \$0 | \$0 | \$0 | \$0 |
| | 2021 | \$29,000 | \$29,000 | \$0 | \$0 |
| Limitation Period (10 Years) | 2022 | \$200,000 | \$229,000 | \$746,607 | \$746,607 |
| | 2023 | \$200,000 | \$429,000 | \$671,051 | \$1,417,657 |
| | 2024 | \$200,000 | \$629,000 | \$589,529 | \$2,007,186 |
| | 2025 | \$200,000 | \$829,000 | \$501,434 | \$2,508,620 |
| | 2026 | \$200,000 | \$1,029,000 | \$406,362 | \$2,914,982 |
| | 2027 | \$200,000 | \$1,229,000 | \$303,706 | \$3,218,688 |
| | 2028 | \$200,000 | \$1,429,000 | \$192,858 | \$3,411,546 |
| | 2029 | \$200,000 | \$1,629,000 | \$73,111 | \$3,484,656 |
| | 2030 | \$200,000 | \$1,829,000 | \$6,469 | \$3,491,125 |
| | 2031 | \$200,000 | \$2,029,000 | \$6,385 | \$3,497,510 |
| Maintain Viable Presence (5 Years) | 2032 | \$206,304 | \$2,235,304 | \$0 | \$3,497,510 |
| | 2033 | \$206,224 | \$2,441,527 | \$0 | \$3,497,510 |
| | 2034 | \$206,145 | \$2,647,672 | \$0 | \$3,497,510 |
| | 2035 | \$206,068 | \$2,853,741 | \$0 | \$3,497,510 |
| | 2036 | \$205,993 | \$3,059,733 | \$0 | \$3,497,510 |
| Additional Years as Required by 313.026(c)(1) (10 Years) | 2037 | \$205,919 | \$3,265,652 | \$0 | \$3,497,510 |
| | 2038 | \$205,847 | \$3,471,499 | \$0 | \$3,497,510 |
| | 2039 | \$205,776 | \$3,677,275 | \$0 | \$3,497,510 |
| | 2040 | \$205,706 | \$3,882,981 | \$0 | \$3,497,510 |
| | 2041 | \$205,638 | \$4,088,619 | \$0 | \$3,497,510 |
| | 2042 | \$205,571 | \$4,294,190 | \$0 | \$3,497,510 |
| | 2043 | \$205,506 | \$4,499,696 | \$0 | \$3,497,510 |
| | 2044 | \$205,442 | \$4,705,138 | \$0 | \$3,497,510 |
| | 2045 | \$205,379 | \$4,910,517 | \$0 | \$3,497,510 |
| | 2046 | \$205,317 | \$5,115,834 | \$0 | \$3,497,510 |

\$5,115,834

is greater than

\$3,497,510

| | |
|---|-----|
| 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 |

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, BNB Tennyson Solar, LLC

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 BNB Tennyson Solar 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:

- Per BNB Tennyson Solar LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “BNB Renewable Energy Holdings LLC (BNB), the parent company of BNB Tennyson Solar LLC, was founded in 2004 to develop clean-energy power plants. More than 700MW of BNB-developed wind and solar plants are operating or under construction throughout the United States and Mexico, with another 500MW in the near-term pipeline. That total includes various projects including the 181MW Bull Creek Wind farm (operating) and the 225MW Long Draw Solar plant (under development). (In nearby Dawson County, BNB developed the 152MW Lamesa Solar plant and the 211MW Mesquite Creek Wind farm.) BNB is actively developing a select group of renewable energy projects in Connecticut, California, New York, Ohio, Oregon, Pennsylvania, and Texas and these projects are competing for financing with the proposed project in Bronte ISD. BNB is also active in the development of “inside the fence” renewable energy generation projects and is working with schools, universities, and Fortune 500 companies on various sites across the United States.”
 - B. “Depending on the ability to generate cost-effective electricity for regional consumers, BNB has the ability to allocate or reallocate investments to another state, another region of Texas, or another region of the world. BNB Tennyson Solar LLC believes, however, that the proposed site in Coke County is a desirable business location and can provide electricity at a price that is competitive with other regions of Texas. Electric utilities are focused on providing low-cost energy supply to their customers and contracting for the sale of electricity is currently highly competitive, particularly because of the large number of potential solar energy facilities that can be built in West and Central Texas given the newly constructed transmission capacity.”
 - C. “Receiving the Appraised Value Limitation from the school district is vital to obtaining long-term financing and to maintaining the economic competitiveness of the project with other projects currently being developed in Texas by BNB and by others.”

- According to Regular Meeting of the Commissioners Court of Coke County dated May 14, 2019, "Consider and take appropriate action pursuant to Chapter 312 of the Texas Tax Code and other authority regarding: (a) a discussion of the BNB Tennyson Solar LLC Project, a proposed solar facility project to be located in Coke County, Texas near the community of Tennyson therein; and (b) action regarding future meeting scheduling and statutory public notice procedures related to said project."
- An August 1, 2019, *www.texaspolicy.com* article states that BNB Tennyson Solar, LLC "Are seeking subsidies from: Coke County – considering a \$278,971 annual tax incentive for BNB Tennyson Solar."
- Supplemental information provided by the applicant indicated the following:
 - A. "This project used to be names Ulysses Solar and received their first Screening Study on 3/29/2019. Upon review they realized that there was already another project with the name Ulysses so they filed on May 17th to change the name with ERCOT to BNB Tennyson Solar LLC."
 - B. "INR number of 21INR0253."

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
in negotiations with Coke County and East Coke Co Hospital District but no agreement has been signed
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
in negotiations with Coke County and East Coke Co Hospital District but no agreement has been signed
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



TAB 5

Documentation to assist in determining if limitation is a determining factor.

BNB Renewable Energy Holdings LLC (BNB), the parent company of BNB Tennyson Solar LLC, was founded in 2004 to develop clean-energy power plants. More than 700MW of BNB-developed wind and solar plants are operating or under construction throughout the United States and Mexico, with another 500MW in the near-term pipeline. That total includes various projects including the 181MW Bull Creek Wind farm (operating) and the 225MW Long Draw Solar plant (under development). (In nearby Dawson County, BNB developed the 152MW Lamesa Solar plant and the 211MW Mesquite Creek Wind farm.) BNB is actively developing a select group of renewable energy projects in Connecticut, California, New York, Ohio, Oregon, Pennsylvania, and Texas and these projects are competing for financing with the proposed project in Bronte ISD. BNB is also active in the development of "inside the fence" renewable energy generation projects and is working with schools, universities, and Fortune 500 companies on various sites across the United States.

Depending on the ability to generate cost-effective electricity for regional consumers, BNB has the ability to allocate or reallocate investments to another state, another region of Texas, or another region of the world. BNB Tennyson Solar LLC believes, however, that the proposed site in Coke County is a desirable business location and can provide electricity at a price that is competitive with other regions of Texas. Electric utilities are focused on providing low-cost energy supply to their customers and contracting for the sale of electricity is currently highly competitive, particularly because of the large number of potential solar energy facilities that can be built in West and Central Texas given the newly constructed transmission capacity.

Receiving the Appraised Value Limitation from the school district is vital to obtaining long-term financing and to maintaining the economic competitiveness of the project with other projects currently being developed in Texas by BNB and by others.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

No. 7638

FILED FOR RECORD
TIME 8:00 AM

MAY 10 2019

COKE COUNTY & DIST. CLERK
MONICA REYES

NOTICE OF MEETING
COMMISSIONERS' COURT OF COKE COUNTY, TEXAS

Notice is hereby given that a regular meeting of the above named Commissioners' Court will be held on the 14th day of May, 2019 at 9:00 a.m. in the County Courthouse, Robert Lee, Texas, at which time the following subjects will be discussed, to wit:

Agenda

NOTICE: The Commissioners Court of Coke County may discuss, deliberate and take all appropriate action on any matter listed on this Agenda. Items on this Agenda may be taken out of the order listed. The Court reserves the right to deliberate in closed session pursuant to 551 of the Texas Government Code. Public comment is limited to five minutes per person on any agenda item.

1. Prayer / Pledge
2. Call to order and determine quorum.
3. Consider minutes for prior meeting and take appropriate action.
4. Consider and take appropriate action on Treasurer's Report
5. Consider and take appropriate action on Payroll
6. Consider and take appropriate action on Accounts Payable for Payroll
7. Consider and take appropriate action on Extension Report
8. Consider and take appropriate action on the Sheriff's Report
9. Consider and take appropriate action on Tax Collector's Report
10. Consider and take appropriate action on District/County Clerk's Report
11. Consider and take appropriate action on Constable Report, Pct. 1
12. Consider and take appropriate action on J.P. Report, Pct. 1
13. Consider and take appropriate action on D.R. Report
14. Consider and take appropriate action on Trapper's Report

15. Consider and take appropriate action on Burn Ban
16. Certification of the appointment of the County Auditor for a 2 year term to the Commissioners Court of Coke County
17. Consider and take appropriate action on Donation from Jeff Arnwine to Coke for labor, materials and or funds for maintenance of McDonald County road
18. Consider and take appropriate action on Line Item Transfers:
 - Agricultural Extension AG
 - From: Agent Travel to Agent's Expense

 - County Treasurer
 - From Conference Expense to Telephone
 - From Conference Expense to Office Supplies
19. Consider and take appropriate action on Depository Bids
20. **CONSIDER AND TAKE APPROPRIATE ACTION pursuant to Chapter 312 of the Texas Tax Code and other authority regarding: (a) a discussion of the BNB Tennyson Solar LLC Project, a proposed solar facility project to be located in Coke County, Texas near the community of Tennyson therein; and (b) action regarding future meeting scheduling and statutory public notice procedures related to said project.**

EXECUTIVE/CLOSED SESSION – A closed session meeting will be held, as needed, regarding the following matters:

- (1) **pursuant to sections 551.071 and 551.129 of the Texas Government Code (consultation with attorney), for the Commissioners Court to consult with and seek advice from its attorney regarding: (a) the BNB Tennyson Solar LLC Project, a proposed solar facility project to be located in Coke County, Texas near the community of Tennyson therein; and (b) any topic listed on the agenda posted for this meeting; and**
 - (2) **pursuant to section 551.087 of the Texas Government Code (economic development negotiations), for the Commissioners Court to discuss and deliberate economic development negotiations as described in that statute regarding: (a) the requests for a tax abatement reinvestment zone, and a related county tax abatement agreement, proposed by business prospect BNB Tennyson Solar LLC for its solar facility project to be located in Coke County, Texas near the community of Tennyson therein; and (b) all related matters.**
21. Reports from Commissioners and Judge

22. Consider and take appropriate action on payment of bills

Adjourn

The Commissioners Court of Coke County, Texas reserves the right to conduct an executive/closed session at any time during the course of this meeting to discuss any matter listed on the agenda posted for this meeting, as needed, pursuant to one or more authorized and applicable exceptions to an open meeting described in Chapter 551 of the Texas Government Code (the Texas Open Meeting Act), including but not limited to the following statutory exceptions: Texas Government Code Sections 551.071 and 551.129 (Consultation with Attorney), 551.072 (Deliberation Regarding Real Property), 551.073 (Deliberation Regarding Prospective Gift or Donation), 551.074 (Personnel Matters), 551.076 and 551.089 (Deliberation Regarding Security Devices or Security Audits), or 551.087 (Deliberation Regarding Economic Development Negotiations).

Commissioners' Court of Coke County, Texas

By: _____

A handwritten signature in black ink, appearing to be "H. G.", is written over a horizontal line.

New Wind and Solar Farms are Flooding Rural Texas

By **Bill Peacock, Carly Good** | August 1, 2019

Wherever you go in rural Texas today, you are likely to run across a new wind farm or solar farm being constructed.

And why wouldn't they be?

Taxpayers and consumers are currently paying more than \$2 billion annually to renewable energy companies operating in Texas. And with the threat that eligibility for the biggest renewable subsidy, the federal Production Tax Credit (PTC), might expire at the end of the year, there is a mad rush by renewable companies—many of which are multibillion-dollar, multinational conglomerates—to take even more of our money from us through the largess of our local, state, and federal governments.

The cost of these renewable energy projects, though, is not just measured in dollars.

The reliability of the Texas electricity grid is being strained by both wind and solar farms that cannot guarantee electricity when Texans most need it, and then (as the case with wind) drive down prices at night by dumping electricity onto the market when we don't need it. The result is a lack of new investment in natural gas or coal-fired plants that can provide reliable and affordable energy when we need it—usually between 4-7 p.m. on hot summer afternoons.

Additionally, these plants are scarring rural Texas and creating a cleanup problem beyond what any of us can currently imagine one they can no longer generate electricity.

Below is a list of companies seeking local tax abatements from counties, school districts, hospital districts, etc. across the state. A total of 34 projects in 27 counties want taxpayers to subsidize their businesses so they can make more profits. And with each of these projects likely to produce fewer than ten permanent jobs each, there isn't anything in it for county residents.

Here is the list:

Cooke County

Two new renewable energy generators, **BT Cooke Solar, LLC** and **Wildcat Creek Wind** are seeking subsidies from:

- **Cooke County** – considering a \$56,500 annual tax incentive for BT Cooke Solar, LLC and an unspecified amount for Wildcat Creek Wind
- **Era ISD** – considering limiting the taxable value of the project by \$20 million for BT Cooke Solar, LLC
- **Muenster ISD** – considering limiting the taxable value of the project for Wildcat Creek Wind

Ector County

Two new solar farms, **Rockhound Solar A** and **Rockhound Solar B**, are seeking subsidies from:

- **Ector County** – considering a \$559,600 annual tax incentive for Rockhound Solar A and \$337,600 for Rockhound Solar B
- **Ector County ISD** – considering limiting the taxable value of the project by \$100 million for both
- **Ector County Hospital District** – considering a \$185,600 annual tax incentive for Rockhound Solar A and \$95,800 for Rockhound Solar B
- **Odessa College** – considering a \$104,800 annual tax incentive for Rockhound Solar A and \$170,500 for Rockhound Solar B

Knox County

A new wind farm, **Griffin Trail Wind, LLC**, is seeking subsidies from:

- **Knox County** – considering a \$6,629,208 annual tax incentive
- **Benjamin ISD** – considering limiting the taxable value of the project by \$20 million
- **Seymour ISD** – considering limiting the taxable value of the project by \$30 million
- **Knox County Hospital District** – considering a \$3,575,058 annual tax incentive

Wharton County

A new solar farm, **Hecate Energy Ramsey, LLC**, is seeking subsidies from:

- **Wharton County** – considering a \$627,340 annual tax incentive
- **Louise ISD** – considering limiting the taxable value of the project by \$20 million

Bailey County

A new solar farm, **Willing Solar Energy, LLC**, is seeking subsidies from:

- Bailey County – considering an \$843,693 annual tax incentive
- Muleshoe ISD – considering limiting the taxable value of the project by \$20 million
- Knox County Hospital District – considering a \$421,846 annual tax incentive

Cameron County

A new wind farm, **Monte Alto Windpower, LLC**, is seeking subsidies from:

- Cameron County – considering a \$187,645 annual tax incentive
- Santa Rosa ISD – considering limiting the taxable value of the project by \$15 million

Coke County

Two new renewable energy generators, **BNB Tennyson Solar, LLC**, and **Grape Creek Wind, LLC**, are seeking subsidies from:

- Coke County – considering a \$278,971 annual tax incentive for BNB Tennyson Solar and \$2,007,044 for Grape Creek Wind
- Bronte ISD – considering limiting the taxable value of the project by \$20 million for both
- Robert Lee ISD – considering limiting the taxable value of the project by \$25 million for both
- Water Valley ISD – considering limiting the taxable value of Grape Creek Wind by \$20 million

Fannin County

A new solar farm, **B.T. Coniglio Solar, LLC**, is seeking subsidies from:

- Fannin County – considering a \$259,700 annual tax incentive
- Bonham ISD – considering limiting the taxable value of the project by \$20 million

Hardeman County

A new wind farm, **Blue Summit III Wind, LLC**, is seeking subsidies from:

- Hardeman County – considering a \$203,000 annual tax incentive
- Chillicothe ISD – considering limiting the taxable value of the project by \$20 million

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Bronte ISD – BNB Tennyson Solar, LLC, App. #1372

Comptroller Questions (via email on August 20, 2019):

1. *Please list any other names by which this project may have known in the past--in media reports, investor presentations, or any listings with any federal or state agency.*
2. *Has this project applied to ERCOT at this time? If so, please provide the project's GINR number and when was it assigned.*

Applicant Response (via email on August 20, 2019):

1. *This project used to be names Ulysses Solar and received their first Screening Study on 3/29/2019. Upon review they realized that there was already another project with the name Ulysses so they filed on May 17th to change the name with ERCOT to BNB Tennyson Solar LLC.*
2. *INR number of 21INR0253.*