



AP Solar Holdings, LLC
5524 Bee Caves Rd, Suite J1
West Lake Hills, TX 78746
www.apsolarholdings.com

August 28, 2019

Tabita Collazo
Texas Comptroller of Public Accounts
111 East 17th Street, Room 427
Austin, Texas 78774
tabita.collazo@cpa.texas.gov

**RE: App 1390 - Wharton ISD 313 Application
Response to Email Request for Information 08/28/19 – Revision 2**

Dear Ms. Collazo:

1. Maps - the vicinity and qualified investment maps have been revised to clarify the boundaries of the project, reinvestment zone and qualified investment area.
2. Tab 12 – the Job Creation Requirements Waiver Request has been revised as requested.
3. Wages – Tab 13 has been updated to include Q1 2019 data. Tab 1 of the application, page 7 has also been revised. Schedule C, column E has been updated and is attached (excel version as separate document).
4. Signature Page – a new signature page is provided to cover the revised submittal documents.

Please let us know if additional issues arise that require clarification prior to declaring the application complete.

Best Regards,

A handwritten signature in blue ink that reads "Lisa Murphy".

Lisa Murphy
Project Developer

Attachments

Tab 1, Form 50-296-A Page 7
Tab 11, Vicinity Map and Qualified Investment Boundary Map
Tab 12, Job Creation Requirement Waiver Request
Tab 13, Wages
Tab 14, Schedule C
Tab 17, Signature Page

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 2019
(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? 3

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 767.25
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 911.63
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1309.44

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? 47,404.50

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 47,404.50

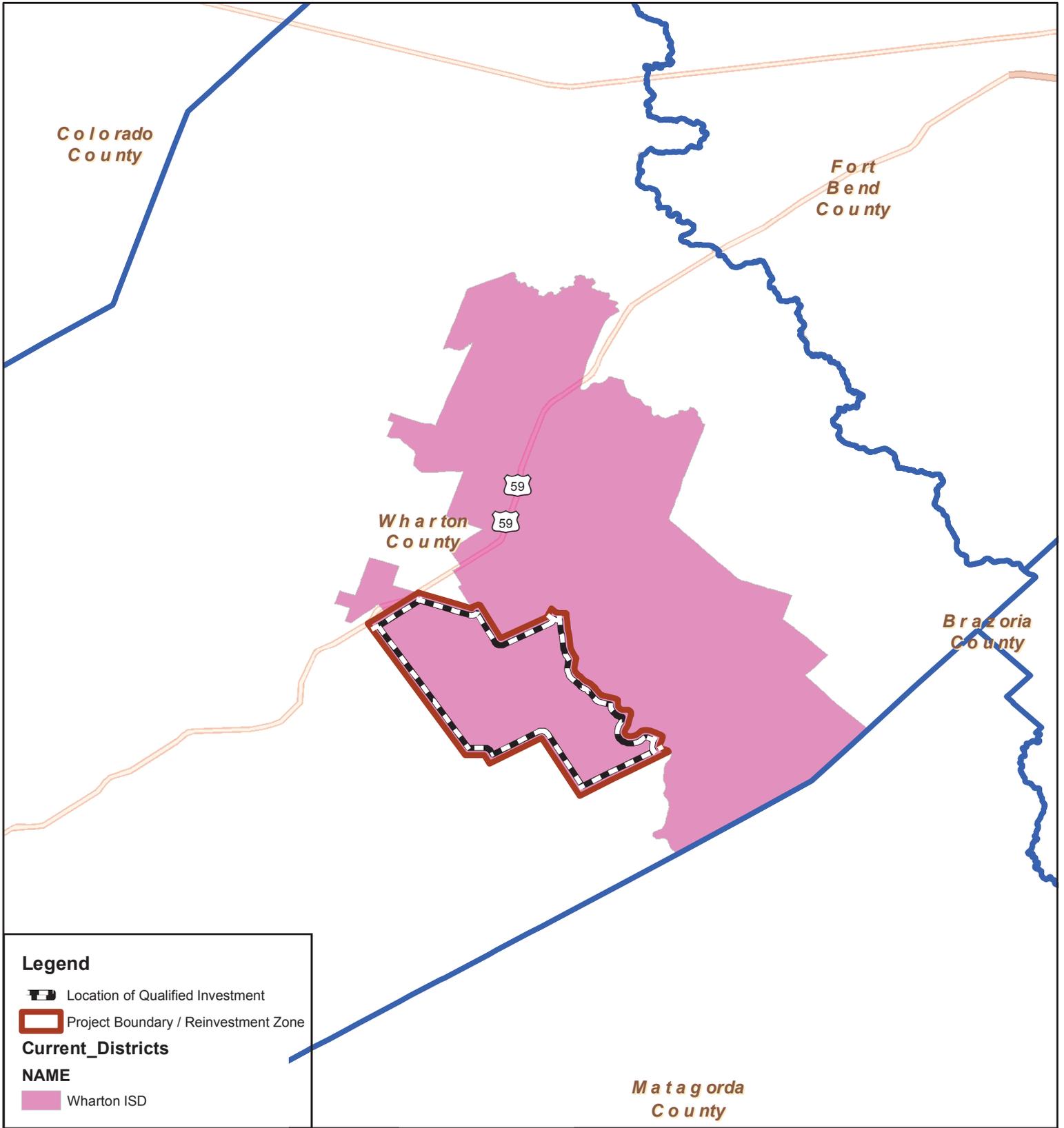
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

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**.



Legend

- Location of Qualified Investment
- Project Boundary / Reinvestment Zone

Current_Districts

NAME
Wharton ISD

Source: schoolsdata2-tea-texas.opendata.arcgis.com
Datum: WGS 1984



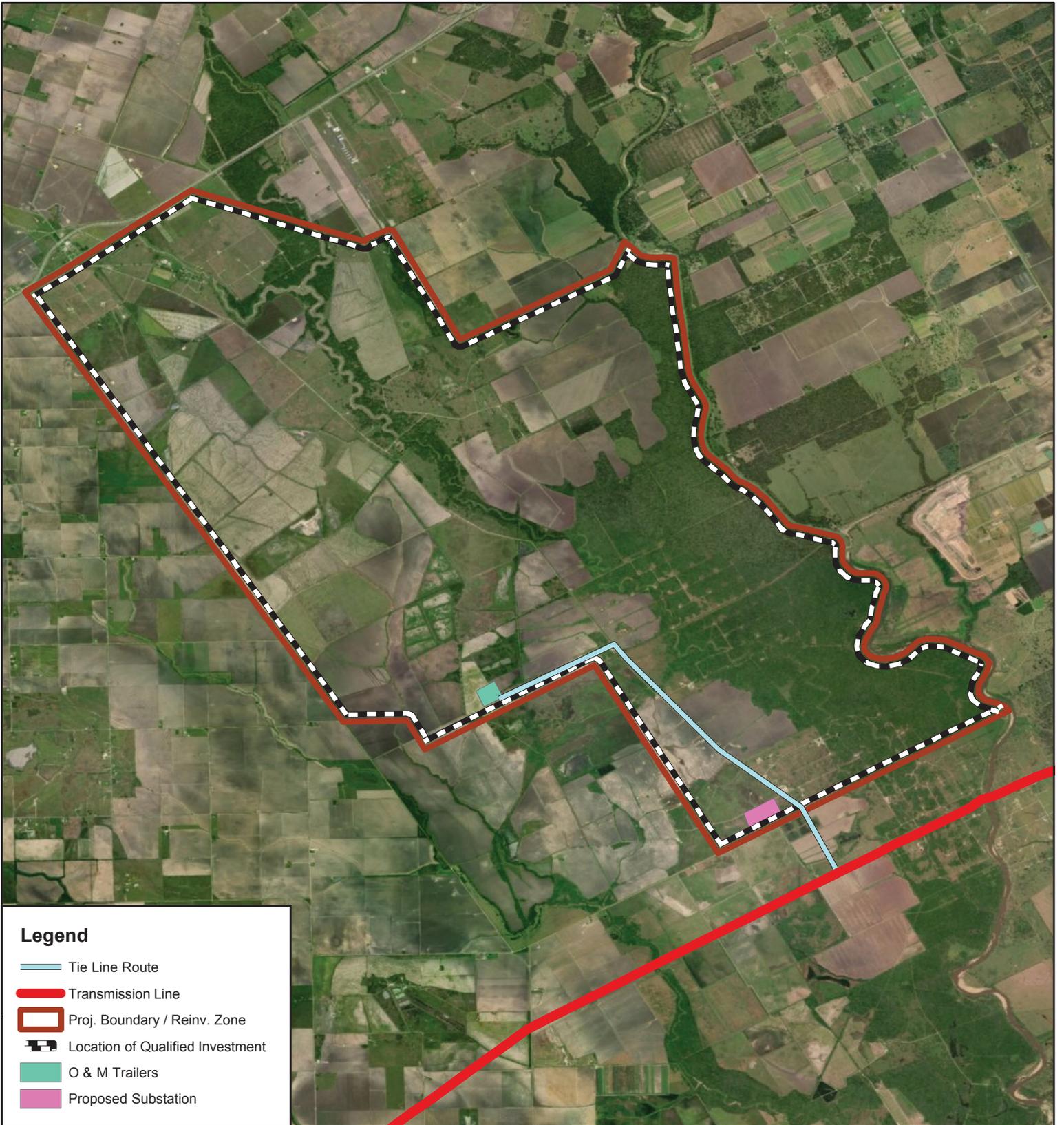
AP Solar 6, LLC
Red-tailed Hawk Solar Project
Vicinity Map



Location:
Wharton County, Texas

0 0.25 0.5 1 Miles

Date: 8/28/19 -- Revision 2



Legend

- Tie Line Route
- Transmission Line
- Proj. Boundary / Reinv. Zone
- Location of Qualified Investment
- O & M Trailers
- Proposed Substation

Source: ESRI StreetMap North America
Datum: WGS 1984



AP Solar 6, LLC
Red-tailed Hawk Solar Project
Location of Qualified Investment



Location:
Wharton County, Texas

0 0.25 0.5 1 Miles

Date: 08/28/19 - Revision 2



AP Solar Holdings, LLC
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Lake Hills, TX 78746
www.apsolarholdings.com

August 28, 2019

Mrs. Tina Herrington, Superintendent
Wharton Independent School District
2100 N Fulton
Wharton, TX 77488

**RE: Red-tailed Hawk Solar Project
Chapter 313 Application for Appraised Value Limitation
Job Creation Requirement Waiver Request**

Dear Mrs. Herrington:

AP Solar 6, LLC, a subsidiary of AP Solar Holdings, LLC, is submitting a Texas Tax Code, Chapter 313 application for appraised value limitation on qualified property with a request for a waiver of the jobs creation requirement. Pursuant to Section 313.025(f-1), the governing body of a school district may waive the new jobs creation requirement or approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

For this size of a utility scale solar project, it is expected that approximately 300 temporary construction jobs will be created over an estimated 1-year construction period. During commissioning and operations, highly skilled technicians with specific training and experience will provide maintenance of the project components and operate the facility. According to the experts at Radian Generation, the industry standard for employment is one permanent job per 75-100 MW. Therefore, it is anticipated that the project will employ 3 full time employees.

Therefore, AP Solar is requesting that Wharton ISD Board of Trustees make a finding that the jobs creation requirement may be waived for this facility.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Elrod".

Christopher Elrod
Manager

Tab 13

Calculation of Three Possible Wage Requirements with TWC Documentation

Average Weekly Wage (All Jobs, All Industries)

County: Wharton

Ownership: Total, all

Industry: Total, all industries

Year	Qtr	Average Weekly Wages
2018	2	740
2018	3	767
2018	4	787
2019	1	775
	Average	767.25

Source: <https://texaslmi.com/LMIbyCategory/QCEW>110% of Average Weekly Wage for Manufacturing Jobs

County: Wharton

Ownership: Private

Industry: Manufacturing

Year	Qtr	Average Weekly Wages
2018	2	851
2018	3	802
2018	4	850
2019	1	812
	Average	828.75
	110% of Average	911.63

Source: <https://texaslmi.com/LMIbyCategory/QCEW>**Minimum Required Annual Wage**

$$\$828.75/\text{wk} * 110\% * 52 \text{ wk/yr} = \$47,404.50$$

110% of Average Weekly Wage for Manufacturing Jobs in Region

Region:	Gulf Coast Area Council of Governments
Average Hourly Wages	\$29.76
Average Weekly Wages (40 hr/wk)	\$1,190.40
110% of Average Weekly Rate	\$1,309.44

Minimum Required Annual Wage

$$\$1,190.40/\text{wk} * 110\% * 52 \text{ wk/yr} = \$68,090.88$$

Source: 2018 Manufacturing Average Wages by Council of Government Region; Wages for All Occupations (<https://texaslmi.com/LMIbyCategory/Wages>)

110% of Average Weekly Wage for Utility Construction Jobs

County:	Wharton
Ownership:	Private
Industry:	Construction: Utility Systems

Year	Qtr	Average Weekly Wages
2017	3	1,178
2017	4	1,155
2018	1	1,162
2018	2	1,238
	Average	1,183.25

Source: <https://tracer2.com/cgi/dataanalysis/AreaSelection.asp?tableName=Industry>

Average Annual Wage Rates for Construction Workers

$$\$1,183.25 * 52 = \$61,529$$

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Wharton	Total All	10	Total, All Industries	743
2018	02	Wharton	Total All	10	Total, All Industries	740
2018	03	Wharton	Total All	10	Total, All Industries	767
2018	04	Wharton	Total All	10	Total, All Industries	787
2019	01	Wharton	Total All	10	Total, All Industries	775

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Wharton	Private	31-33	Manufacturing	800
2018	02	Wharton	Private	31-33	Manufacturing	851
2018	03	Wharton	Private	31-33	Manufacturing	802
2018	04	Wharton	Private	31-33	Manufacturing	850
2019	01	Wharton	Private	31-33	Manufacturing	812

Year	Period	Area	Ownersh	Industr	Industry	Leve	Establis	Firms	Average Employr	Average Weekly Wage
2017	01	Wharton	Private	2371	Utility System Construction	4	5	5	84	1,098
2017	02	Wharton	Private	2371	Utility System Construction	4	5	5	104	1,217
2017	03	Wharton	Private	2371	Utility System Construction	4	5	5	141	1,178
2017	04	Wharton	Private	2371	Utility System Construction	4	5	5	126	1,155
2018	01	Wharton	Private	2371	Utility System Construction	4	5	5	137	1,162
2018	02	Wharton	Private	2371	Utility System Construction	4	5	5	260	1,238

Schedule C: Employment Information

Date: 8/28/19 Revision 2
 Applicant Name: AP Solar 6, LLC - Red-tailed Hawk Solar
 ISD Name: Wharton ISD

Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Qualifying Jobs		
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	0	N/A	0	0	
	1	2020-2021	2020	300	\$61,529	N/A	0	
	2	2021-2022	2021	0	N/A	0	3	47,404.50
Qualified Investment Period	1	2022-2023	2022	N/A	N/A	0	3	47,404.50
	2	2023-2024	2023	N/A	N/A	0	3	47,404.50
	3	2024-2025	2024	N/A	N/A	0	3	47,404.50
	4	2025-2026	2025	N/A	N/A	0	3	47,404.50
	5	2026-2027	2026	N/A	N/A	0	3	47,404.50
	6	2027-2028	2027	N/A	N/A	0	3	47,404.50
	7	2028-2029	2028	N/A	N/A	0	3	47,404.50
	8	2029-2030	2029	N/A	N/A	0	3	47,404.50
	9	2030-2031	2030	N/A	N/A	0	3	47,404.50
	10	2031-2032	2031	N/A	N/A	0	3	47,404.50
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2047	N/A	N/A	0	3	47,404.50

Notes: See TAC 9.1051 for definition of non-qualifying jobs. Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
 if yes, answer the following two questions:

Yes No
 Yes No
 Yes No

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

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.

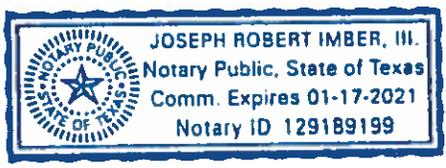
print here ▶ Tina Herrington Superintendent
Print Name (Authorized School District Representative) Title
sign here ▶ Tina Herrington 8/30/2019
Signature (Authorized School District Representative) Date

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 ▶ Christopher Elrod Manager
Print Name (Authorized Company Representative (Applicant)) Title
sign here ▶ [Signature] 08/28/19
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the _____ day of _____

[Signature]
Notary Public in and for the State of Texas
My Commission expires: 1-17-2021

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.