SARA LEON
& ASSOCIATES, LLC

July 12, 2019

Via Electronic Mail and Hand Delivery
Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

Re: Application for a Chapter 313 Value Limitation Agreement between the Ganado Independent School District and Savion, LLC

First Year of Qualifying Time Period – 2021
First Year of Limitation – 2022

Dear Local Government Assistance and Economic Analysis Division:

The Ganado Independent School District Board of Trustees approved the enclosed Application for Appraised Value Limitation on Qualified Property at a duly called meeting held on June 28, 2019. The Application was determined to be complete on July 12, 2019. The Applicant proposes to construct a solar electric generating facility in Jackson County. The facility will be located in an area of approximately 2,345 acres to be designated as a reinvestment zone in the eastern portion of the county. Additionally, the entirety of the project will be within the jurisdiction of Ganado ISD.

A copy is being provided to the Jackson County Appraisal District by copy of this correspondence. The Board of Trustees believes this project will be beneficial to the District and looks forward to your review and certification of this Application.

Thanks so much for your kind attention to this matter.

Respectfully submitted,

Sara Hardner Leon

Enclosures

512.637.4244 | saraleonlaw.com
Austin | Houston | Corpus Christi
S|L
7500 Rialto Blvd., Bldg. 1, Ste. 250
Austin, Texas 78735

cc: *Via U.S. Postal Service:*
Mr. Damon D. Moore, RPA, RTA, CTA
Chief Appraiser
Jackson County Appraisal District
404 N Allen St.
Edna, Texas 77957

Via Electronic Mail: jhardwick@ganadoisd.net
Dr. John Hardwick, Jr., Superintendent of Schools, Ganado Independent School District

Via Electronic Mail: eclifft@savionenergy.com
Mr. Eric Clifft, Senior Project Manager, Savion, LLC

Via Electronic Mail: wgungoll@savionenergy.com
Mr. Wade Gungoll, Vice President of Development, Savion, LLC

Via Electronic Mail: mfry@keatax.com
Mr. Mike Fry, Director--Energy Services, KE Andrews

Tab 1

Pages 1-9 of the application

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
  - the date on which the school district received the application;
  - the date the school district determined that the application was complete;
  - the date the school board decided to consider the application; and
  - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School DIstrict Information

1. Authorized School District Representative

June 28, 2019
Date Application Received by District

John
First Name

Hardwick Jr.
Last Name

Superintendent
Title

Ganado Independent School District
School District Name

210 S. 6th Street, Ganado, Texas 77962
Street Address

P.O. Box 1200 210 S. 6th Street
Mailing Address

Ganado
City

Texas
State

77962
ZIP

361-771-4200
Phone Number

361-771-2280
Fax Number

Mobile Number (optional)

jhardwick@ganadoisd.net
Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? . . . . . ☑ Yes ☐ No

SECTION 1: School DIstrict Information *(continued)*

3. Authorized School District Consultant *(If Applicable)*

First Name: Sara
Last Name: Leon
Title: Principal
Firm Name: Sara Leon & Associates, LLC
Phone Number: 512-637-4244
Fax Number: 512-637-4245
Mobile Number *(optional)*:
Email Address: sleon@saraleonlaw.com

4. On what date did the district determine this application complete? . . . . . July 12, 2019

5. Has the district determined that the electronic copy and hard copy are identical? . . . . . ☑ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name: Eric
Last Name: Clifft
Title: Senior Project Manager
Organization: Savion, LLC
Street Address: 9316 Beechnut Drive, Austin, Texas 78748
Mailing Address: 9316 Beechnut Drive, Austin, Texas 78748
City: Austin
State: Texas
ZIP: 78748
Phone Number: 512-820-5197
Fax Number: N/A
Mobile Number *(optional)*:
Business Email Address: eclifft@savionenergy.com

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? . . . . . ☑ Yes ☐ No

2a. If yes, please fill out contact information for that person.

First Name: Wade
Last Name: Gungoll
Title: Vice President of Development
Organization: Savion, LLC
Street Address: 1806 Big Canyon Drive, Austin, Texas 78746
Mailing Address: 1806 Big Canyon Drive
City: Austin
State: Texas
ZIP: 78746
Phone Number: 512-804-8944
Fax Number: N/A
Mobile Number *(optional)*:
Business Email Address: wgungoll@savionenergy.com

3. Does the applicant authorize the consultant to provide and obtain information related to this application? . . . . . ☑ Yes ☐ No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant *(If Applicable)*

First Name: Mike
Last Name: Fry
Title: Director--Energy Services
Firm Name: KE Andrews
Phone Number: 469-298-1594
Fax Number: 469-331-1357
Business Email Address: mfry@keatax.com

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☑ Yes ☐ No

   The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

   1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☑ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☑ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Lunis Creek Solar Project, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 *(11 digits)* 32068713109
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☑ No

   4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant *(corporation, limited liability corporation, etc)* Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☐ Yes ☑ No

   2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☑ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ Yes ☐ No ☑ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. *(If necessary, attach explanation in **Tab 3**)*

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:
   - ☑ Land has no existing improvements
   - ☐ Land has existing improvements *(complete Section 13)*
   - ☐ Expansion of existing operation on the land *(complete Section 13)*
   - ☐ 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.

SECTION 9: Projected Timeline

1. Application approval by school board . . . . . October 1, 2019
2. Commencement of construction . . . . . June 15, 2020
3. Beginning of qualifying time period . . . . . January 1, 2021
4. First year of limitation . . . . . January 1, 2022
5. Begin hiring new employees . . . . . January 1, 2022
6. Commencement of commercial operations . . . . . December 31, 2021
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date *(date your application is finally determined to be complete)*? . . . . . ☑ Yes ☐ No

   Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? . . . . . December 31, 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Jackson County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Jackson CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? . . . . . ☐ Yes ☑ 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: Jackson, .4316, 100% *(Name, tax rate and percent of project)*

   City: N/A *(Name, tax rate and percent of project)*

   Hospital District: Jackson Hospital .21, 100% *(Name, tax rate and percent of project)*

   Water District: Flood District, .0643, 100% *(Name, tax rate and percent of project)*

   Other *(describe)*: N/A *(Name, tax rate and percent of project)*

   Other *(describe)*: N/A *(Name, tax rate and percent of project)*
5. Is the project located entirely within the ISD listed in Section 1? . . . . . ☑ Yes ☐ No

   5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
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 ☑ No

   6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

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? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying?. 30,000,000.00

   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)? . . . . . ☑ 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? . . . . . ☑ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
   - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
   - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
   - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? . . . . . ☐ Yes ☑ No
   - 2a. If yes, attach complete documentation including:
     - a. legal description of the land (**Tab 9**);
     - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
     - c. owner (**Tab 9**);
     - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
     - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? . . . . ☐ Yes ☑ No
   - 3a. If yes, attach the applicable supporting documentation:
     - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
     - b. legal description of reinvestment zone (**Tab 16**);
     - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
     - d. guidelines and criteria for creating the zone (**Tab 16**); and
     - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
   - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? . . . . . Please See Tab 16

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In **Tab 10**, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In **Tab 10**, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in **Tab 10**:
   - a. maps and/or detailed site plan;
   - b. surveys;
   - c. appraisal district values and parcel numbers;
   - d. inventory lists;
   - e. existing and proposed property lists;
   - f. model and serial numbers of existing property; or
   - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): . . . . . $ 0.00
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property *(that property described in response to question 2)*: . . . . . $ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

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? 1

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 860.75

   b. 110% of the average weekly wage for manufacturing jobs in the county is . . . . . Manufacturing Data Not Available

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,185.50

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? 61,646.20

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 61,646.20

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 2

Proof of Payment Application Fee

Proof of payment of filing fee received by the Comptroller of Public Accounts per TAC Rule §9.1054 (b)(5)

(Page Inserted by Office of Texas Comptroller of Public Accounts)

Tab 3

Documentation of Combined Group Membership-N/A

Tab 4

Detailed Description of the Project

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.

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, Lunis Creek Solar Project, LLC requests an appraised value limitation from Ganado Independent School District. Savion, LLC is proposing to construct a solar electric generating facility in Jackson County. The facility will be located in an area of approximately 2,345 acres to be designated as a reinvestment zone in the eastern portion of the county. Additionally, the entirety of the project will be within Ganado ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 202.5 MW-AC and will feature 643,000 photovoltaic panels, and 54 central inverters. Additionally, the project will contain a 81.2 MW battery energy storage system ("BESS") consisting of battery enclosures (which contain racks of lithium-ion batteries), transformers (which "step up" and "step down" the system voltage); cooling systems similar to packaged HVAC units used on commercial building and apartment complexes; and system control instrumentation.

Lunis Creek Solar Project, LLC requests that this application includes but is not limited to the following components of this project:

- Solar Modules & Panels
- Inverter Boxes
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Battery Enclosures & Transformers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities
- Battery Cooling Systems

Lunis Creek Solar Project, LLC is a solar energy facility under development by Savion, LLC. Their mission is to integrate U.S. solar energy and energy storage development through a platform of industry-leading enterprise and site evaluation systems. Their current project portfolio includes 6 GW pipeline of solar and energy storage development project. Their team of experienced professionals are committed to renewable energy development as well as building quality stakeholder relationships in the communities they choose to invest in.

Tab 5

Limitation as a Determining Factor

Currently, Savion, LLC is considering a variety of other locations for Lunis Creek Solar Project, LLC but believes Ganado ISD would be an ideal location for this solar facility. Other locations being evaluated for the establishment of the site include New Mexico, Ohio, Kansas, Oklahoma, Georgia, Louisiana, Alabama, South Carolina, Missouri, and Illinois--all locations where the development of this project would easily be feasible due to current company activity as well as previous development, and the presence of tax incentives. In the event a 313 agreement is not permitted Savion, LLC will reallocate the capital for this project to establish a facility in another location more financially viable. Unfortuanately this would dismiss Ganado ISD from receiving the economic benefits associated with the development a solar facility within their jurisdiction. It is our goal to reach a 313 value limiation agreement for the benefit of both Lunis Creek Solar Project, LLC and Ganado ISD. Savion, LLC is constantly evaluating various locations for development and where to commit substantial long-term investment based on economic rate of return with 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 Savion, LLC but all prudent energy developers, recognize the importance of tax incentives in establishing capital intensive facilities. Due to the high property tax burden in Texas, the decision to invest within the state requires any capital investment by Savion, 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. 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. Savion, 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 Savion, 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 6

Taxing Jurisdiction	Percentage of Project located within Jurisdiction	Tax Rate
Jackson County	100%	0.4316
Ganado ISD	100%	1.3994
Jackson County Drainage District	100%	0.0643
Jackson County Hospital	100%	0.21

Tab 7

Description of Qualified Investment

Lunis Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Jackson County, Texas. The facility will be located in an area of approximately 2,345 acres to be designated as a reinvestment zone in the eastern portion of the county. Additionally, the entirety of the project will be within Ganado ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 202.5 MW-AC and will feature 643,000 photovoltaic panels, and 54 central inverters. Additionally, the project will contain a 81.2 MW battery energy storage system ("BESS") consisting of battery enclosures (which contain racks of lithium-ion batteries), transformers (which "step up" and "step down" the system voltage); cooling systems similar to packaged HVAC units used on commercial building and apartment complexes; and system control instrumentation.

Lunis Creek Solar Project, LLC requests that this application includes but is not limited to the following components of this project:

- Solar Modules & Panels
- Inverter Boxes
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Battery Enclosures & Transformers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities
- Battery Cooling Systems

Tab 8

Description of Qualified Property

Lunis Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Jackson County, Texas. The facility will be located in an area of approximately 2,345 acres to be designated as a reinvestment zone in the eastern portion of the county. Additionally, the entirety of the project will be within Ganado ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 202.5 MW-AC and will feature 643,000 photovoltaic panels, and 54 central inverters. Additionally, the project will contain a 81.2 MW battery energy storage system ("BESS") consisting of battery enclosures (which contain racks of lithium-ion batteries), transformers (which "step up" and "step down" the system voltage); cooling systems similar to packaged HVAC units used on commercial building and apartment complexes; and system control instrumentation.

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- Inverter Boxes
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- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Battery Enclosures & Transformers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities
- Battery Cooling Systems

Please Note: an application for this project has been made to ERCOT and is assigned two numbers for solar and storage capacity. The IGNR numbers for each are respectively the following: 21INR0344 and 21INR0345. These numbers were assigned in 2019.

Tab 9

Description of Land: N/A

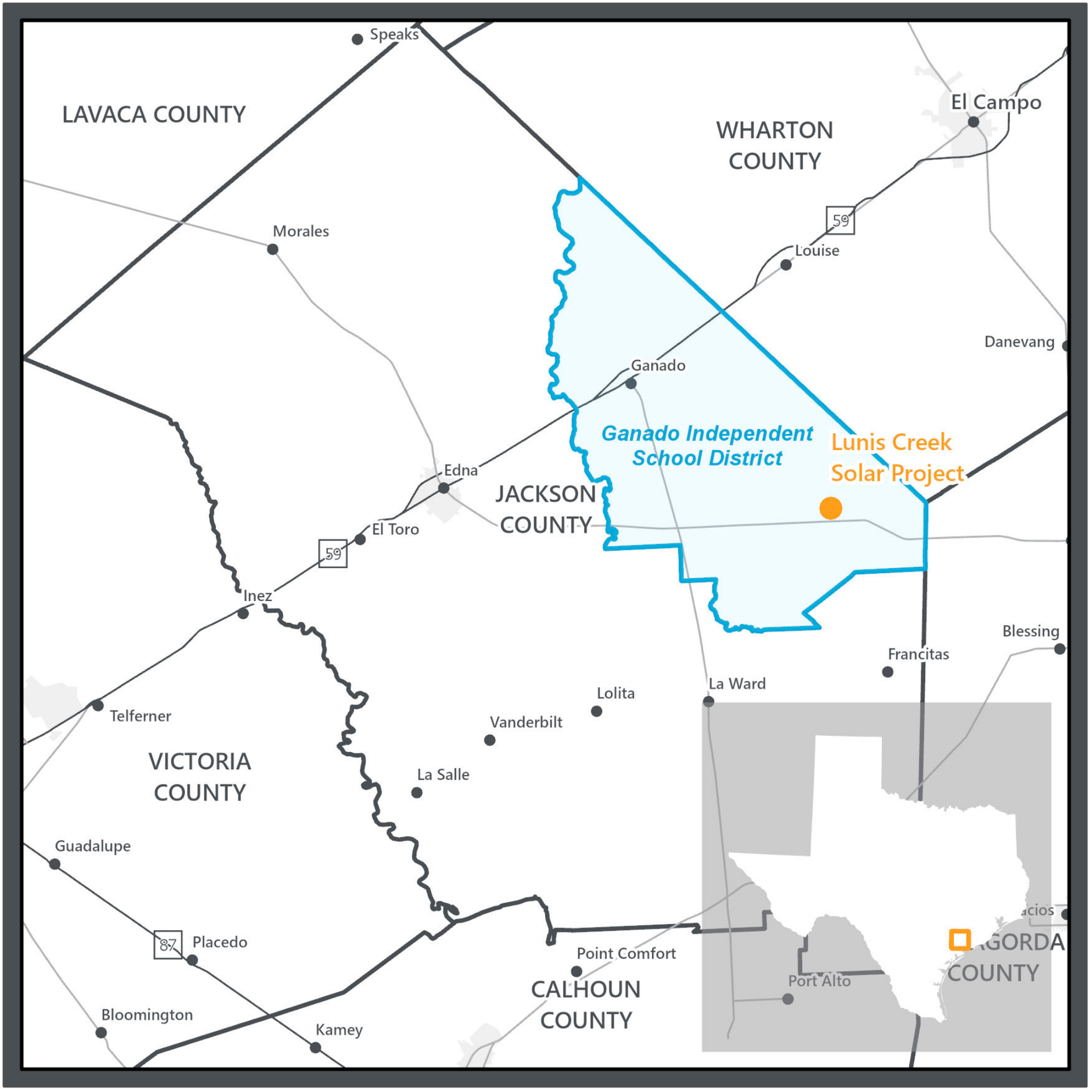
Tab 10

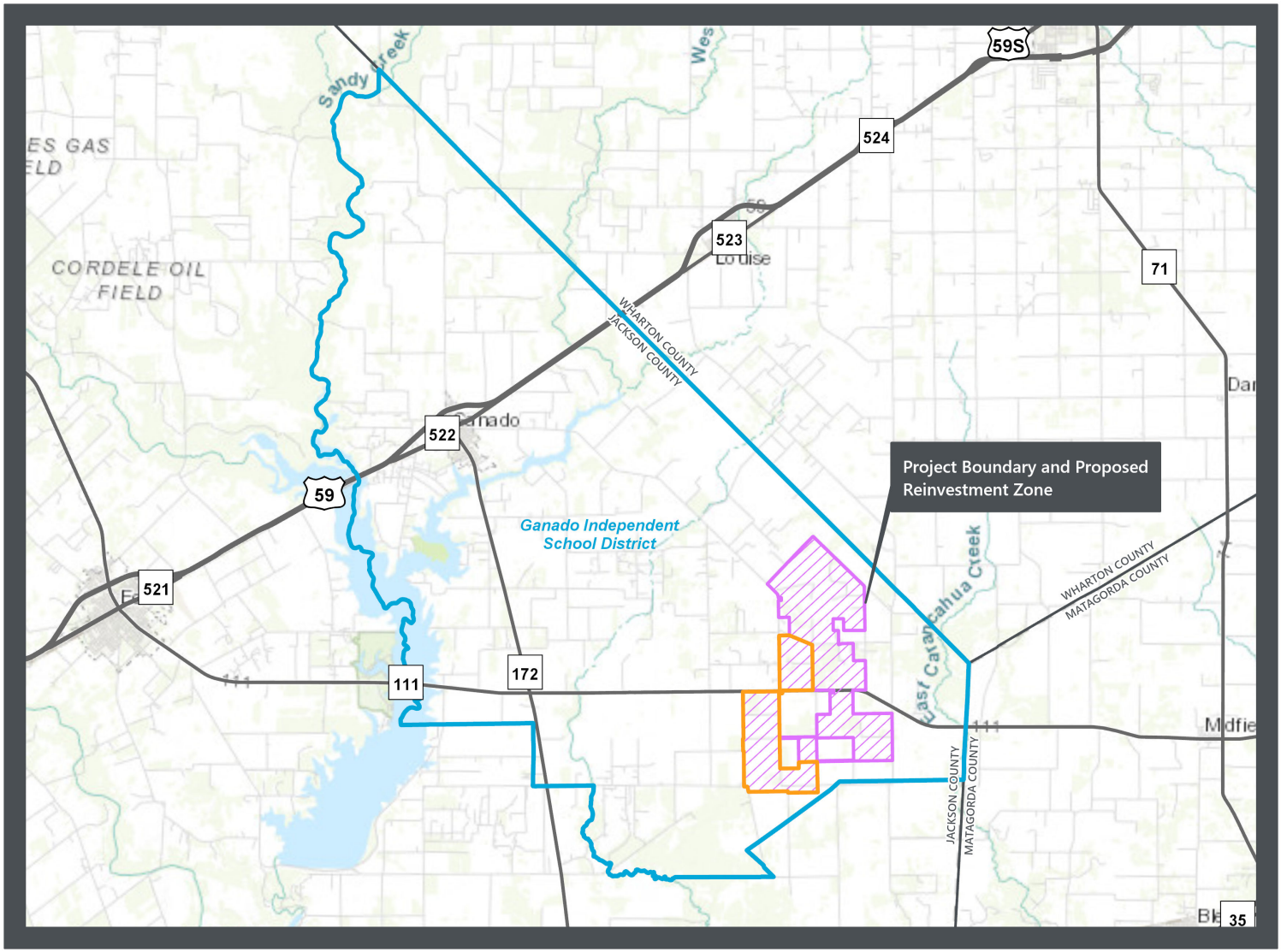
Description of Existing Improvement

There are no existing improvements related to the project at the proposed site.

Tab 11

Maps


Speaks
LAVACA COUNTY
WHARTON COUNTY
El Campo
59
Louise
Morales
Danevang
Ganado
Ganado Independent School District
Lunis Creek Solar Project
Edna
JACKSON COUNTY
El Toro
59
Inez
Blessing
Francitas
La Ward
Lolita
Telferner
Vanderbilt
VICTORIA COUNTY
La Salle
Guadalupe
87
Placedo
Point Comfort
CALHOUN COUNTY
Port Alto
Bloomington
Kamey



Project Vicinity & Reinvestment Zone
Lunis Creek Phase I

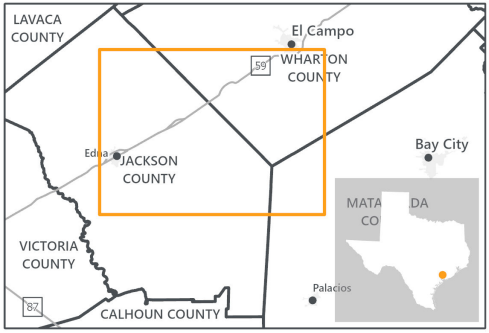
- Project Boundary
- Proposed Reinvestment Zone
- Independent School District

Miles

0 1 2 4 6

N

Scale 1:250,000



Site Location

Qualified Investment & Qualified Property
Lunis Creek Phase I

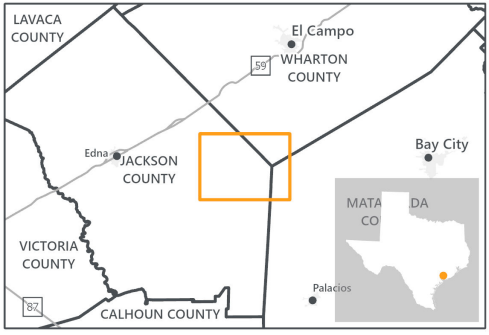
- Project Boundary
- Proposed Reinvestment Zone
- Independent School District
- Solar Array & Facilities
- Project Interconnection
- Project Substation
- Gen Tie Line
- MET Equipment
- Energy Storage Equipment

Miles

0 1 2

N

Scale 1:100,000



Site Location

Tab 12

Request for Waiver of Job Requirements

Please refer to the proceeding letter attached.

SAVION
A RENEWABLE ENERGY COMPANY

16105 W 113th St, Suite 108
Lenexa, KS 66219

Request of Waiver for Job Creation Requirement

June 28, 2019

Dr. John Hardwick, Jr.
Superintendent of Ganado Independent School District
P.O. Box 1200
210 S. 6th Street, Ganado, TX 77962

Re: Chapter 313 Job Waiver Request
Lunis Creek Solar Project, LLC

Dear Dr. Hardwick,

Please consider this letter to be Lunis Creek Solar Project, LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

Based upon knowledge of staffing requirements, Lunis Creek Solar Project, LLC requests the job creation requirement under Chapter 313 of the Texas Tax Code be waived. In line with solar industry standards for job requirements, Lunis Creek Solar Project, LLC has committed to create one (1) new permanent job. Solar projects create a large number of full-time, temporary jobs during the construction phase (1st year) but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations begin. Hiring one (1) permanent, full-time employee is industry standard for a 202.5MW utility-scale solar energy facility.

These permanent employees of a solar energy project maintain and service solar panels, mounting infrastructure, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the on-site employee described above, there also may be asset managers or technicians who supervise, monitor, and support solar project operations from offsite locations.

The waiver request herein is in line with industry standards for the number of jobs specifically relegated to a solar generation facility of this size. This is evidenced by previously filed limitation agreement applications by solar developers who similarly requested a waiver of the job requirements and in addition, by readily available documentation and education materials related to the development of solar generation facilities.

Sincerely,

Georgios Pergamalis
Executive Vice President
SAVION, LLC

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: Jackson County Average Weekly Wage

Calculation B: 110% of Jackson County Average for Manufacturing Jobs-N/A: Data Not Available

Calculation C: 110% of Golden Crescent Regional Planning Commission Manufacturing Wage

Calculation A: Jackson County County Average Weekly Wage for all Jobs

Year	Quarter	Average Weekly Wage
2018	Q1	$845.00
2018	Q2	$847.00
2018	Q3	$838.00
2018	Q4	$913.00
2018	**Q Average**	**$860.75**

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

Quarterly Average Calculation:

Step 1: $845.00 +$847.00 +$838.00 +$913.00 =$3,443

Step 2: $3,443 /4= $860.75

Calculation C: 110% of Golden Crescent Regional Planning Commission Manufacturing Wage

2017 Golden Crescent Regional Planning Commission Annual Wage: $56,042.00

2017 110% Golden Crescent Regional Planning Commission Regional Wage: $61,646.20 annually or $1,185.50 weekly

In order to calculate 110% of the Golden Crescent Regional Planning Commission Average Weekly Wage for Manufacturing Jobs in the Region the following calculations were completed:

Step 1: $56,042.00 * 1.10= $61,646.20

Step 2: $61,646.20 /52= $1,185.50

*All calculations were completed using the most recent data available from the Bureau of Labor Statistics—data attached

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Jackson	Total All	Total, All Industries	845
2018	02	Jackson	Total All	Total, All Industries	847
2018	03	Jackson	Total All	Total, All Industries	838
2018	04	Jackson	Total All	Total, All Industries	913

2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	Wages Hourly	Wages Annual
Texas	**$26.24**	**$54,587**
1. Panhandle Regional Planning Commission	$23.65	$49,190
2. South Plains Association of Governments	$19.36	$40,262
3. NORTEX Regional Planning Commission	$23.46	$48,789
4. North Central Texas Council of Governments	$26.80	$55,747
5. Ark-Tex Council of Governments	$18.59	$38,663
6. East Texas Council of Governments	$21.07	$43,827
7. West Central Texas Council of Governments	$21.24	$44,178
8. Rio Grande Council of Governments	$18.44	$38,351
9. Permian Basin Regional Planning Commission	$26.24	$54,576
10. Concho Valley Council of Governments	$19.67	$40,924
11. Heart of Texas Council of Governments	$21.53	$44,781
12. Capital Area Council of Governments	$31.49	$65,497
13. Brazos Valley Council of Governments	$17.76	$39,931
14. Deep East Texas Council of Governments	$17.99	$37,428
15. South East Texas Regional Planning Commission	$34.98	$72,755
16. Houston-Galveston Area Council	$28.94	$60,202
17. Golden Crescent Regional Planning Commission	$26.94	$56,042
18. Alamo Area Council of Governments	$22.05	$48,869
19. South Texas Development Council	$15.07	$31,343
20. Coastal Bend Council of Governments	$28.98	$60,276
21. Lower Rio Grande Valley Development Council	$17.86	$37,152
22. Texoma Council of Governments	$21.18	$44,060
23. Central Texas Council of Governments	$19.30	$40,146
24. Middle Rio Grande Development Council	$24.07	$50,058

Source: Texas Occupational Employment and Wages
Data published: July 2018
Data published annually, next update will be July 31, 2019

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
Data intended for TAC 313 purposes only.

Tab 14

Schedules A1-D

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Date 6/18/2019
Applicant Name Lunis Creek Solar Project, LLC
ISD Name Ganado ISD

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

				Column A	Column B	Column C	Column D	Column E
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Fill in actual tax year below) YYYY	New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	**Total Investment** (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	2020-2021	2020	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								
Complete tax years of qualifying time period	QTP1	2021-2022	2021	$ 260,850,000.00	$ 500,000.00			$ 261,350,000.00
	QTP2	2022-2023	2022					
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				$ 260,850,000.00	$ 500,000.00			$ 261,350,000.00
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				$ 261,350,000.00				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Date 6/18/2019
Applicant Name Lunis Creek Solar Project, LLC
ISD Name Ganado ISD

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property {SEE NOTE]	Column E **Total Investment** (A+B+C+D)
Total Investment from Schedule A1*	--	**TOTALS FROM SCHEDULE A1**		**Enter amounts from TOTAL row in Schedule A1 in the row below**				
				$ 261,350,000.00				
Each year prior to start of value limitation period**	0	2019-2020	2019					
Each year prior to start of value limitation period**	0	2020-2021	2020					
Each year prior to start of value limitation period**	0	2020-2021	2021	$ 260,850,000.00	$ 500,000.00			$ 261,350,000.00
Value limitation period***	1	2022-2023	2022					
	2	2023-2024	2023					
	3	2024-2025	2024					
	4	2025-2026	2025					
	5	2026-2027	2026					
	6	2027-2028	2027					
	7	2028-2029	2028					
	8	2029-2030	2029					
	9	2030-2031	2030					
	10	2031-2032	2031					
Total Investment made through limitation				$ 260,850,000.00	$ 500,000.00			$ 261,350,000.00
Continue to maintain viable presence	11	2032-2033	2032					
	12	2033-2034	2033					
	13	2034-2035	2034					
	14	2035-2036	2035					
	15	2036-2037	2036					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037					
	17	2038-2039	2038					
	18	2039-2040	2039					
	19	2040-2041	2040					
	20	2041-2042	2041					
	21	2042-2043	2042					
	22	2043-2044	2043					
	23	2044-2045	2044					
	24	2045-2046	2045					
	25	2046-2047	2046					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row.**

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date 6/18/2019
Applicant Name Lunis Creek Solar Project, LLC
ISD Name Ganado ISD

Form 50-296A
Revised May 2014

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period	0	2019-2020	2019						
Each year prior to start of Value Limitation Period	0	2020-2021	2020						
Each year prior to start of Value Limitation Period	0	2021-2022	2021						
Value Limitation Period	1	2022-2023	2022		$ 500,000.00	$ 260,850,000.00	$ 261,350,000.00	$ 261,350,000.00	$ 30,000,000.00
	2	2023-2024	2023		$ 490,000.00	$ 234,765,000.00	$ 235,255,000.00	$ 235,255,000.00	$ 30,000,000.00
	3	2024-2025	2024		$ 480,000.00	$ 208,680,000.00	$ 209,160,000.00	$ 209,160,000.00	$ 30,000,000.00
	4	2025-2026	2025		$ 470,000.00	$ 182,595,000.00	$ 183,065,000.00	$ 183,065,000.00	$ 30,000,000.00
	5	2026-2027	2026		$ 460,000.00	$ 156,510,000.00	$ 156,970,000.00	$ 156,970,000.00	$ 30,000,000.00
	6	2027-2028	2027		$ 450,000.00	$ 130,425,000.00	$ 130,875,000.00	$ 130,875,000.00	$ 30,000,000.00
	7	2028-2029	2028		$ 440,000.00	$ 104,340,000.00	$ 104,780,000.00	$ 104,780,000.00	$ 30,000,000.00
	8	2029-2030	2029		$ 430,000.00	$ 78,255,000.00	$ 78,685,000.00	$ 78,685,000.00	$ 30,000,000.00
	9	2030-2031	2030		$ 420,000.00	$ 52,170,000.00	$ 52,590,000.00	$ 52,590,000.00	$ 30,000,000.00
	10	2031-2032	2031		$ 410,000.00	$ 52,170,000.00	$ 52,580,000.00	$ 52,580,000.00	$ 30,000,000.00
Continue to maintain viable presence	11	2032-2033	2032		$ 400,000.00	$ 52,170,000.00	$ 52,570,000.00	$ 52,570,000.00	$ 52,570,000.00
	12	2033-2034	2033		$ 390,000.00	$ 52,170,000.00	$ 52,560,000.00	$ 52,560,000.00	$ 52,560,000.00
	13	2034-2035	2034		$ 380,000.00	$ 52,170,000.00	$ 52,550,000.00	$ 52,550,000.00	$ 52,550,000.00
	14	2035-2036	2035		$ 370,000.00	$ 52,170,000.00	$ 52,540,000.00	$ 52,540,000.00	$ 52,540,000.00
	15	2036-2037	2036		$ 360,000.00	$ 52,170,000.00	$ 52,530,000.00	$ 52,530,000.00	$ 52,530,000.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037		$ 350,000.00	$ 52,170,000.00	$ 52,520,000.00	$ 52,520,000.00	$ 52,520,000.00
	17	2038-2039	2038		$ 340,000.00	$ 52,170,000.00	$ 52,510,000.00	$ 52,510,000.00	$ 52,510,000.00
	18	2039-2040	2039		$ 330,000.00	$ 52,170,000.00	$ 52,500,000.00	$ 52,500,000.00	$ 52,500,000.00
	19	2040-2041	2040		$ 320,000.00	$ 52,170,000.00	$ 52,490,000.00	$ 52,490,000.00	$ 52,490,000.00
	20	2041-2042	2041		$ 310,000.00	$ 52,170,000.00	$ 52,480,000.00	$ 52,480,000.00	$ 52,480,000.00
	21	2042-2043	2042		$ 300,000.00	$ 52,170,000.00	$ 52,470,000.00	$ 52,470,000.00	$ 52,470,000.00
	22	2043-2044	2043		$ 290,000.00	$ 52,170,000.00	$ 52,460,000.00	$ 52,460,000.00	$ 52,460,000.00
	23	2044-2045	2044		$ 280,000.00	$ 52,170,000.00	$ 52,450,000.00	$ 52,450,000.00	$ 52,450,000.00
	24	2045-2046	2045		$ 270,000.00	$ 52,170,000.00	$ 52,440,000.00	$ 52,440,000.00	$ 52,440,000.00
	25	2046-2047	2046		$ 260,000.00	$ 52,170,000.00	$ 52,430,000.00	$ 52,430,000.00	$ 52,430,000.00

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 6/18/2019
Applicant Name Lunis Creek Solar Project, LLC
ISD Name Ganado ISD

Form 50-296A
Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	**Column B**	**Column C**	**Column D**	**Column E**
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	**Average** annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	**Average** annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period	0	2019-2020	2019	N/A	N/A	N/A	N/A	N/A
Each year prior to start of Value Limitation Period	0	2020-2021	2020	250 FTE	$ 61,646.20	N/A	N/A	N/A
Each year prior to start of Value Limitation Period	0	2021-2022	2021	250 FTE	$ 61,646.20	N/A	N/A	N/A
Value Limitation Period *The qualifying time period could overlap the value limitation period.*	1	2022-2023	2022	N/A	N/A	N/A	1	$ 61,646.20
	2	2023-2024	2023	N/A	N/A	N/A	1	$ 61,646.20
	3	2024-2025	2024	N/A	N/A	N/A	1	$ 61,646.20
	4	2025-2026	2025	N/A	N/A	N/A	1	$ 61,646.20
	5	2026-2027	2026	N/A	N/A	N/A	1	$ 61,646.20
	6	2027-2028	2027	N/A	N/A	N/A	1	$ 61,646.20
	7	2028-2029	2028	N/A	N/A	N/A	1	$ 61,646.20
	8	2029-2030	2029	N/A	N/A	N/A	1	$ 61,646.20
	9	2030-2031	2030	N/A	N/A	N/A	1	$ 61,646.20
	10	2031-2032	2031	N/A	N/A	N/A	1	$ 61,646.20
Years Following Value Limitation Period	11 through 25	2032-2046	2032-2046	N/A	N/A	N/A	N/A	N/A

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) [X] Yes [ ] No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? [X] Yes [ ] No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? [ ] Yes [X] No

Schedule D: Other Incentives (Estimated)

Date: 6/18/2019

Applicant Name: Lunis Creek Solar Project, LLC

ISD Name: Ganado ISD

Form 50-296A

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	**Taxing Entity (as applicable)**	**Beginning Year of Benefit**	**Duration of Benefit**	**Annual Tax Levy without Incentive**	**Annual Incentive**	**Annual Net Tax Levy**
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Jackson	2022	10 Years	$ 978,829.00	70%	$ 293,648.70
	City:					
	Other: Jackson Hospital District	2022	10 Years	$ 307,348.00	70%	$ 92,204.40
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
			TOTAL	$ 1,286,177.00	70%	$ 385,853.10

Additional information on incentives for this project:

Tab 15

Economic Impact Study-N/A

Tab 16

Description of Reinvestment Zone

Lunis Creek Solar Project, LLC is to be located within a proposed reinvestment zone. The adoption of this measure will not be complete until Ganado ISD or Jackson County designates and creates the reinvestment zone which will likely occur in the third fiscal quarter of 2019. Therefore, upon the creation of the proposed reinvestment zone, the legal description of the zone as well as the order, resolution, or ordinance that establishes the reinvestment zone will be submitted to the Texas Comptroller. Please find attached a description of the land requested to be included in the reinvestment zone, as well as the guidelines and criteria for granting tax abatements in a reinvestment zone created in Jackson County.

LUNIS CREEK I– LEGAL DESCRIPTIONS

661.5 acres of land, more or less, being part of the David White Survey, A-279 part of the Morris & Cummings Survey, Sec. 20, A-307, Jackson County, Texas, and being the same land described as Fifth Tract in Distribution Deed dated January 1, 1965 from the Fred Mauritz Trust Estate No. 2 to Carrin M. Patman, recorded in Volume 369, Page 274 of the Deed Records of Jackson County, Texas (R29511, R29512, R29646 and R29647);

AND

645.53 acres of land, more or less, being all of the Morris & Cummings Survey, Sec. 30, (also called the M. L. York Survey, A-310), Jackson County, Texas, and being the same land described as Eighth Tract in Distribution Deed dated January 1, 1965 from the Fred Mauritz Trust Estate No. 2 to Carrin M. Patman, recorded in Volume 369, Page 274 of the Deed Records of Jackson County, Texas; (R29679)

AND

706.95 acres of land, more or less, being all of the Morris & Cummings Survey, Sec. 39, A-247, Jackson County, Texas, and being the same land described as Ninth Tract in Distribution Deed dated January 1, 1965 from the Fred Mauritz Trust Estate No. 2 to Carrin M. Patman, recorded in Volume 369, Page 274 of the Deed Records of Jackson County, Texas (R29300 and R29168);

AND

14.0 acres of land, more or less, being out of the W. M. Moore Survey, A-216, Jackson County, Texas, and being the same land described in Deed dated June 3, 1952, from C. F. Combs to T. N. Mauritz, et al, recorded in Volume 232, Page 263 of the Deed Records of Jackson County, Texas (R29168);

AND

317.3 acres of land, more or less, out of the S/2 of the W. H. Clarey Survey, A-299, Jackson County, Texas, and being the same land described as Tract I, Parcels 1 and 2 in Partition Deed dated October 22, 1998, from set aside to Elizabeth Combs Rogers, recorded in Volume 126, Page 969 of the Deed Records of Jackson County, Texas. Parcel ID: R-29613;

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN JACKSON COUNTY TEXAS

SECTION I

BACKGROUND

(A) Pursuant to the Texas Tax Code (hereinafter the "Code"), Jackson County, Texas (hereinafter "the County"), is authorized to designate Reinvestment Zones in areas of the County that do not include areas in the taxing jurisdiction of a municipality, to enter into tax abatement agreements with regard to properties located in Reinvestment Zones, and to enter into tax abatement agreements with regard to properties for which a municipality has given tax abatement incentives by agreement.

(B) The Code requires that the County establish guidelines and criteria governing tax abatement agreements. These guidelines and criteria are for the purpose of promoting the efficient and reasonably consistent administration of tax abatement incentives. These guidelines are effective for two (2) years from date adopted by the Jackson County Commissioners Court (the "Commissioners Court"). A three-quarter (3/4) vote by the Commissioners Court is required to amend or repeal these guidelines.

(C) These guidelines and criteria, and the procedures established herein, are in compliance with the requirements of the Code.

(D) NOTHING HEREIN SHALL IMPLY OR SUGGEST THAT THE COUNTY IS UNDER ANY OBLIGATION TO PROVIDE ANY TAX ABATEMENT, OR PROVIDE ANY LENGTH, LEVEL OR VALUE OF TAX ABATEMENT, TO ANY APPLICANT.

SECTION II

DEFINITIONS

(A) *"Abatement"* means the full or partial exemption from County ad valorem taxation of the increased values of eligible properties in a Reinvestment Zone designated as such in accordance with state law, or the full or partial exemption from County ad valorem taxation of the increased values of eligible properties located within. a municipality's taxing jurisdiction where the municipality has granted full or partial exemption to those properties from municipal ad valorem taxation.

(B) *"Agreement"* means a contractual agreement between a property owner and a taxing jurisdiction for the purpose of tax abatement.

(C) *"Base Year Value"* means the market value of any property eligible for abatement under these guidelines and criteria on January 1 of the year of the execution of the agreement. In addition, Base Year Value may include a guaranteed minimum agreed upon value of any property improvements or additions eligible for abatement under these guidelines and criteria made after such January 1 but before execution of such agreement.

(D) *"Economic Life"* means the number of the years a property improvement is expected to be in service in a facility.

(E) *"Expansion"* means the addition of buildings, structures, machinery, or equipment for the purpose of increasing production capacity.

(F) *"Facility"* means property improvements completed or in the process of construction which together comprise an integral whole.

(G) *"Lease"* means a relationship whereby the person applying for a tax abatement has a contract for exclusive possession of the real property on which improvements are to be made and/or personal property to be used for the operation of the business for a defined period of time.

(H) *"Modernization"* means the replacement and upgrading of existing facilities which increase the productive input or output, updates the technology, or substantially lowers the unit cost of operation, and extends the economic life of the facility. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment. Modernization shall not include reconditioning, refurbishing, repairing, or completion of deferred maintenance.

(I) *"New facility"* means a Facility on property previously undeveloped and which is placed into service by means other than expansion or a modernization.

(J) *"Personal Property"* means machinery, equipment and/or tools used, or bought or leased for use, in the operations of the person applying for tax abatement, other than that which was located on the real property at any time before execution of the tax abatement agreement. "Personal Property" shall not include inventory, supplies, office furniture, office equipment, motor vehicles, vessels, aircraft, housing, hotel accommodations, or deferred maintenance investments.

(K) *"Real Property"* means the area of land defined by legal description as being owned or leased by the person applying for a tax abatement, including any improvements thereto, which is to be improved and valued for property tax purposes, and which is to be included in the Reinvestment Zone.

(L) *"Reinvestment Zone"* is an area designated as such for the purpose of a tax abatement as authorized by the County in accordance with the Code.

SECTION III

REINVESTMENT ZONE DESIGNATION

(A) A Reinvestment Zone may only be designated in accordance with the Code.

(B) A Reinvestment Zone may only be designated by the Commissioners Court in an area of the County that does not include an area within the taxing jurisdiction of a municipality.

(C) An area may be designated as a Reinvestment Zone if the Commissioners Court, after a public hearing on the proposed designation, finds that the designation would attract major investment into the Reinvestment Zone that would be a benefit to the property to be included in the Reinvestment Zone and would contribute to the economic development of the County.

(D) A public hearing on a proposed Reinvestment Zone designation must be held prior to the findings and action of the Commissioners Court on the proposal. The public hearing shall be conducted in accordance with all applicable provisions of the Code. Notice of the healing shall be given in accordance with the Code. The public hearing must also be posted as an agenda item in accordance with Chapter 551 of the Texas Government Code (the "Texas Open Meetings Act").

(E) Property may be located both in a Reinvestment Zone designated by the County and in a Reinvestment Zone designated by a municipality.

(F) If the Commissioners Court finds that designation of an area as a Reinvestment Zone is proper, such proposed designation shall be put to a vote of the Commissioners Court, and will pass if a majority of the members of the Commissioners Court in attendance vote to approve the designation. The order of the Commissioners Court designating the area as a Reinvestment Zone shall contain a sufficient description of the boundaries of the Reinvestment Zone.

(G) The designation of a Reinvestment Zone shall be for a period of five (5) years. No designation of a Reinvestment Zone shall exceed five (5) years, and a designation of a Reinvestment Zone shall automatically expire five (5) years after the date of designation unless renewed by the Commissioners Court for one or more subsequent periods not to exceed five (5) years each. The expiration of a designation of a Reinvestment Zone does not affect any existing tax abatement agreement relating to property in such Reinvestment Zone.

(H) Tax abatement agreements entered into by the County shall be in compliance with all applicable requirements set forth in the Code.

SECTION IV

ABATEMENT AUTHORIZED

(A) Abatement is authorized, subject to approval of the Commissioners Court and execution of a tax abatement agreement, for properties located within a Reinvestment Zone designated by the Commissioners Court.

(B) Abatement is also authorized for properties located within a municipal Reinvestment Zone when the municipality has entered into a tax abatement agreement with regard to property located within the Reinvestment Zone if the County enters into a tax abatement agreement with regard to that property. Such an agreement must be in compliance with all applicable requirements set forth in the Code.

(C) Authorized Facilities: Tax abatement may be granted for New Facilities or for the Expansion or Modernization of existing Facilities. The economic life of a Facility or improvements thereto must exceed the life of the tax abatement agreement.

(D) Eligible Property: Tax abatement may be granted for improvements to owned real property or real property subject to a Lease and for Personal Property located on such real property to the extent allowed by state law.

(E) Value of Abatement: Authorized Facilities may be granted abatement on all or a portion of the increased taxable value of eligible property over the base year value for a period not to exceed ten (10) years. Such abatement, if granted as to real property, is not with regard to the entire value of the real property, but only to the extent that the value of the real property exceeds the value for the year in which the abatement is granted (i.e., the Base Year Value). Ad valorem taxes on tangible Personal Property may be abated to the extent of additions, but cannot be abated as to personal property located on the real property at any time before the tax abatement agreement is executed, and cannot be abated for inventory, supplies, office furniture, office equipment, motor vehicles, vessels, aircraft, housing, hotel accommodations, or deferred maintenance investments.

SECTION V

PROJECT IMPACT DATA

(A) Introduction

The information required in this Section V will be used by the Commissioners Court to determine whether or not it is in the best interest of the County to offer tax abatement to a particular applicant. The County may request that the applicant describe the methodologies used to respond to the questions below and to supply supporting documentation.

(B) Proposed Investment

The applicant must submit information providing answers to the following inquiries:

(1) Identify and describe the type and location. of the proposed real property improvements and/or personal property additions to the property and describe the planned development schedule for the proposed improvements and/or additions.

(2) To what extent, if any, will material, additional public improvements be needed? Describe the plans, if any, in existence for the provision of such improvements.

(3) What material governmental approvals or permits will be required for the improvements?

(4) Is the financial capital required to complete the project already available (financing commitments, reserved funds, etc.)? Explain in reasonable detail.

(C) Fiscal Impact

The applicant must submit information providing answers to the following inquiries:

(1) What is the estimated cost of the proposed real property improvements and/or personal property additions?

(2) What is the proposed depreciation schedule for the real and personal property to be abated?

(D) Community Impact

The applicant must submit information providing answers to the following inquiries:

(1) Provide a copy of an economic impact study prepared with respect to the proposed project. An economic impact evaluation prepared in connection with an application for appraised value limitation under Chapter 313 of the Code will satisfy this requirement.

(2) What support services or products, if any, does the applicant anticipate will be procured from the local community in the construction of improvements or additions of personal property, and with regard to its operations?

(E) A legal description of the subject real property must be supplied to the County by the applicant.

(F) Pursuant to the Code, information submitted in the application process is confidential, and is not subject to public disclosure, unless and until a tax abatement agreement is executed. If an application for abatement is granted, the information submitted in the application process will be considered public once the abatement agreement has been signed by representatives for both parties.

SECTION VI

GUIDELINES

(A) Economic Qualification

To be eligible for designation of a Reinvestment Zone and to receive tax abatement, the proposed project must be reasonably shown to have an estimated cost upon completion of at least $5,000,000.00

(B) Eligibility

The Commissioners Court shall determine eligibility for abatement on a case-by-case basis.

(C) Rate and Duration of Tax Abatement

When a determination has been made to offer tax abatement, the County will determine the percent of value abated and the length of abatement on a case-by-case basis.

SECTION VII

PROCEDURE

(A) Any person or entity desiring that the County consider tax abatement for a proposed project must comply with the following procedural guidelines.

(B) Application Process

The applicant shall submit a letter of application for tax abatement to the County Judge for submission to the Commissioners Court. The application must:

(1) give a reasonably detailed explanation of the proposed project (improvements to owned of leased real property, and/or addition of owned or leased Personal Property);

(2) address all criteria questions and inquiries outlined in Section V above;

(3) provide a current survey of the real property and information showing the proposed location of the proposed improvements and additions on such real property, together with a legal description of such real property;

(4) identify the name, address, telephone number, fax number, and e-mail address of the applicant's contact person for purposes of the application;

(5) identify the form of organization & the applicant (e.g., sole proprietorship, partnership, corporation, limited liability company, etc.) and any assumed or trade names under which the applicant operates; and

(6) identify how the project will comply with or fit within the criteria and guidelines set forth in the preceding sections.

All applications will be reviewed by the Commissioners Court's designee or designees for accuracy and completeness. If requested by the Commissioners Court or its designee, the applicant shall verify any information submitted to the Commissioners Court. In addition, the applicant shall provide any additional information requested by the Commissioners Court or its designee. Upon completion of the application process, the application will be placed on the agenda for a meeting of the Commissioners Court for consideration.

(C) The application shall be considered at a meeting of the Commissioners Court held in compliance with the Texas Open Meetings Act. If the abatement would involve the designation of a Reinvestment Zone, a public hearing regarding such designation must first be held in accordance with the procedures and notice requirements in the Code. No applicant has a legal right or expectation to a favorable determination by the Commissioners Court with respect to its application.

(D) The abatement, if granted, must be made pursuant to a tax abatement agreement which meets all of the requirements of law and is acceptable to the Commissioners Court. Any such tax abatement agreement shall provide that in filling any new employment positions created as a result of the project, the applicant will use commercially reasonable efforts to hire qualified applicants located in the County and willing to perform the work required by such position. A tax abatement agreement must be approved by the Commissioners Court for execution by the County Judge before it can be effective.

(E) Any abatement is for County ad valorem taxes only, and does not provide abatement from taxation by other taxing jurisdictions in which the property may be located unless otherwise provided by state law. Property owned or leased by a member of the Commissioners Court is not eligible for tax abatement.

SECTION VIII

ADMINISTRATION

(A) The tax abatement agreement shall stipulate that employees of the County and/or designated representatives of the County will have access to the Reinvestment Zone during the term of the abatement to inspect the Facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after giving forty-eight (48) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the company and in accordance with the safety standards for the Facility.

(B) The employees and/or designated representatives of the County who conduct an inspection of the Facility shall within ten days of the inspection submit a written report to the Jackson County Commissioners Court regarding the property owner's compliance with the terms and conditions of the agreement.

(C) Violations of the terms of the tax abatement agreement by the tax abatement recipient may result in the full or partial loss of the abatement and give rise to a right of the County to recoup taxes abated and terminate the agreement, all as may be more fully provided for in the agreement.

SECTION IX

ASSIGNMENT

A tax abatement agreement may be assigned to a new owner or lessee of the Facility with the prior written consent of the Commissioners Court, which consent shall not be unreasonably withheld, delayed or conditioned. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee are indebted to the County for delinquent ad valorem taxes or other obligations.

SECTION X

SUNSET PROVISION

These Guidelines and Criteria are effective **September 25, 2018**, and will remain in force until **September 25, 2020**, at which time all tax abatement agreements created pursuant to these provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed, or eliminated.

Approved
9/25/18

Tab 17

Signatures and Certification

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 John Hardwick Jr Ed.D. — Print Name *(Authorized School District Representative)*

Supt. — Title

sign here [signature] — Signature *(Authorized School District Representative)*

27 June/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 _____ Print Name *(Authorized Company Representative (Applicant))*

_____ Title

sign here _____ Signature *(Authorized Company Representative (Applicant))*

_____ Date

GIVEN under my hand and seal of office this, the

_____ day of _____, _____

_____
Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: _____

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.

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print here ▶

Print Name *(Authorized School District Representative)* — Title

sign here ▶

Signature *(Authorized School District Representative)* — Date

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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 ▶ Georgios Pergamalis — Executive Vice President

Print Name *(Authorized Company Representative (Applicant))* — Title

sign here ▶ — 6-28-2019

Signature *(Authorized Company Representative (Applicant))* — Date

GIVEN under my hand and seal of office this, the

28th day of June, 2019

NOTARY PUBLIC - State of Kansas
Kris K. Hanzlicek
My Appt. Expires _____

Notary Public in and for the State of ~~Texas~~ Kansas

(Notary Seal)

My Commission expires: 3-5-2023

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.