



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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P.O.Box 13528 • Austin, TX 78711-3528

November 21, 2019

Steven Galloway  
Superintendent  
Columbia-Brazoria Independent School District  
520 S. 16th Street  
West Columbia, TX 77486

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Columbia-Brazoria Independent School District and Brazoria West Solar Project, LLC, Application1399

Dear Superintendent Galloway:

On September 20, 2019, the Comptroller issued written notice that Brazoria West Solar Project, LLC (applicant) submitted a completed application (Application 1399) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> This application was originally submitted on June 25, 2019, to the Columbia-Brazoria Independent School District (school district) by the applicant.

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

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

**Determination required by 313.025(h)**

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

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<sup>1</sup> All Statutory references are to the Texas Tax Code, unless otherwise noted.

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

Sec. 313.024(d-2) Not applicable to Application 1399.

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

**Certificate decision required by 313.025(d)**

Determination required by 313.026(c)(1)

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

Determination required by 313.026(c)(2)

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

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

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

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

Note that any building or improvement existing as of the application review start date of September 20, 2019, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

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

Sincerely,

A handwritten signature in black ink that reads "Lisa Craven". The signature is written in a cursive style with a large, looped initial "L".

Lisa Craven  
Deputy Comptroller

Enclosure

cc: Will Counihan

## Attachment A – Economic Impact Analysis

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

**Table 1** is a summary of investment, employment and tax impact of Brazoria West Solar Project, LLC.

Applicant	Brazoria West Solar Project, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation - Solar
School District	Columbia-Brazoria ISD
2018-2019 Average Daily Attendance	2,807
County	Brazoria
Proposed Total Investment in District	\$144,687,500
Proposed Qualified Investment	\$144,687,500
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,309.61
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)( B)	\$1,309.61
Minimum annual wage committed to by applicant for qualified jobs	\$68,099.90
Minimum weekly wage required for non-qualifying jobs	\$1,139.75
Minimum annual wage required for non-qualifying jobs	\$59,267
Investment per Qualifying Job	\$144,687,500
Estimated M&O levy without any limit (15 years)	\$9,649,661
Estimated M&O levy with Limitation (15 years)	\$4,370,162
Estimated gross M&O tax benefit (15 years)	\$5,279,498

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

**Table 2** is the estimated statewide economic impact of Brazoria West Solar Project, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2019	0	591	591	\$0	\$41,780,000	\$41,780,000
2020	0	31	30.9	\$0	\$5,150,000	\$5,150,000
2021	251	267	518	\$10,068,100	\$25,431,900	\$35,500,000
2022	1	17	18	\$68,100	\$5,821,900	\$5,890,000
2023	1	3	4	\$68,100	\$3,601,900	\$3,670,000
2024	1	(11)	-10	\$68,100	\$1,671,900	\$1,740,000
2025	1	(16)	-15	\$68,100	\$631,900	\$700,000
2026	1	(16)	-15	\$68,100	\$181,900	\$250,000
2027	1	(12)	-11	\$68,100	\$101,900	\$170,000
2028	1	(8)	-7	\$68,100	\$251,900	\$320,000
2029	1	(4)	-3	\$68,100	\$521,900	\$590,000
2030	1	0	1	\$68,100	\$831,900	\$900,000
2031	1	3	4	\$68,100	\$1,131,900	\$1,200,000
2032	1	6	7	\$68,100	\$1,401,900	\$1,470,000
2033	1	7	8	\$68,100	\$1,611,900	\$1,680,000

Source: CPA REMI, Brazoria West Solar Project, LLC

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Columbia-Brazoria ISD I&S Tax Levy	Columbia-Brazoria ISD M&O Tax Levy	Columbia-Brazoria M&O and I&S Tax Levies	Brazoria County Tax Levy	Brazoria CO ESD #2 Tax Levy	Port Freeport Tax Levy	West Brazoria County Drainage #11 Tax Levy	Brazoria CO ESD #1 Tax Levy	Brazoria County Road & Bridge Tax Levy	Estimated Total Property Taxes
				0.2181	0.9700		0.3679	0.0847	0.0401	0.0200	0.0791	0.0600	
2022	\$133,111,904	\$133,111,904		\$290,262	\$1,291,185	\$1,581,448	\$489,732	\$112,746	\$53,378	\$26,622	\$105,305	\$79,867	\$2,369,231
2023	\$129,436,858	\$129,436,858		\$282,249	\$1,255,538	\$1,537,786	\$476,211	\$109,633	\$51,904	\$25,887	\$102,397	\$77,662	\$2,303,819
2024	\$119,418,740	\$119,418,740		\$260,403	\$1,158,362	\$1,418,765	\$439,353	\$101,148	\$47,887	\$23,884	\$94,472	\$71,651	\$2,125,509
2025	\$104,404,586	\$104,404,586		\$227,664	\$1,012,724	\$1,240,388	\$384,115	\$88,431	\$41,866	\$20,881	\$82,594	\$62,643	\$1,858,275
2026	\$91,219,273	\$91,219,273		\$198,912	\$884,827	\$1,083,739	\$335,605	\$77,263	\$36,579	\$18,244	\$72,164	\$54,732	\$1,623,593
2027	\$78,057,110	\$78,057,110		\$170,211	\$757,154	\$927,365	\$287,180	\$66,114	\$31,301	\$15,611	\$61,751	\$46,834	\$1,389,322
2028	\$62,634,938	\$62,634,938		\$136,581	\$607,559	\$744,140	\$230,440	\$53,052	\$25,117	\$12,527	\$49,550	\$37,581	\$1,114,826
2029	\$49,569,716	\$49,569,716		\$108,091	\$480,826	\$588,917	\$182,372	\$41,986	\$19,877	\$9,914	\$39,215	\$29,742	\$882,281
2030	\$40,905,867	\$40,905,867		\$89,199	\$396,787	\$485,986	\$150,497	\$34,647	\$16,403	\$8,181	\$32,361	\$24,544	\$728,075
2031	\$35,519,175	\$35,519,175		\$77,453	\$344,536	\$421,989	\$130,679	\$30,085	\$14,243	\$7,104	\$28,099	\$21,312	\$632,198
2032	\$34,782,719	\$34,782,719		\$75,847	\$337,392	\$413,239	\$127,969	\$29,461	\$13,948	\$6,957	\$27,517	\$20,870	\$619,090
2033	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$515,050
2034	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$515,050
2035	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$515,050
2036	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$515,050
			<b>Total</b>	<b>\$2,169,274</b>	<b>\$9,649,661</b>	<b>\$11,818,934</b>	<b>\$3,660,007</b>	<b>\$842,604</b>	<b>\$398,919</b>	<b>\$198,962</b>	<b>\$786,994</b>	<b>\$596,886</b>	<b>\$17,706,421</b>

Source: CPA, Brazoria West Solar Project, LLC

\*Tax Rate per \$100 Valuation

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

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Columbia-Brazoria ISD I&S Tax Levy	Columbia-Brazoria ISD M&O Tax Levy	Columbia-Brazoria M&O and I&S Tax Levies	Brazoria County Tax Levy	Brazoria CO ESD #2 Tax Levy	Port Freeport Tax Levy	West Brazoria County Drainage #11 Tax Levy	Brazoria CO ESD #1 Tax Levy	Brazoria County Road & Bridge Tax Levy	Estimated Total Property Taxes
				0.2181	0.9700		0.3679	0.0847	0.0401	0.0200	0.0791	0.0600	
2022	\$133,111,904	\$30,000,000		\$290,262	\$291,000	\$581,262	\$0	\$112,746	\$53,378	\$26,622	\$105,305	\$79,867	\$694,008
2023	\$129,436,858	\$30,000,000		\$282,249	\$291,000	\$573,249	\$0	\$109,633	\$51,904	\$25,887	\$102,397	\$77,662	\$682,882
2024	\$119,418,740	\$30,000,000		\$260,403	\$291,000	\$551,403	\$0	\$101,148	\$47,887	\$23,884	\$94,472	\$71,651	\$652,551
2025	\$104,404,586	\$30,000,000		\$227,664	\$291,000	\$518,664	\$96,029	\$88,431	\$41,866	\$20,881	\$82,594	\$62,643	\$703,123
2026	\$91,219,273	\$30,000,000		\$198,912	\$291,000	\$489,912	\$167,802	\$77,263	\$36,579	\$18,244	\$72,164	\$54,732	\$734,977
2027	\$78,057,110	\$30,000,000		\$170,211	\$291,000	\$461,211	\$143,590	\$66,114	\$31,301	\$15,611	\$61,751	\$46,834	\$670,915
2028	\$62,634,938	\$30,000,000		\$136,581	\$291,000	\$427,581	\$115,220	\$53,052	\$25,117	\$12,527	\$49,550	\$37,581	\$595,853
2029	\$49,569,716	\$30,000,000		\$108,091	\$291,000	\$399,091	\$182,372	\$41,986	\$19,877	\$9,914	\$39,215	\$29,742	\$623,449
2030	\$40,905,867	\$30,000,000		\$89,199	\$291,000	\$380,199	\$150,497	\$34,647	\$16,403	\$8,181	\$32,361	\$24,544	\$565,343
2031	\$35,519,175	\$30,000,000		\$77,453	\$291,000	\$368,453	\$130,679	\$30,085	\$14,243	\$7,104	\$28,099	\$21,312	\$529,216
2032	\$34,782,719	\$34,782,719		\$75,847	\$337,392	\$413,239	\$127,969	\$29,461	\$13,948	\$6,957	\$27,517	\$20,870	\$570,669
2033	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$474,766
2034	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$474,766
2035	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$474,766
2036	\$28,937,370	\$28,937,370		\$63,101	\$280,692	\$343,793	\$106,463	\$24,510	\$11,604	\$5,787	\$22,892	\$17,362	\$474,766
			<b>Total</b>	<b>\$2,169,274</b>	<b>\$4,370,162</b>	<b>\$6,539,436</b>	<b>\$1,540,012</b>	<b>\$842,604</b>	<b>\$398,919</b>	<b>\$198,962</b>	<b>\$786,994</b>	<b>\$596,886</b>	<b>\$8,922,052</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$5,279,498</b>	<b>\$5,279,498</b>	<b>\$2,119,995</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,784,369</b>

Source: CPA, Brazoria West Solar Project, LLC

\*Tax Rate per \$100 Valuation

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

## Attachment B – Tax Revenue before 25<sup>th</sup> Anniversary of Limitation Start

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

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
<b>Limitation Pre-Years</b>	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2022	\$291,000	\$291,000	\$1,000,185	\$1,000,185
	2023	\$291,000	\$582,000	\$964,538	\$1,964,723
	2024	\$291,000	\$873,000	\$867,362	\$2,832,085
	2025	\$291,000	\$1,164,000	\$721,724	\$3,553,809
	2026	\$291,000	\$1,455,000	\$593,827	\$4,147,636
	2027	\$291,000	\$1,746,000	\$466,154	\$4,613,790
	2028	\$291,000	\$2,037,000	\$316,559	\$4,930,349
	2029	\$291,000	\$2,328,000	\$189,826	\$5,120,175
	2030	\$291,000	\$2,619,000	\$105,787	\$5,225,962
	2031	\$291,000	\$2,910,000	\$53,536	\$5,279,498
<b>Maintain Viable Presence (5 Years)</b>	2032	\$337,392	\$3,247,392	\$0	\$5,279,498
	2033	\$280,692	\$3,528,085	\$0	\$5,279,498
	2034	\$280,692	\$3,808,777	\$0	\$5,279,498
	2035	\$280,692	\$4,089,470	\$0	\$5,279,498
	2036	\$280,692	\$4,370,162	\$0	\$5,279,498
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2037	\$299,353	\$4,669,516	\$0	\$5,279,498
	2038	\$303,544	\$4,973,060	\$0	\$5,279,498
	2039	\$305,490	\$5,278,550	\$0	\$5,279,498
	2040	\$308,020	\$5,586,570	\$0	\$5,279,498
	2041	\$313,468	\$5,900,037	\$0	\$5,279,498
	2042	\$314,441	\$6,214,478	\$0	\$5,279,498
	2043	\$317,165	\$6,531,643	\$0	\$5,279,498
	2044	\$322,419	\$6,854,062	\$0	\$5,279,498
	2045	\$327,283	\$7,181,345	\$0	\$5,279,498
	2046	\$338,958	\$7,520,302	\$0	\$5,279,498

**\$7,520,302**

is greater than

**\$5,279,498**

<b>Analysis Summary</b>	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes

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

Source: CPA, Brazoria West Solar Project, LLC

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

## Attachment C – Limitation as a Determining Factor

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

### Methodology

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

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

### Determination

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

- Per Brazoria West Solar Project, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. “Brazoria West Solar Project, LLC is owned by Savion, LLC. Savion, LLC is one of the country's most uniquely skilled and experienced leaders in developing, financing, and constructing utility-scale solar and energy storage projects.”
  - B. “The decision to invest capital for the Brazoria West solar project is on going and therefore the opportunity to consider redeployment of resources and investment to other regions and alternative sites is still available.”
  - C. “The Chapter 313 value limitation incentive program, specifically, is considered an important component that contributes to the viability, marketability, and success of the project.”
  - D. The “Chapter 313 value limitation incentive plays a significant function in the decision to invest capital for this project as it is considered essential within the overall economic and financial analysis.”
- A March 27, 2019 *Business Wire* article states the following:
  - A. “Macquarie’s Green Investment Group (GIG), the specialist green energy project developer and investor, today announced that it has entered into a definitive agreement to acquire the solar and energy storage unit of Tradewind Energy, Inc., a subsidiary of Enel Green Power North America.”
  - B. “The business – which has been named Savion, LLC – is an integrated US solar and energy storage development platform with industry-leading enterprise and site evaluation systems. Its project portfolio includes 6 GW of solar and energy storage development projects. ’

**Supporting Information**

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

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

# **Supporting Information**

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

Texas Comptroller of Public Accounts

Data Analysis and  
Transparency  
Form 50-296-A

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.

## **Supporting Information**

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

**TAB 05 - LIMITATION AS A DETERMINING FACTOR:**

Brazoria West Solar Project, LLC is owned by Savion, LLC. Savion, LLC is one of the country's most uniquely skilled and experienced leaders in developing, financing, and constructing utility-scale solar and energy storage projects. Currently, Savion has more than 96 solar projects under development totaling 8,200+ megawatts of production capacity in 23 states. These provide numerous opportunities for capital investment in a variety of nearby, highly marketable regions with competitive incentives packages.

The decision to invest capital for the Brazoria West solar project is on going and therefore the opportunity to consider redeployment of resources and investment to other regions and alternative sites is still available. Savion is currently evaluating development in 23 states including, but not limited to:

Alabama	Michigan
Arkansas	Mississippi
Colorado	Pennsylvania
Florida	New Mexico
Georgia	North Carolina
Kansas	Oklahoma
Kentucky	South Carolina
Louisiana	Virginia

During the development process, all requisite elements directly affecting return on investment are considered. Therefore, tax incentives play a vital role in the development of utility-scale solar energy projects. The Chapter 313 value limitation incentive program, specifically, is considered an important component that contributes to the viability, marketability, and success of the project. Critical project economics specific for this project include:

- Texas' low power prices;
- Third-party investment
- Market competition; and
- High property tax burdens

With respect to these challenges, the Chapter 313 value limitation incentive plays a significant function in the decision to invest capital for this project as it is considered essential within the overall economic and financial analysis.

Finally, local and state regulatory permits, due diligence, and tax incentive agreements will be pursued, when appropriate.

# **Supporting Information**

Additional information  
provided by the Applicant or  
located by the Comptroller



## Macquarie's Green Investment Group to Acquire Solar and Storage Unit of Tradewind Energy

- Green Investment Group (GIG) announces it will acquire Savion, the solar development and energy storage unit of Enel Green Power subsidiary Tradewind Energy
- The acquisition secures an additional 6 GW development pipeline of utility-scale solar and storage projects
- Further advances GIG's vision to create a leading solar and energy storage development platform in the US

March 27, 2019 09:30 AM Eastern Daylight Time

NEW YORK--(BUSINESS WIRE)--Macquarie's Green Investment Group (GIG), the specialist green energy project developer and investor, today announced that it has entered into a definitive agreement to acquire the solar and energy storage unit of Tradewind Energy, Inc., a subsidiary of Enel Green Power North America.

The business – which has been named Savion, LLC – is an integrated US solar and energy storage development platform with industry-leading enterprise and site evaluation systems. Its project portfolio includes 6 GW of solar and energy storage development projects and upon closing, will be managed by former Tradewind principals Rob Freeman and Geoff Coventry. The transaction is expected to close by midyear, pending regulatory approval.

"The US solar market presents a very attractive investment opportunity and we see strong fundamentals driving future growth. The commitment we announce today is a continuation of GIG's strategy in US utility scale solar," said Chris Archer, Head of Green Energy Americas for Macquarie Capital. "Tradewind's seasoned team of specialists have built a leading solar and storage development platform that we expect to thrive in partnership with GIG."

"GIG backs developers around the world to invest in, manage and provide services to green energy projects. We are confident that Savion will benefit greatly as part of our growing global platform," said Nick Butcher, Global Co-Head of Infrastructure and Energy at Macquarie Capital. "We are delighted with our partnership with Savion, which will deliver significant scale in US solar development and storage and continue to advance GIG's position as a leading global developer and investor in green energy projects."

Since 2008, US solar installations have grown 17-fold from 1.2 GW to an estimated 30 GW today, according to the Solar Energy Industries Association. This is enough to power the equivalent of 5.7 million average American homes. Since 2010, the average cost of solar PV panels has dropped more than 60% and the cost of a solar electric system has dropped by about 50% making the technology increasingly competitive and attractive to utilities, independent power producers and corporates alike.

As a leading global green investor specializing in green infrastructure principal investment, project development and the management of portfolio assets, and related services, GIG's mission is to accelerate the transition to a greener global economy. GIG launched in North America in 2018, building on Macquarie's two decades of experience in the North American energy and infrastructure market and GIG's position as a leading renewable energy developer and investor in Europe.

#### **About Green Investment Group and Macquarie Group**

Green Investment Group Limited (GIG) is a specialist in green infrastructure principal investment, project delivery and the management of portfolio assets, and related services. Its track record, expertise and capability make it a global leader in green investment, dedicated to supporting the growth of the global green economy.

The business was launched initially by the UK Government in 2012 as the first institution of its type in the world. The organization was acquired by Macquarie Group in 2017, creating one of Europe's largest teams of dedicated green infrastructure investors, and now operates under the name Green Investment Group.

Macquarie Group Limited (Macquarie) is a diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities. Founded in 1969, Macquarie employs over 14,800 people and has assets under management of more than \$397.2 billion (as of September 30, 2018).

For more information, visit [www.greeninvestmentgroup.com](http://www.greeninvestmentgroup.com) and [www.macquarie.com](http://www.macquarie.com).

## **Contacts**

### **Media inquiries**

David Franecki

Macquarie Group Corporate Communications

+1 212 231 1310

Email: [david.franecki@macquarie.com](mailto:david.franecki@macquarie.com)