

UNDERWOOD

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September 30, 2019

Stephanie Jones, Research Analyst
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

Re: App 1408-Carrizo Springs ISD – Cane Flats Solar Project, LLC

Dear Stephanie:

Enclosed are amended application pages provided by the Applicant for the Chapter 313 Application submitted by Cane Flats Solar Project, LLC to Carrizo Springs ISD (the "Application"), along with a signature page acknowledging the Amendment. Applicant advises that this Amendment includes the following changes:

Tab 1:

- Section 2, Question 1: Authorized Company Representative changed from Georgios Pergamalis to Scott Zeimetz
- Section 14, Question 7: 2019 Quarter 1 QCEW Wages Updated

Tab 7:

- Removed the terms "but NOT limited to" and "associated equipment"
- Revised subsection b wording to clarify that the battery storage is a permanent part of the project

Tab 8:

- Removed the term "associated equipment"

Tab 13:

- Updated wage data targets a & b

Tab 14:

- Updated Schedule C Column E to reflect new wage data

A CD containing these documents is also enclosed. This Amendment, dated September 25, 2019 and numbered 001, is the first amendment to the Application. Please let me know if you require any additional information.

Sincerely,



Fred A. Stormer

Encl.
FAS/ph
cc: Robert Pena

via email: robjrpena@texas-kwh.com

Tab 1

See executed application attached.

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

<u>Fred</u> First Name	<u>Stormer</u> Last Name
<u>Attorney</u> Title	
<u>Underwood Law Firm, P.C.</u> Firm Name	
<u>(806) 379-0306</u> Phone Number	<u>(806) 379-0316</u> Fax Number
	<u>fred.stormer@uwlaw.com</u> Email Address
<u>Mobile Number (optional)</u>	

4. On what date did the district determine this application complete? August 1, 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)

<u>Scott</u> First Name	<u>Zeimetz</u> Last Name
<u>Vice President of Development</u> Title	<u>Cane Flats Solar Project, LLC</u> Organization
<u>16106 W. 113th St., Suite 108</u> Street Address	
<u>Mailing Address</u>	
<u>Lenexa</u> City	<u>KS</u> State
<u>913-888-9463</u> Phone Number	<u>66219</u> ZIP
<u>Mobile Number (optional)</u>	
	<u>Fax Number</u>
	<u>szeimetz@savionenergy.com</u> Business Email Address

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.

<u>Wade</u> First Name	<u>Gungoll</u> Last Name
<u>Vice President of Development</u> Title	<u>Cane Flats Solar Project, LLC</u> Organization
<u>16106 W. 113th St., Suite 108</u> Street Address	
<u>Mailing Address</u>	
<u>Lenexa</u> City	<u>KS</u> State
<u>512-804-8944</u> Phone Number	<u>66219</u> ZIP
<u>Mobile Number (optional)</u>	
	<u>Fax Number</u>
	<u>wgungoll@savionenergy.com</u> Business Email Address

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

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 1,106. 6
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 527.45
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 901.24
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? 27,427.40
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 27,427.40
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 7

Description of Qualified Investment

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(7) (Tab 7).

The Applicant is requesting an appraised value limitation on all of the property constructed or placed upon the real property described and shown in Map Exhibit within Carrizo Springs CISD, which is located in Dimmit County, Texas.

The property for which the Applicant is requesting an appraised value limitation shall include, but is NOT limited to, the following:

- 450,000-1.65MW Solar PV modules;
- DC-to-AC inverters;
- Tracker racking system (mounting structures);
- Medium- and high-voltage electric cabling;
- Project battery storage facility with a capacity of 40.6MWac;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Junction boxes, PV panel connectors and mounting and tracking systems to safely operate, maintain, and deliver electricity to the grid.

Additionally, the map provided in Tabs 11b and 11c do not present exact the location of the improvements; however, all of the improvements that make up the amount of Qualified Investment will be made within the Project Investment Area as shown on map provided in Tab 11a. The exact placement and size of units is subject to ongoing planning, solar energy resource evaluation, engineering, and land leasing. Any changes in the number of PV modules will not have a significant impact on the total investment amount. The life expectancy of the project is projected at a minimum of 30 years.

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).

The Applicant will be placing a project battery storage facility with a capacity of 40.6MWac. This permanent storage facility will be a permanent part of the project and allow excess solar energy collected from the production of the associated solar generating facility, to be stored and distributed when the transmission network has available capacity.

Tab 8

Description of Qualified Property

Cane Flats Solar Project, LLC plans to construct an estimated 127.5 MW photovoltaic solar energy facility in Dimmit County, located entirely within Carrizo Springs CISD. The additional improvements of Qualified Property includes:

- 450,000-1.65MW Solar PV modules;
- DC-to-AC inverters;
- Tracker racking system (mounting structures);
- Medium- and high-voltage electric cabling;
- Project battery storage facility with a capacity of 40.6MWac;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Junction boxes, PV panel connectors and mounting and tracking systems to safely operate, maintain, and deliver electricity to the grid.

The exact placement of units is subject to ongoing planning, solar energy resource evaluation, engineering, and land leasing. All equipment outlined above is expected to be located within Carrizo Springs CISD. The final number and location of units and supporting structures will be determined before construction begins. Current plans are to install all equipment in one phase. Cane Flats intends to interconnect the Project and its battery storage component to the Bevo 138kV substation. All of the infrastructure will remain within the project boundary and within the Cane Flats Reinvestment Zone. The map in Tab 11b shows the proposed project area with the anticipated improvement locations.

Tab 13

Calculation of Wage Requirements – Dimmit County

Supporting data for Section 14(7)(a)

Average weekly wage for all jobs (all industries) in the county

Year	Period	Area	Ownership	Level	Ind. Code	Industry	Avg. Weekly Wages
2019	1 st Qtr	Dimmit County	Total All	0	10	Total, All Industries	\$1,225.00
2018	2 nd Qtr	Dimmit County	Total All	0	10	Total, All Industries	\$1,017.00
2018	3 rd Qtr	Dimmit County	Total All	0	10	Total, All Industries	\$1,054.00
2018	4 th Qtr	Dimmit County	Total All	0	10	Total, All Industries	\$1,132.00
Average weekly wage for previous four quarters							\$1,106.75

Source: Quarterly Employment and Wages (QCEW) data for Dimmit County, <https://texaslmi.com/LMIbyCategory/QCEW>

Supporting Data for Section 14(7)(b)

110% of the average weekly wage for manufacturing jobs in the county

Year	Period	Area	Ownership	Level	Ind. Code	Industry	Avg. Weekly Wages
2019	1 st Qtr	Dimmit County	Private	2	31-33	Manufacturing	\$453.00
2018	2 nd Qtr	Dimmit County	Private	2	31-33	Manufacturing	\$478.00
2018	3 rd Qtr	Dimmit County	Private	2	31-33	Manufacturing	\$529.00
2018	4 th Qtr	Dimmit County	Private	2	31-33	Manufacturing	\$458.00
Average weekly wage for previous four quarters							\$479.50
110% of Average Weekly Wages							\$527.45

Source: Quarterly Employment and Wages (QCEW) data for Dimmit County, <https://texaslmi.com/LMIbyCategory/QCEW>

Supporting Data for Section 14(7)(c)

110% of the average weekly wage for manufacturing jobs in the region

Average Hourly Wages	\$20.48
Average Annual Wages	\$42,604.00
Average Weekly Wages @40hrs/week	\$819.31
110% of Average Weekly Wages	\$901.24

Source: 2018 Manufacturing Average Wages by Council of Government Region Wages for All Occupations. Project location region: 24. Middle Rio Grande Development Council. <https://texaslmi.com/Home/PopularDownloads>

1408-Carrizo Springs CISD-Cane Flats Solar Project, LLC-September 25, 2019

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2019	01	Dimmit	Total All	10	Total, All Industries	0	\$ 1,225.00
2018	02	Dimmit	Total All	10	Total, All Industries	0	\$ 1,017.00
2018	03	Dimmit	Total All	10	Total, All Industries	0	\$ 1,054.00
2018	04	Dimmit	Total All	10	Total, All Industries	0	\$ 1,131.00

1408-Carrizo Springs CISD-Cane Flats Solar Project, LLC-September 25, 2019

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2019	01	Dimmit	Private	31-33	Manufacturing	2	\$ 453.00
2018	02	Dimmit	Private	31-33	Manufacturing	2	\$ 478.00
2018	03	Dimmit	Private	31-33	Manufacturing	2	\$ 529.00
2018	04	Dimmit	Private	31-33	Manufacturing	2	\$ 458.00

Tab 14

Schedules A1, A2, B, C and D completed and signed Economic Impact (if applicable).

Please see attached Schedules.

Schedule C: Employment Information

Date 9/18/2019
 Applicant Name Cane Flats Solar Project, LLC
 ISD Name Carrizo Springs CISD

Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Qualifying Time Periods	1	2021-2022	2021	N/A	N/A	N/A	N/A	N/A
	2	2022-2023	2022	200 FTEs	\$65,793	0	1	\$ 27,427.40
Value Limitation Period <small>The qualifying time period could overlap the value limitation period.</small>	1	2023-2024	2023	N/A	N/A	0	1	\$ 27,427.40
	2	2024-2025	2024	N/A	N/A	0	1	\$ 27,427.40
	3	2025-2026	2025	N/A	N/A	0	1	\$ 27,427.40
	4	2026-2027	2026	N/A	N/A	0	1	\$ 27,427.40
	5	2027-2028	2027	N/A	N/A	0	1	\$ 27,427.40
	6	2028-2029	2028	N/A	N/A	0	1	\$ 27,427.40
	7	2029-2030	2029	N/A	N/A	0	1	\$ 27,427.40
	8	2030-2031	2030	N/A	N/A	0	1	\$ 27,427.40
	9	2031-2032	2031	N/A	N/A	0	1	\$ 27,427.40
	10	2032-2033	2032	N/A	N/A	0	1	\$ 27,427.40
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2047	N/A	N/A	0	1	\$ 27,427.40

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

Are the
C1. cumulative
 number
 If yes,
 will the
C1a. applicant
 request a
 will the
C1b. applicant
 avail

<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

Tab 17

Signature and Certification Page signed and dated by Authorized School District Representative and Authorized Company Representative (applicant).

Please see attached.

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

Alberto Gonzales
Print Name (Authorized School District Representative)

Superintendent
Title

sign here

[Handwritten Signature]
Signature (Authorized School District Representative)

9-30-19
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

Scott Zeimet
Print Name (Authorized Company Representative (Applicant))

Authorized Person
Title

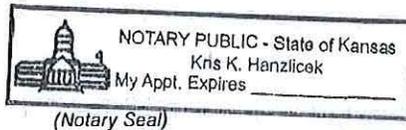
sign here

[Handwritten Signature]
Signature (Authorized Company Representative (Applicant))

9.26.19
Date

GIVEN under my hand and seal of office this, the

26 day of Sept, 2019



[Handwritten Signature]
Notary Public in and for the State of Texas Kansas

My Commission expires: 3-5-23

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.