

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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September 12, 2019

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Amendment001 to the Application between IP Radian and Brookesmith ISD.

To the Local Government Assistance & Economic Analysis Division:

Enclosed, please find Amendment001 to the Application from IP Radian to Brookesmith ISD. The following changes have been made:

1. Section 14, Question 7a, 7b 7c and Tab 14:
 - a) *Response: Wage data has been updated.*
2. Tab 7 & 8: Please add language: "This application covers all qualified property in the reinvestment zone and project boundary within the Brookesmith ISD."
 - b) *Response: Requested language has been added to Tabs 7 and 8*

A copy of the application will be submitted to the Brown County Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Brown County Appraisal District
IP Radian, LLC



CUMMINGS WESTLAKE
PROPERTY TAX ADVISORS

September 12, 2019

Mr. Steve Mickelson
Superintendent
Brookesmith ISD
13400 FM 586 S
Brookesmith, TX 76827

Re: Amendment to Application #1409 - IP Radian, LLC

Dear Mr. Mickelson:

Recently the Texas Comptroller's office asked for additional details regarding IP Radian's application that require an amendment to the application. The questions shown below are from the Comptroller and IP Radian's responses to each issue are shown in italics.

In reviewing Application 1407, I have noted the following items that will require revision or further clarification. In lieu of sending a deficiency letter, I am requesting to have the following issues resolved per this email. Please review and submit a response by Friday, September 13th. If these issues are not resolved and I do not receive the information by the date above, then a deficiency letter may be issued.

Section 14, Question 7a, 7b, 7c and Tab 13:

- a. Please note that the wage rate has changed. The 2019 first quarter is now available. Please update.

Response: Wage data has been updated.

Tab 7 & 8:

Please add language: "This application covers all qualified property in the reinvestment zone and project boundary within Brookesmith ISD."

Response: Requested language has been added to Tabs 7 and 8.

This amendment will require a new signature from you and Dan Casey's team will contact you about this.

Sincerely,

A handwritten signature in cursive script that reads "D. Dale Cummings". The signature is written in black ink and is positioned below the word "Sincerely,".

D. Dale Cummings

attachments

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

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? 2
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 725.50
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,282.05
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 961.05
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? 49,974.10
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 49,974.10
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

The Project will be constructed on approximately 3,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Brookesmith Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 300 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

IP Radian requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in February 2021 with anticipated project completion by the end of May 2022.

This application covers all qualified property in the reinvestment zone and project boundary within Brookesmith ISD.

NOTE - The reinvestment zone map in TAB 11 shows the preliminary panel and inverter locations outlined with gold lines. The exact placement of these panels and inverters is subject to ongoing planning, soil studies, and engineering and will be finally determined before construction begins. The proposed location of the Project operations and maintenance building is shown with a star and identified with the letter "A". The Project substation is shown with a star and is identified with the letter "B". Oncor's Brown substation is shown with a star and labeled with the letter "D" for informational purposes only to show the gen-tie interconnection point.

TAB 8

Description of Qualified Property

The Project will be constructed on approximately 3,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Brookesmith Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 300 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

IP Radian requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

This application covers all qualified property in the reinvestment zone and project boundary within Brookesmith ISD.

Construction of the Project is anticipated to begin in February 2021 with anticipated project completion by the end of May 2022.

TAB 13 TO CHAPTER 313 APPLICATION

**BROOKESMITH - BROWN COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
SECOND	2018	\$ 725.00	\$ 37,700.00
THIRD	2018	\$ 710.00	\$ 36,920.00
FOURTH	2018	\$ 736.00	\$ 38,272.00
FIRST	2019	\$ 731.00	\$ 38,012.00
	AVERAGE	\$ 725.50	\$ 37,726.00

**BROOKESMITH - BROWN COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
SECOND	2018	\$ 1,209.00	\$ 62,868.00
THIRD	2018	\$ 1,126.00	\$ 58,552.00
FOURTH	2018	\$ 1,148.00	\$ 59,696.00
FIRST	2019	\$ 1,179.00	\$ 61,308.00
	AVERAGE	\$ 1,165.50	\$ 60,606.00
	X	110%	110%
		\$ 1,282.05	\$ 66,666.60

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

REGION	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
West Central Texas	2018	\$ 873.67	\$ 45,431.00
	X	110%	110%
		\$ 961.05	\$ 49,974.10

* SEE ATTACHED TWC DOCUMENTATION

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	02	Brown	Total All	10	Total, All Industries	725
2018	03	Brown	Total All	10	Total, All Industries	710
2018	04	Brown	Total All	10	Total, All Industries	736
2019	01	Brown	Total All	10	Total, All Industries	731

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	02	Brown	Private	31-33	Manufacturing	1,209
2018	03	Brown	Private	31-33	Manufacturing	1,126
2018	04	Brown	Private	31-33	Manufacturing	1,148
2019	01	Brown	Private	31-33	Manufacturing	1,179

Texas Comptroller of Public Accounts

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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 → Steve Mickelson
Print Name (Authorized School District Representative)
Superintendent
Title
sign here → [Signature]
Signature (Authorized School District Representative)
9.12.19
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 → Lucas Dunnington
Print Name (Authorized Company Representative (Applicant))
Vice President, IP Renewable Holdings
Title
sign here → [Signature]
Signature (Authorized Company Representative (Applicant))
September 10, 2019
Date

See Following Page

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

Notary Public in and for the State of Texas

My Commission expires: _____

(Notary Seal)

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.

