



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

June 19, 2020

Chris Wigington
Superintendent
Bushland Independent School District
2400 Wells Street
Bushland, Texas 79012

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Bushland Independent School District and Goat Mountain Renewables, LLC, Application 1464

Dear Superintendent Wigington:

On April 16, 2020, the Comptroller issued written notice that Goat Mountain Renewables, LLC (applicant) submitted a completed application (Application 1464) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on January 21, 2020, to the Bushland 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 B; 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.

¹ 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 1464.

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 B.

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 by December 31, 2020.

Note that any building or improvement existing as of the application review start date of April 16, 2020, 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 or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

DocuSigned by:

11EA6DEF0EC441E...

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A - Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Goat Mountain Renewables, LLC (project) applying to Bushland 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 Goat Mountain Renewables, LLC.

Applicant	Goat Mountain Renewables, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy – Solar & Wind
School District	Bushland ISD
2018-2019 Average Daily Attendance	1,338
County	Potter
Proposed Total Investment in District	\$362,246,512
Proposed Qualified Investment	\$362,246,512
Limitation Amount	\$80,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	5*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,064
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,064
Minimum annual wage committed to by applicant for qualified jobs	\$55,345.40
Minimum weekly wage required for non-qualifying jobs	\$897.50
Minimum annual wage required for non-qualifying jobs	\$46,670
Investment per Qualifying Job	\$72,449,302
Estimated M&O levy without any limit (15 years)	\$27,749,243
Estimated M&O levy with Limitation (15 years)	\$12,729,123
Estimated gross M&O tax benefit (15 years)	\$15,020,120

* 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 Goat Mountain Renewables, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	300	384	684	\$16,003,620	\$34,510,380	\$50,514,000
2021	300	401	701.356	\$16,003,620	\$40,613,380	\$56,617,000
2022	5	65	70	\$266,727	\$11,244,273	\$11,511,000
2023	5	41	46	\$266,727	\$8,106,273	\$8,373,000
2024	5	16	21	\$266,727	\$5,264,273	\$5,531,000
2025	5	4	9	\$266,727	\$3,575,273	\$3,842,000
2026	5	(0)	5	\$266,727	\$2,643,273	\$2,910,000
2027	5	(0)	5	\$266,727	\$2,222,273	\$2,489,000
2028	5	3	8	\$266,727	\$2,145,273	\$2,412,000
2029	5	6	11	\$266,727	\$2,245,273	\$2,512,000
2030	5	9	14	\$266,727	\$2,411,273	\$2,678,000
2031	5	12	17	\$266,727	\$2,688,273	\$2,955,000
2032	5	13	18	\$266,727	\$2,778,273	\$3,045,000
2033	5	14	19	\$266,727	\$2,945,273	\$3,212,000
2034	5	15	20	\$266,727	\$3,109,273	\$3,376,000
2035	5	16	21	\$266,727	\$3,247,273	\$3,514,000
2036	5	15	20	\$266,727	\$3,286,273	\$3,553,000

Source: CPA REMI, Goat Mountain Renewables, 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*	Bushland ISD I&S Tax Levy	Bushland ISD M&O Tax Levy	Bushland ISD M&O and I&S Tax Levies	Potter County Tax Levy	Panhandle Ground WCD #3 Tax Levy	Estimated Total Property Taxes
			0.1937	0.9700		0.7010	0.0091		
2022	\$362,246,512	\$362,246,512		\$701,708	\$3,513,791	\$4,215,499	\$2,539,348	\$32,801	\$6,787,648
2023	\$333,459,571	\$333,459,571		\$645,945	\$3,234,558	\$3,880,502	\$2,337,552	\$30,195	\$6,248,249
2024	\$304,672,630	\$304,672,630		\$590,181	\$2,955,325	\$3,545,506	\$2,135,755	\$27,588	\$5,708,849
2025	\$275,885,689	\$275,885,689		\$534,418	\$2,676,091	\$3,210,509	\$1,933,959	\$24,981	\$5,169,449
2026	\$247,098,747	\$247,098,747		\$478,655	\$2,396,858	\$2,875,513	\$1,732,162	\$22,375	\$4,630,050
2027	\$218,311,806	\$218,311,806		\$422,892	\$2,117,625	\$2,540,516	\$1,530,366	\$19,768	\$4,090,650
2028	\$189,524,865	\$189,524,865		\$367,129	\$1,838,391	\$2,205,520	\$1,328,569	\$17,161	\$3,551,251
2029	\$160,737,924	\$160,737,924		\$311,365	\$1,559,158	\$1,870,523	\$1,126,773	\$14,555	\$3,011,851
2030	\$131,950,983	\$131,950,983		\$255,602	\$1,279,925	\$1,535,527	\$924,976	\$11,948	\$2,472,451
2031	\$124,577,273	\$124,577,273		\$241,319	\$1,208,400	\$1,449,718	\$873,287	\$11,280	\$2,334,285
2032	\$117,203,563	\$117,203,563		\$227,035	\$1,136,875	\$1,363,910	\$821,597	\$10,613	\$2,196,119
2033	\$109,829,853	\$109,829,853		\$212,751	\$1,065,350	\$1,278,101	\$769,907	\$9,945	\$2,057,953
2034	\$102,456,143	\$102,456,143		\$198,468	\$993,825	\$1,192,292	\$718,218	\$9,277	\$1,919,787
2035	\$95,082,433	\$95,082,433		\$184,184	\$922,300	\$1,106,484	\$666,528	\$8,610	\$1,781,621
2036	\$87,708,723	\$87,708,723		\$169,901	\$850,775	\$1,020,675	\$614,838	\$7,942	\$1,643,455
			Total	\$5,541,552	\$27,749,243	\$33,290,796	\$20,053,834	\$259,041	\$53,603,671

Source: CPA, Goat Mountain Renewables, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Potter 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		Bushland ISD I&S Tax Levy	Bushland ISD M&O Tax Levy	Bushland ISD M&O and I&S Tax Levies	Potter County Tax Levy	Panhandle Ground WCD #3 Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1937	0.9700		0.7010	0.0091	
2022	\$362,246,512	\$80,000,000		\$701,708	\$776,000	\$1,477,708	\$0	\$32,801	\$1,510,509
2023	\$333,459,571	\$80,000,000		\$645,945	\$776,000	\$1,421,945	\$0	\$30,195	\$1,452,139
2024	\$304,672,630	\$80,000,000		\$590,181	\$776,000	\$1,366,181	\$0	\$27,588	\$1,393,769
2025	\$275,885,689	\$80,000,000		\$534,418	\$776,000	\$1,310,418	\$0	\$24,981	\$1,335,400
2026	\$247,098,747	\$80,000,000		\$478,655	\$776,000	\$1,254,655	\$0	\$22,375	\$1,277,030
2027	\$218,311,806	\$80,000,000		\$422,892	\$776,000	\$1,198,892	\$0	\$19,768	\$1,218,660
2028	\$189,524,865	\$80,000,000		\$367,129	\$776,000	\$1,143,129	\$0	\$17,161	\$1,160,290
2029	\$160,737,924	\$80,000,000		\$311,365	\$776,000	\$1,087,365	\$0	\$14,555	\$1,101,920
2030	\$131,950,983	\$80,000,000		\$255,602	\$776,000	\$1,031,602	\$0	\$11,948	\$1,043,550
2031	\$124,577,273	\$80,000,000		\$241,319	\$776,000	\$1,017,319	\$0	\$11,280	\$1,028,599
2032	\$117,203,563	\$117,203,563		\$227,035	\$1,136,875	\$1,363,910	\$821,597	\$10,613	\$2,196,119
2033	\$109,829,853	\$109,829,853		\$212,751	\$1,065,350	\$1,278,101	\$769,907	\$9,945	\$2,057,953
2034	\$102,456,143	\$102,456,143		\$198,468	\$993,825	\$1,192,292	\$718,218	\$9,277	\$1,919,787
2035	\$95,082,433	\$95,082,433		\$184,184	\$922,300	\$1,106,484	\$666,528	\$8,610	\$1,781,621
2036	\$87,708,723	\$87,708,723		\$169,901	\$850,775	\$1,020,675	\$614,838	\$7,942	\$1,643,455
			Total	\$5,541,552	\$12,729,123	\$18,270,675	\$3,591,088	\$259,041	\$22,120,804
			Diff	\$0	\$15,020,120	\$15,020,120	\$16,462,747	\$0	\$31,482,867

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Goat Mountain Renewables, 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 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that Goat Mountain Renewables, 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)
Limitation Pre-Years	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$188,559	\$188,559	\$0	\$0
Limitation Period (10 Years)	2022	\$776,000	\$964,559	\$2,737,791	\$2,737,791
	2023	\$776,000	\$1,740,559	\$2,458,558	\$5,196,349
	2024	\$776,000	\$2,516,559	\$2,179,325	\$7,375,674
	2025	\$776,000	\$3,292,559	\$1,900,091	\$9,275,765
	2026	\$776,000	\$4,068,559	\$1,620,858	\$10,896,623
	2027	\$776,000	\$4,844,559	\$1,341,625	\$12,238,247
	2028	\$776,000	\$5,620,559	\$1,062,391	\$13,300,638
	2029	\$776,000	\$6,396,559	\$783,158	\$14,083,796
	2030	\$776,000	\$7,172,559	\$503,925	\$14,587,721
	2031	\$776,000	\$7,948,559	\$432,400	\$15,020,120
Maintain Viable Presence (5 Years)	2032	\$1,136,875	\$9,085,433	\$0	\$15,020,120
	2033	\$1,065,350	\$10,150,783	\$0	\$15,020,120
	2034	\$993,825	\$11,144,608	\$0	\$15,020,120
	2035	\$922,300	\$12,066,907	\$0	\$15,020,120
	2036	\$850,775	\$12,917,682	\$0	\$15,020,120
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$779,250	\$13,696,931	\$0	\$15,020,120
	2038	\$707,725	\$14,404,656	\$0	\$15,020,120
	2039	\$707,259	\$15,111,915	\$0	\$15,020,120
	2040	\$706,793	\$15,818,709	\$0	\$15,020,120
	2041	\$706,328	\$16,525,036	\$0	\$15,020,120
	2042	\$705,862	\$17,230,899	\$0	\$15,020,120
	2043	\$705,397	\$17,936,295	\$0	\$15,020,120
	2044	\$704,931	\$18,641,226	\$0	\$15,020,120
	2045	\$704,465	\$19,345,692	\$0	\$15,020,120
	2046	\$704,000	\$20,049,692	\$0	\$15,020,120
		\$20,049,692	is greater than	\$15,020,120	

Analysis Summary	
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, Goat Mountain Renewables, 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 Goat Mountain Renewables, 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 Goat Mountain Renewables, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Throughout the United States the production of renewable energy has been increasing as the cost of these systems has decreased and technological advancements have improved efficiency. In 2019, Texas ranked 1st in installed wind capacity and 4th in installed solar capacity.¹ The state’s geographic position and containment of several large population centers has made Texas a favorable location for renewable energy development.”
 - B. “Renewable energy developers face many challenges in the determination of project location—one of these factors being the selection of an area where the greatest return on investment can be achieved. There are several factors that contribute to Texas favorability for development, one however that does not is the state’s notoriously high property tax burden—ranking in the top 10 across the United States.”
 - C. “An appraised value limitation on qualified property allows developers to significantly diminish the property tax liability that composes a substantial ongoing cost of operation that directly impacts the economic rate of return for the project. In the absence of an appraised value limitation, the development of renewable energy facilities becomes financially uncertain as the rate of return often fails to meet the minimum return required to proceed. In the event an appraised value limitation agreement is not received by Goat Mountain Renewables, LLC it is rather certain that the capital allotted for the development of this project will be reallocated for use in another state where either the property tax burden is lower or economic incentives can be secured, namely Oklahoma, Louisiana, Arkansas, or New Mexico.”
 - D. “Thus, an appraised value limitation agreement between Goat Mountain Renewables, LLC and Bushland Independent School District is the determining factor in the decision to locate this facility within the state of Texas.”

- A January 13, 2020 *amarillo.com* states that, “The Potter County Commissioners’ Court voted on Monday to conditionally accept a tax abatement application for a \$362 million solar and wind generation project slated for construction in Bushland.”
- According to a Regular of the Board of Trustees of Bushland ISD will be held January 21, 2020, “Deliberation and action to accept for consideration an Application for an Agreement for Limitation on Appraised Value of Property under the Texas Economic Development Act, Texas Tax Code, Chapter 313.”
- According to Potter County Commissioners Court meeting dated March 9, 2020, “CONSIDERATION OF TAX ABATEMENT APPLICATION AND PROPOSED AGREEMENT. Goat Mountain Renewables, LLC, a Texas limited liability company. Reinvestment Zone: Potter County Reinvestment Zone No. I, located on property North and Northwest of the intersection of Farm to Market Roads 1061 and 2360, Potter County, Texas, consisting of 13,614 acres, and as more particularly identified on the attached map.”
- Supplemental information provided by the applicant indicated the following:
 - A. “Project Name: always Goat Mountain Renewables/Carol Wind.”
 - B. “Yes, this project has applied to ERCOT and on March 14, 2019, the project was assigned ERCOT ID 21INR0274, 20INR0217 Date assigned is 11/26/2018 for the wind portion.”

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

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:

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> 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 5: Documentation to Assist in Determining if Limitation is a Determining Factor

Throughout the United States the production of renewable energy has been increasing as the cost of these systems has decreased and technological advancements have improved efficiency. In 2019, Texas ranked 1st in installed wind capacity and 4th in installed solar capacity.¹ The state's geographic position and containment of several large population centers has made Texas a favorable location for renewable energy development.

Renewable energy developers face many challenges in the determination of project location—one of these factors being the selection of an area where the greatest return on investment can be achieved. There are several factors that contribute to Texas favorability for development, one however that does not is the state's notoriously high property tax burden—ranking in the top 10 across the United States.

An appraised value limitation on qualified property allows developers to significantly diminish the property tax liability that composes a substantial ongoing cost of operation that directly impacts the economic rate of return for the project. In the absence of an appraised value limitation, the development of renewable energy facilities becomes financially uncertain as the rate of return often fails to meet the minimum return required to proceed. In the event an appraised value limitation agreement is not received by Goat Mountain Renewables, LLC it is rather certain that the capital allotted for the development of this project will be reallocated for use in another state where either the property tax burden is lower or economic incentives can be secured, namely Oklahoma, Louisiana, Arkansas, or New Mexico. Thus, an appraised value limitation agreement between Goat Mountain Renewables, LLC and Bushland Independent School District is the determining factor in the decision to locate this facility within the state of Texas.

¹ U.S. Energy Information Administration

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller



County conditionally accepts energy tax abatement application

By **Douglas Clark**

Posted Jan 13, 2020 at 5:33 PM

The Potter County Commissioners' Court voted on Monday to conditionally accept a tax abatement application for a \$362 million solar and wind generation project slated for construction in Bushland.

The body voted 4-1 in favor of accepting the Goat Mountain Renewables application for a 10-year tax abatement, with Commissioner Mercy Murguia casting the lone dissenting vote.

Jim Sobieski, trustee of the Sobieski Trust, the sole member of Goat Mountain Renewables, delivered a presentation to the Court during the regular meeting.

"The project we are talking about will cost approximately \$362 million," he said. "With \$362 million worth of property being put on the land, the property taxes would be so high, there would be no way to build the project. We're proposing an abatement under which the county would get \$327,000 every year for 10 years of the abatement, then after 10 years there would be full property tax on the value."

The projects would involve a solar initiative on 1,450 acres of a 12,000 acre pasture, Sobieski said, while a wind generation endeavor would be on 10,000 acres of that same pasture.

"It's a 220.5 megawatt solar generation project, which would have 640,000 solar panels connected to converters," he said. "It's expected to provide enough electricity to serve the needs of 42,000 households. (The wind project) is a 169.2 megawatt wind generation project, which will have 60 wind turbines. We plan to put the connections on cables underground, so we will not have them overhead. This project would provide energy for 49,000 households per year. We expect to start construction of Carol Solar in July of this year and Carol Wind in September."

Sobieski said the projects would employ 350 construction workers and then when completed employ one full time on site manager and four hourly employees. He estimated property taxes would increase to \$500,000 yearly beginning in year 11.

“In order for a project like this to proceed, there is the submission of the application, a tax reinvestment zone has to be created and ultimate approval of the abatement notice has to have a 30-day notice period,” Potter County Attorney Scott Brumley said. “You are actually accepting the application for the tax abatement. We have not done a tax abatement of this sort. What you’re saying is you’ve accepted the application.”

Murguia expressed concern about the need for more specifics about the endeavor.

“I think there is some homework we need to do prior to (approval),” she said. “This is the first time this agenda item has come to the full court. I’m fine receiving it, I’m just not fine taking a formal motion of conditional approval, which gives a nod that we are generally agreeing we’re doing some type of deal. That I’m not comfortable with until we do some homework.”

Notice of Regular

The Board of Trustees Bushland ISD

Mission Statement

Together, we guide every student to reach their greatest potential.

Vision

BUSHLAND STUDENTS TODAY...LEADERS TOMORROW!

Core Beliefs

Faith, Unity, Integrity, Scholarship, Leadership, Work Ethic

Slogan

#earnyourwings

A Regular of the Board of Trustees of Bushland ISD will be held January 21, 2020, beginning at 6:00 PM in the Bushland High School Library, Bushland, Texas.

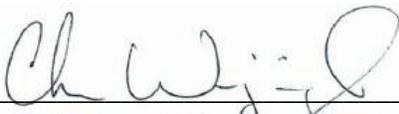
The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

1. Opening of Meeting
 - A. Prayer
 - B. Pledge
2. Recognition of Visitors
3. Limited Public Comments:
4. Employee of the Month
5. Administrative Reports
6. ACTION ITEMS:
 - A. Consent Agenda
 1. Minutes from December 17. 2019 Board Meeting
 2. Donations and Amendments
 3. Financial Report
Presenter: Karen Grantham
 - B. Deliberation and action to adopt Board Policy CCGB (LOCAL) concerning economic development and tax limitation agreement

- C. Consideration and action to hire the Underwood Law Firm as special counsel to provide legal services to the District concerning agreements for limitation on assessed value
 - D. Deliberation and action to accept for consideration an Application for an Agreement for Limitation on Appraised Value of Property under the Texas Economic Development Act, Texas Tax Code, Chapter 313
 - E. Discussion and Possible Action on the Issuance of a Request for Qualifications (RFQ) for Design Build Servicer-Energy Efficiency and Conservation Program
- 7. Personnel
 - 8. Superintendent Report
 - Presenter: Chris Wigington
 - A. Team of 8 Training Strategic Planning
 - Presenter: Chris Wigington
 - B. Spring Training at WTAMU
 - C. Financial
 - D. Facilities
 - E. Enrollment
 - 9. Adjourn

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. [See BEC(LEGAL)]

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on:



For the Board of Trustees

POTTER COUNTY, TEXAS

**NOTICE OF PUBLIC MEETING and
OPPORTUNITY TO BE HEARD**

THE FOLLOWING MATTER WILL COME BEFORE THE POTTER COUNTY COMMISSIONERS COURT ON MONDAY, 03-09-2020 at 9:00 a.m., IN THE POTTER COUNTY COURTHOUSE, 500 S. FILLMORE, ROOM 106, AMARILLO, POTTER COUNTY, TEXAS.

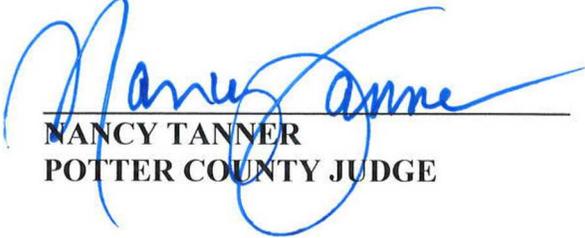
CONSIDERATION OF TAX ABATEMENT APPLICATION AND PROPOSED

AGREEMENT. To consider, receive public comment upon, and act upon on an application and proposed agreement for property tax abatement under Chapter 312 of the Texas Tax Code for the following proposed project:

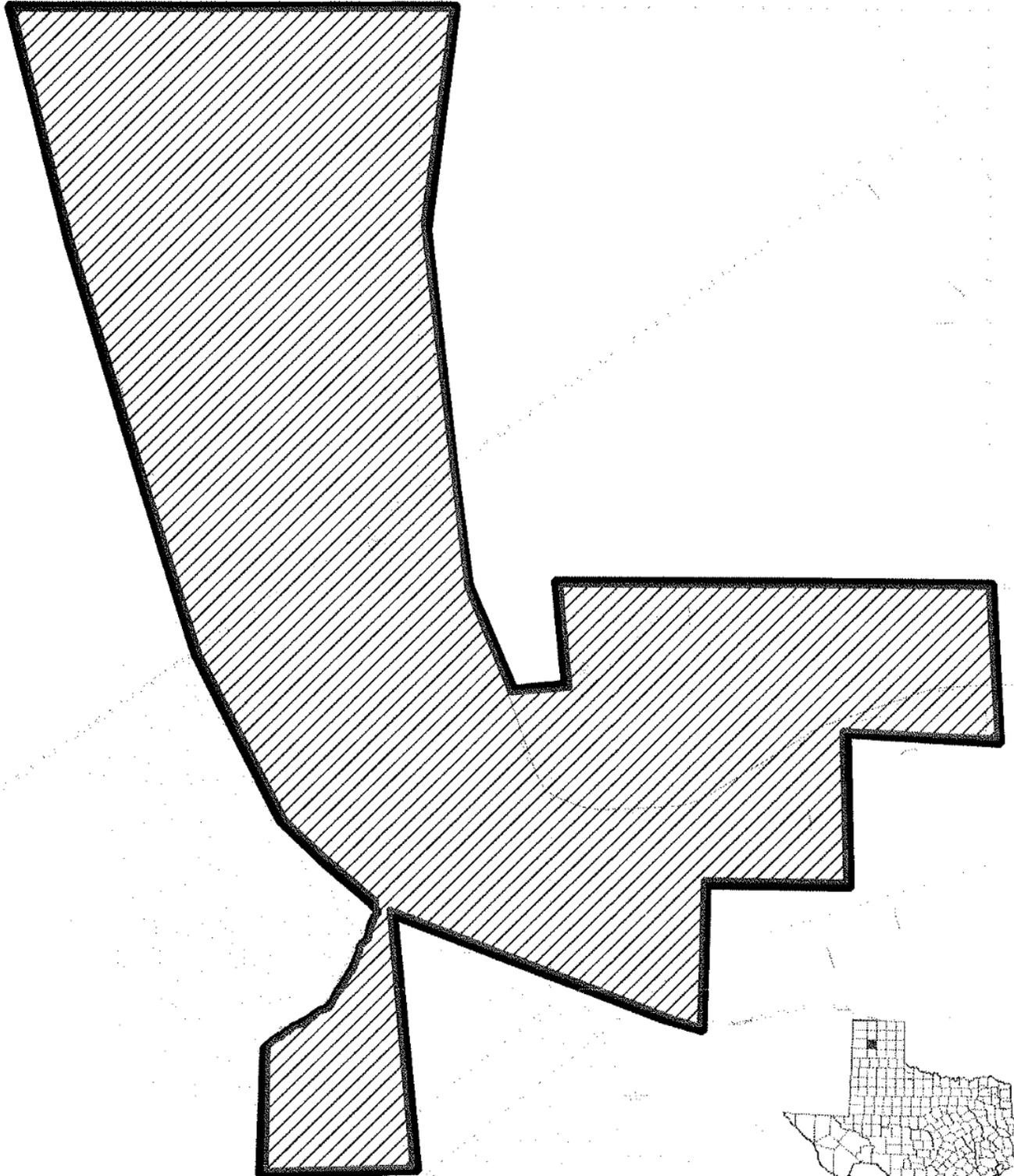
1. Property Owners: (a) James Louis Sobieski, Emeline Sobieski, and James B. Sobieski, as Co-Trustees of the Emeline Bush O'Brien/Sobieski Trust; (b) James L. Sobieski as Trustee of the Mona Powers Sobieski Trust dated September 14, 1984; (c) Emeline Sobieski, as Trustee of the Emeline Sobieski Revocable Trust dated March 26, 2008; and (d) James B. Sobieski, as Trustee of the James Sobieski Trust dated effective November 23, 2011.
2. Applicant for Tax Abatement: Goat Mountain Renewables, LLC, a Texas limited liability company.
3. Reinvestment Zone: Potter County Reinvestment Zone No. 1, located on property North and Northwest of the intersection of Farm to Market Roads 1061 and 2360, Potter County, Texas, consisting of 13,614 acres, and as more particularly identified on the attached map.
4. Anticipated Improvements: Construction of two renewable energy projects, consisting of (a) an approximately 169.2MW wind project (the "Carol Wind Project"), comprised of approximately sixty (60) Wind turbine Generators and associated foundations, underground connection cables, interconnection facilities and other infrastructure, and (b) an approximately 220.5MW solar project (the "Carol Solar Project"), comprised of approximately 640,000 solar panels, associated racking and tracking mechanisms, underground connection cables, interconnection facilities and other infrastructure.
5. Estimated Cost of the Improvements: The total estimated cost of the improvements is \$362,000,000.

THIS NOTICE IS POSTED IN ACCORDANCE WITH SECTION 312.207(c) OF THE TEXAS TAX CODE and CHAPTER 551, TEXAS GOVERNMENT CODE, PROHIBITION OF GOVERNMENTAL BODIES FROM HOLDING MEETINGS WHICH ARE CLOSED TO THE PUBLIC.

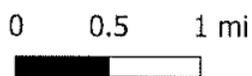
UNDERLYING DOCUMENTATION, IF ANY, IN RELATION TO THIS NOTICE WILL BE AVAILABLE FOR INSPECTION IN THE FOLLOWING OFFICES: THE COUNTY JUDGE, THE COUNTY CLERK, THE COUNTY AUDITOR, OR THE COUNTY PURCHASING AGENT.



**NANCY TANNER
POTTER COUNTY JUDGE**



-  Project Area
-  Proposed Reinvestment Zone



COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Bushland ISD – Goat Mountain Renewables, LLC, App. #1464

Comptroller Questions (via email on June 11, 2020):

1. *Please list any other names by which this project may have known in the past--in media reports, investor presentations, or any listings with any federal or state agency.*
2. *Has this project applied to ERCOT at this time? If so, please provide the project's GINR number and when was it assigned.*

Applicant Response (via email on June 11, 2020):

1. *Project Name: always Goat Mountain Renewables/Carol Wind.*
2. *Yes, this project has applied to ERCOT and on March 14, 2019, the project was assigned ERCOT ID 21INR0274, 20INR0217 Date assigned is 11/26/2018 for the wind portion.*