



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

June 9, 2020

Curtis Rhodes
Superintendent
Needville Independent School District
16227 Highway 36 South
Needville, Texas 77641

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Needville Independent School District and Old 300 Solar Center, LLC, Application 1468

Dear Superintendent Rhodes:

On May 20, 2020, the Comptroller issued written notice that Old 300 Solar Center, LLC (applicant) submitted a completed application (Application 1468) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on January 15, 2020, to the Needville 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 1468.

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 May 20, 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 Old 300 Solar Center, LLC (project) applying to Needville 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 Old 300 Solar Center, LLC.

Applicant	Old 300 Solar Center, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	Needville ISD
2018-2019 Average Daily Attendance	3,125
County	Fort Bend
Proposed Total Investment in District	\$430,000,000
Proposed Qualified Investment	\$430,000,000
Limitation Amount	\$60,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	4*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,309.62
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,301.61
Minimum annual wage committed to by applicant for qualified jobs	\$68,100.00
Minimum weekly wage required for non-qualifying jobs	\$1,007.75
Minimum annual wage required for non-qualifying jobs	\$52,403.00
Investment per Qualifying Job	\$107,500,000
Estimated M&O levy without any limit (15 years)	\$45,479,063
Estimated M&O levy with Limitation (15 years)	\$17,189,200
Estimated gross M&O tax benefit (15 years)	\$28,289,863

* 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 Old 300 Solar Center, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	50	70	120	\$3,405,000	\$6,080,223	\$9,485,223
2021	300	429	728.751	\$20,430,000	\$39,100,449	\$59,530,449
2022	4	59	63	\$272,400	\$8,967,125	\$9,239,525
2023	4	43	47	\$272,400	\$6,828,498	\$7,100,898
2024	4	20	24	\$272,400	\$4,552,934	\$4,825,334
2025	4	9	13	\$272,400	\$3,155,831	\$3,428,231
2026	4	4	8	\$272,400	\$2,377,250	\$2,649,650
2027	4	4	8	\$272,400	\$2,032,682	\$2,305,082
2028	4	6	10	\$272,400	\$1,999,770	\$2,272,170
2029	4	8	12	\$272,400	\$2,144,704	\$2,417,104
2030	4	11	15	\$272,400	\$2,378,315	\$2,650,715
2031	4	10	14	\$272,400	\$2,170,321	\$2,442,721
2032	4	10	14	\$272,400	\$2,179,018	\$2,451,418
2033	4	11	15	\$272,400	\$2,237,382	\$2,509,782
2034	4	11	15	\$272,400	\$2,327,052	\$2,599,452
2035	4	12	16	\$272,400	\$2,418,743	\$2,691,143
2036	4	12	16	\$272,400	\$2,475,570	\$2,747,970

Source: CPA REMI, Old 300 Solar Center, 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		Needville ISD I&S Tax Levy	Needville ISD M&O Tax Levy	Needville ISD M&O and I&S Tax Levies	Fort Bent County Tax Levy	Fort Bend Drainage District Tax Levy	Wharton County Jr. College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.39791	1.06835		0.44470	0.01530	0.13934	
2022	\$422,380,000	\$422,380,000		\$1,680,696	\$4,512,497	\$6,193,193	\$1,878,324	\$64,624	\$588,544	\$8,724,686
2023	\$397,037,200	\$397,037,200		\$1,579,855	\$4,241,747	\$5,821,602	\$1,765,624	\$60,747	\$553,232	\$8,201,204
2024	\$373,214,968	\$373,214,968		\$1,485,063	\$3,987,242	\$5,472,306	\$1,659,687	\$57,102	\$520,038	\$7,709,132
2025	\$350,822,070	\$350,822,070		\$1,395,960	\$3,748,008	\$5,143,967	\$1,560,106	\$53,676	\$488,835	\$7,246,584
2026	\$329,772,746	\$329,772,746		\$1,312,202	\$3,523,127	\$4,835,329	\$1,466,499	\$50,455	\$459,505	\$6,811,789
2027	\$309,986,381	\$309,986,381		\$1,233,470	\$3,311,740	\$4,545,209	\$1,378,509	\$47,428	\$431,935	\$6,403,082
2028	\$291,387,198	\$291,387,198		\$1,159,462	\$3,113,035	\$4,272,497	\$1,295,799	\$44,582	\$406,019	\$6,018,897
2029	\$273,903,966	\$273,903,966		\$1,089,894	\$2,926,253	\$4,016,147	\$1,218,051	\$41,907	\$381,658	\$5,657,763
2030	\$257,469,728	\$257,469,728		\$1,024,500	\$2,750,678	\$3,775,178	\$1,144,968	\$39,393	\$358,758	\$5,318,297
2031	\$242,021,545	\$242,021,545		\$963,030	\$2,585,637	\$3,548,668	\$1,076,270	\$37,029	\$337,233	\$4,999,199
2032	\$227,500,252	\$227,500,252		\$905,249	\$2,430,499	\$3,335,747	\$1,011,694	\$34,808	\$316,999	\$4,699,247
2033	\$213,850,237	\$213,850,237		\$850,934	\$2,284,669	\$3,135,603	\$950,992	\$32,719	\$297,979	\$4,417,293
2034	\$201,019,223	\$201,019,223		\$799,878	\$2,147,589	\$2,947,466	\$893,932	\$30,756	\$280,100	\$4,152,255
2035	\$188,958,069	\$188,958,069		\$751,885	\$2,018,734	\$2,770,618	\$840,297	\$28,911	\$263,294	\$3,903,120
2036	\$177,620,585	\$177,620,585		\$706,772	\$1,897,610	\$2,604,381	\$789,879	\$27,176	\$247,497	\$3,668,933
			Total	\$16,938,849	\$45,479,063	\$62,417,912	\$18,930,631	\$651,312	\$5,931,626	\$87,931,481

Source: CPA, Old 300 Solar Center, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district, Fort Bend County, Fort Bend Drainage District and Wharton County Junior College, 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 abatements with the county and drainage district.

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		Needville ISD I&S Tax Levy	Needville ISD M&O Tax Levy	Needville ISD M&O and I&S Tax Levies	Fort Bend County Tax Levy	Fort Bend Drainage District Tax Levy	Wharton County Jr. College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.39791	1.06835		0.44470	0.01530	0.13934	
2022	\$422,380,000	\$60,000,000		\$1,680,696	\$641,010	\$2,321,706	\$751,330	\$25,850	\$235,418	\$3,334,303
2023	\$397,037,200	\$60,000,000		\$1,579,855	\$641,010	\$2,220,865	\$706,250	\$24,299	\$221,293	\$3,172,706
2024	\$373,214,968	\$60,000,000		\$1,485,063	\$641,010	\$2,126,073	\$663,875	\$22,841	\$208,015	\$3,020,804
2025	\$350,822,070	\$60,000,000		\$1,395,960	\$641,010	\$2,036,970	\$624,042	\$21,470	\$195,534	\$2,878,016
2026	\$329,772,746	\$60,000,000		\$1,312,202	\$641,010	\$1,953,212	\$586,600	\$20,182	\$183,802	\$2,743,796
2027	\$309,986,381	\$60,000,000		\$1,233,470	\$641,010	\$1,874,480	\$551,404	\$18,971	\$172,774	\$2,617,629
2028	\$291,387,198	\$60,000,000		\$1,159,462	\$641,010	\$1,800,472	\$518,320	\$17,833	\$162,408	\$2,499,032
2029	\$273,903,966	\$60,000,000		\$1,089,894	\$641,010	\$1,730,904	\$487,220	\$16,763	\$152,663	\$2,387,550
2030	\$257,469,728	\$60,000,000		\$1,024,500	\$641,010	\$1,665,510	\$457,987	\$15,757	\$143,503	\$2,282,758
2031	\$242,021,545	\$60,000,000		\$963,030	\$641,010	\$1,604,040	\$430,508	\$14,812	\$134,893	\$2,184,253
2032	\$227,500,252	\$227,500,252		\$905,249	\$2,430,499	\$3,335,747	\$1,011,694	\$34,808	\$316,999	\$4,699,247
2033	\$213,850,237	\$213,850,237		\$850,934	\$2,284,669	\$3,135,603	\$950,992	\$32,719	\$297,979	\$4,417,293
2034	\$201,019,223	\$201,019,223		\$799,878	\$2,147,589	\$2,947,466	\$893,932	\$30,756	\$280,100	\$4,152,255
2035	\$188,958,069	\$188,958,069		\$751,885	\$2,018,734	\$2,770,618	\$840,297	\$28,911	\$263,294	\$3,903,120
2036	\$177,620,585	\$177,620,585		\$706,772	\$1,897,610	\$2,604,381	\$789,879	\$27,176	\$247,497	\$3,668,933
			Total	\$16,938,849	\$17,189,200	\$34,128,049	\$10,264,328	\$353,146	\$3,216,172	\$47,961,695
			Diff	\$0	\$28,289,863	\$28,289,863	\$8,666,302	\$298,166	\$2,715,454	\$39,969,786
Assumes School Value Limitation and Tax Abatements with the County and Drainage District.										

Source: CPA, Old 300 Solar Center, 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 Old 300 Solar Center, 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	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2022	\$641,010	\$641,010	\$3,871,487	\$3,871,487
	2023	\$641,010	\$1,282,020	\$3,600,737	\$7,472,224
	2024	\$641,010	\$1,923,030	\$3,346,232	\$10,818,456
	2025	\$641,010	\$2,564,040	\$3,106,998	\$13,925,453
	2026	\$641,010	\$3,205,050	\$2,882,117	\$16,807,570
	2027	\$641,010	\$3,846,060	\$2,670,730	\$19,478,300
	2028	\$641,010	\$4,487,070	\$2,472,025	\$21,950,325
	2029	\$641,010	\$5,128,080	\$2,285,243	\$24,235,568
	2030	\$641,010	\$5,769,090	\$2,109,668	\$26,345,236
	2031	\$641,010	\$6,410,100	\$1,944,627	\$28,289,863
Maintain Viable Presence (5 Years)	2032	\$2,430,499	\$8,840,599	\$0	\$28,289,863
	2033	\$2,284,669	\$11,125,268	\$0	\$28,289,863
	2034	\$2,147,589	\$13,272,857	\$0	\$28,289,863
	2035	\$2,018,734	\$15,291,590	\$0	\$28,289,863
	2036	\$1,897,610	\$17,189,200	\$0	\$28,289,863
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$1,783,753	\$18,972,953	\$0	\$28,289,863
	2038	\$1,676,728	\$20,649,681	\$0	\$28,289,863
	2039	\$1,576,124	\$22,225,805	\$0	\$28,289,863
	2040	\$1,481,557	\$23,707,361	\$0	\$28,289,863
	2041	\$1,392,663	\$25,100,025	\$0	\$28,289,863
	2042	\$1,309,103	\$26,409,128	\$0	\$28,289,863
	2043	\$1,230,557	\$27,639,685	\$0	\$28,289,863
	2044	\$1,156,724	\$28,796,409	\$0	\$28,289,863
	2045	\$1,087,320	\$29,883,730	\$0	\$28,289,863
	2046	\$1,022,081	\$30,905,811	\$0	\$28,289,863
		\$30,905,811	is greater than	\$28,289,863	
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, Old 300 Solar Center, 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 Old 300 Solar Center, 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 Old 300 Solar Center, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. In addition to its projects in Texas, the developer is assessing or developing projects in California, Nevada, Colorado, Texas, Nebraska, Illinois, Mississippi, Michigan, Missouri, Indiana, Florida, New York, Maryland, and Virginia. The appraised value limitation is critical to the ability of the Project to move forward in Needville ISD.”
 - B. “Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.”
 - C. “Old 300 Solar Center, LLC is ... a direct subsidiary of Orsted Onshore North America, LLC. Old 300 Solar Center, LLC’s was previously directly owned by Lincoln Clean Energy, LLC. In the fall of 2018, Lincoln Clean Energy, LLC was purchased by Orsted, a Danish company. In December of 2019, Orsted changed the name of Lincoln Clean Energy, LLC to Orsted Onshore North America, LLC.”
- Orsted, the applicant’s parent company, developed a project website assessed on March 17, 2020. The website included the following information:

- A. "Located in Fort Bend County, Texas, the approximately 400MWac Old 300 Solar Center will have the capability to power 65,000 homes annually; ... The project is a long-term asset for Orsted and the Fort Bend County community."
- B. "The Old 300 Solar project will generate millions in property tax revenue over its lifetime that will benefit Fort Bend County and the Needville Independent School District. In addition, the project will contribute to the local economy through the numerous jobs created and rental income to landowners. Construction will create upwards of 300 jobs as well as several full-time employment opportunities during the lifetime of the project."
- The Comptroller's office asked for a response from the applicant regarding the project's website and how the 313 value limitation is still a determining factor, the office received the following response per Tab 5 of the application:
 - A. "The Old 300 Solar Center has a project website available to the public. Orsted Onshore has websites for several of its development projects, and none are intended to imply that further investment of resources into the projects are a foregone conclusion. Rather, the project websites are intended as a resource for the communities to find information about potential developments in their community, communicate with Orsted Onshore, and learn more about the respective project technologies."
- Supplemental Information provided by the applicant and per Tab 5 of the application indicated the following:
 - A. Is this project known by any specific names not otherwise mentioned in this application? *No.*
 - B. Please also list any other names by which this project may have been known in the past--in media reports, investor presentations, or any listings with any federal or state agency. For example – In the application, ... a map of the project lists the name of project as "Houston Solar." *The project was also known as Spindletop Solar Center during earlier stages of its development.*
 - C. Has this project applied to ERCOT at this time? If so, please provide the project's GINR number and when was it assigned. *The Project applied to ERCOT on July 18, 2019, and it has been assigned GINR number 211NR0406."*

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?
2. The property will be used for one of the following activities:
(1) manufacturing
(2) research and development
(3) a clean coal project, as defined by Section 5.001, Water Code
(4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code
(5) renewable energy electric generation
(6) electric power generation using integrated gasification combined cycle technology
(7) nuclear electric power generation
(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)
(9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051
3. Are you requesting that any of the land be classified as qualified investment?
4. Will any of the proposed qualified investment be leased under a capitalized lease?
5. Will any of the proposed qualified investment be leased under an operating lease?
6. Are you including property that is owned by a person other than the applicant?
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?

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?
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?
3. Does the applicant have current business activities at the location where the proposed project will occur?
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?
5. Has the applicant received any local or state permits for activities on the proposed project site?
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site?
7. Is the applicant evaluating other locations not in Texas for the proposed project?
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities?
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project?
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?

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 Item 5

Documentation to assist in determining if limitation is a determining factor:

Old 300 Solar Center, LLC is a Delaware limited liability company and is a direct subsidiary of Orsted Onshore North America, LLC. Old 300 Solar Center, LLC's was previously directly owned by Lincoln Clean Energy, LLC. In the fall of 2018, Lincoln Clean Energy, LLC was purchased by Orsted, a Danish company. In December of 2019, Orsted changed the name of Lincoln Clean Energy, LLC to Orsted Onshore North America, LLC.

Orsted Onshore North America, LLC has successfully developed projects involving over \$1 billion in capital investments in some of the largest electricity markets in the United States, including California, Nebraska, New Jersey, South Dakota, and Texas.

The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, road and home glare, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability.

The project was also known as Spindletop Solar Center during earlier stages of its development. The Project applied to ERCOT on July 18, 2019, and it has been assigned GINR number 21INR0406.

The applicant is a national wind and solar developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable solar characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. In addition to its projects in Texas, the developer is assessing or developing projects in California, Nevada, Colorado, Texas, Nebraska, Illinois, Mississippi, Michigan, Missouri, Indiana, Florida, New York, Maryland, and Virginia. The appraised value limitation is critical to the ability of the Project to move forward in Needville ISD.

Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.

The Old 300 Solar Center has a project website available to the public. Orsted Onshore has websites for several of its development projects, and none are intended to imply that further investment of resources into the projects are a foregone conclusion. Rather, the project websites are intended as a

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resource for the communities to find information about potential developments in their community, communicate with Orsted Onshroe, and learn more about the respective project technologies.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

Ørsted's US business now operates approximately 1GW of onshore wind assets with a further 1.1GW of onshore wind, solar PV and storage under construction. In addition, Ørsted operates America's first offshore wind farm and has been awarded 2.9GW offshore wind capacity through six projects.

Today, Ørsted supplies more than 13 million homes with clean energy from its offshore and onshore wind farms and solar farms in operation. The ambition is to supply 50 million homes with clean energy by 2030.

About Ørsted

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs and operates offshore and onshore wind farms, solar farms and energy storage facilities, bioenergy plants and provides energy products to its customers. Headquartered in Denmark, Ørsted employs 6,500 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2018, the group's revenue was DKK 76.9 billion (EUR 10.3 billion). For more information on Ørsted, visit orsted.com or follow us on Facebook, LinkedIn, Instagram and Twitter.

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Health & Safety

Ørsted is dedicated to operating a safe and reliable solar energy system. Ørsted prioritizes site water management, mowing, safety and site security. We collaborate with trade associations such as the Texas Solar Power Association and the Advanced Power Alliance to ensure state-recognized standards are maintained for our solar site throughout its life and encourage other developers to adhere to similar standards.

Good neighbors

Throughout the construction and operation of Old 300 Solar Center, Ørsted will hold regular meetings with Fort Bend County officials to discuss any concerns that may arise. Company representatives are also available to meet directly with nearby neighbors to address their concerns.

Why solar

The Old 300 Solar project will generate millions in property tax revenue over its lifetime that will benefit Fort Bend County and the Needville Independent School District. In addition, the project will contribute to the local economy through the numerous jobs created and rental income to landowners. Construction will create upwards of 300 jobs as well as several full-time employment opportunities during the lifetime of the project.

Solar energy generates electricity without the air and water pollution of other fuel sources. The Old 300 Solar project will secure affordable energy, clean air, and clean water for Fort Bend County. In addition, it will enable local landowners to optimize the economic potential of their land holdings by generating income for their families and creating revenue for the community for generations to come.

Old 300 Solar will allow local Texan landowners to optimize the economic potential of their land holdings

Local partners

BioWest



What's in a name?

The name "Old 300" honors the approximately 300 families and partnerships who received land grants in Stephen F. Austin's first colony. Stephen F. Austin's father, Moses Austin, received a permit from the Spanish in 1821 to settle 300 families in Texas. Unfortunately, Moses Austin died before he could realize his plans for these 300 families.

Later, Stephen F. Austin took his father's place and won recognition of the empresario's grant. Austin quickly found willing colonists from Louisiana, Alabama, Arkansas, Tennessee, and Missouri. By the end of the summer of 1824, most of the "Old Three Hundred" were in Texas settling in along the rich bottomlands of the Brazos, Colorado, and San Bernard Rivers.

The land where they settled is what we know now as Ft. Bend County.

About us

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs, and operates offshore and onshore wind farms, bioenergy plants, innovative waste-to-energy solutions, and provides smart energy products to its customers. Headquartered in Denmark, Ørsted employs 6,200 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2018, the group's revenue was \$11.8 billion USD.

For more information on Ørsted, visit orsted.com or follow us on [Facebook](#), [LinkedIn](#), [Instagram](#) and [Twitter](#).

Contact us

We prioritize hiring locally and working with local contractors.
Please contact us if you want us to know about your services.

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