

**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

November 10, 2022

Brian Bobbitt
Superintendent
New Boston Independent School District
201 Rice St.
New Boston, Texas 75570

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between New Boston Independent School
District and Red River Bend Solar, LLC, Application 2014

Dear Superintendent Bobbitt:

On August 12, 2022, the Comptroller issued written notice that Red River Bend Solar, LLC (applicant) submitted a completed application (Application 2014) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on May 16, 2022, to the New Boston 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 2014.

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).

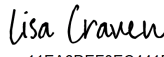
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed 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, 2022**.

Note that any building or improvement existing as of the application review start date of August 12, 2022, 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 Red River Bend Solar, LLC (project) applying to New Boston 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 Red River Bend Solar, LLC.

Applicant	Red River Bend Solar, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	New Boston ISD
2020-2021 Average Daily Attendance	1,063
County	Bowie
Proposed Total Investment in District	\$165,000,000
Proposed Qualified Investment	\$165,000,000
Limitation Amount	\$40,000,000
Qualifying Time Period (Full Years)	2026-2027
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$949.33
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$949.32
Minimum annual wage committed to by applicant for qualified jobs	\$49,365.00
Minimum weekly wage required for non-qualifying jobs	\$878.00
Minimum annual wage required for non-qualifying jobs	\$45,656.00
Investment per Qualifying Job	\$165,000,000
Estimated M&O levy without any limit (15 years)	\$8,143,809
Estimated M&O levy with Limitation (15 years)	\$4,888,037
Estimated gross M&O tax benefit (15 years)	\$3,255,773

* 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 Red River Bend Solar, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2027	250	288	538	\$16,250,000	\$34,066,332	\$50,316,332
2028	1	21	22	\$49,365	\$5,588,672	\$5,638,037
2029	1	13	14	\$49,365	\$3,908,861	\$3,958,226
2030	1	0	1	\$49,365	\$2,089,807	\$2,139,172
2031	1	(6)	-5	\$49,365	\$976,283	\$1,025,648
2032	1	(8)	-7	\$49,365	\$359,671	\$409,036
2033	1	(8)	-7	\$49,365	\$79,724	\$129,089
2034	1	(6)	-5	\$49,365	\$27,254	\$76,619
2035	1	(4)	-3	\$49,365	\$114,272	\$163,637
2036	1	(2)	-1	\$49,365	\$269,766	\$319,131
2037	1	0	1	\$49,365	\$454,376	\$503,741
2038	1	2	3	\$49,365	\$663,827	\$713,192
2039	1	3	4	\$49,365	\$854,212	\$903,577
2040	1	4	5	\$49,365	\$1,009,105	\$1,058,470
2041	1	4	5	\$49,365	\$1,121,646	\$1,171,011
2042	1	4	5	\$49,365	\$1,199,899	\$1,249,264

Source: CPA REMI, Red River Bend Solar, 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		New Boston ISD I&S Tax Levy	New Boston ISD M&O Tax Levy	New Boston ISD M&O and I&S Tax Levies	Bowie County Tax Levy	Texarkana College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2326	0.9826		0.4249	0.1143	
2028	\$120,319,700	\$120,319,700		\$279,888	\$1,182,261	\$1,462,149	\$511,208	\$137,519	\$2,110,877
2029	\$110,706,180	\$110,706,180		\$257,525	\$1,087,799	\$1,345,324	\$470,363	\$126,532	\$1,942,218
2030	\$100,333,630	\$100,333,630		\$233,396	\$985,878	\$1,219,274	\$426,293	\$114,676	\$1,760,243
2031	\$89,124,830	\$89,124,830		\$207,322	\$875,741	\$1,083,063	\$378,669	\$101,865	\$1,563,597
2032	\$77,028,300	\$77,028,300		\$179,183	\$756,880	\$936,063	\$327,274	\$88,039	\$1,351,377
2033	\$63,966,820	\$63,966,820		\$148,800	\$628,538	\$777,338	\$271,779	\$73,111	\$1,122,227
2034	\$49,863,170	\$49,863,170		\$115,992	\$489,956	\$605,947	\$211,856	\$56,991	\$874,794
2035	\$34,627,260	\$34,627,260		\$80,550	\$340,247	\$420,797	\$147,123	\$39,577	\$607,497
2036	\$26,148,300	\$26,148,300		\$60,826	\$256,933	\$317,759	\$111,098	\$29,886	\$458,743
2037	\$26,138,100	\$26,138,100		\$60,802	\$256,833	\$317,635	\$111,054	\$29,875	\$458,564
2038	\$26,128,100	\$26,128,100		\$60,779	\$256,735	\$317,514	\$111,012	\$29,863	\$458,389
2039	\$26,118,400	\$26,118,400		\$60,757	\$256,639	\$317,396	\$110,971	\$29,852	\$458,219
2040	\$26,108,900	\$26,108,900		\$60,735	\$256,546	\$317,281	\$110,930	\$29,841	\$458,052
2041	\$26,099,700	\$26,099,700		\$60,713	\$256,456	\$317,169	\$110,891	\$29,831	\$457,891
2042	\$26,090,700	\$26,090,700		\$60,692	\$256,367	\$317,059	\$110,853	\$29,820	\$457,733
			Total	\$1,927,959	\$8,143,809	\$10,071,769	\$3,521,373	\$947,279	\$14,540,421

Source: CPA, Red River Bend Solar, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district, Bowie County, and Texarkana 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 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		New Boston ISD I&S Tax Levy	New Boston ISD M&O Tax Levy	New Boston ISD M&O and I&S Tax Levies	Bowie County Tax Levy	Texarkana College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2326	0.9826		0.4249	0.1143	
2028	\$120,319,700	\$40,000,000		\$279,888	\$393,040	\$672,928	\$0	\$137,519	\$810,447
2029	\$110,706,180	\$40,000,000		\$257,525	\$393,040	\$650,565	\$0	\$126,532	\$777,096
2030	\$100,333,630	\$40,000,000		\$233,396	\$393,040	\$626,436	\$0	\$114,676	\$741,112
2031	\$89,124,830	\$40,000,000		\$207,322	\$393,040	\$600,362	\$0	\$101,865	\$702,227
2032	\$77,028,300	\$40,000,000		\$179,183	\$393,040	\$572,223	\$0	\$88,039	\$660,263
2033	\$63,966,820	\$40,000,000		\$148,800	\$393,040	\$541,840	\$0	\$73,111	\$614,950
2034	\$49,863,170	\$40,000,000		\$115,992	\$393,040	\$509,032	\$0	\$56,991	\$566,023
2035	\$34,627,260	\$34,627,260		\$80,550	\$340,247	\$420,797	\$0	\$39,577	\$460,375
2036	\$26,148,300	\$26,148,300		\$60,826	\$256,933	\$317,759	\$0	\$29,886	\$347,646
2037	\$26,138,100	\$26,138,100		\$60,802	\$256,833	\$317,635	\$0	\$29,875	\$347,510
2038	\$26,128,100	\$26,128,100		\$60,779	\$256,735	\$317,514	\$111,012	\$29,863	\$458,389
2039	\$26,118,400	\$26,118,400		\$60,757	\$256,639	\$317,396	\$110,971	\$29,852	\$458,219
2040	\$26,108,900	\$26,108,900		\$60,735	\$256,546	\$317,281	\$110,930	\$29,841	\$458,052
2041	\$26,099,700	\$26,099,700		\$60,713	\$256,456	\$317,169	\$110,891	\$29,831	\$457,891
2042	\$26,090,700	\$26,090,700		\$60,692	\$256,367	\$317,059	\$110,853	\$29,820	\$457,733
			Total	\$1,927,959	\$4,888,037	\$6,815,996	\$554,656	\$947,279	\$8,317,932
			Diff	\$0	\$3,255,773	\$3,255,773	\$2,966,716	\$0	\$6,222,489
Assumes School Value Limitation and Tax Abatement with the County.									

Source: CPA, Red River Bend Solar, 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 Red River Bend Solar, 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	2025	\$0	\$0	\$0	\$0
	2026	\$0	\$0	\$0	\$0
	2027	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2028	\$393,040	\$393,040	\$789,221	\$789,221
	2029	\$393,040	\$786,080	\$694,759	\$1,483,980
	2030	\$393,040	\$1,179,120	\$592,838	\$2,076,819
	2031	\$393,040	\$1,572,160	\$482,701	\$2,559,519
	2032	\$393,040	\$1,965,200	\$363,840	\$2,923,359
	2033	\$393,040	\$2,358,240	\$235,498	\$3,158,857
	2034	\$393,040	\$2,751,280	\$96,916	\$3,255,773
	2035	\$340,247	\$3,091,527	\$0	\$3,255,773
	2036	\$256,933	\$3,348,461	\$0	\$3,255,773
	2037	\$256,833	\$3,605,294	\$0	\$3,255,773
Maintain Viable Presence (5 Years)	2038	\$256,735	\$3,862,028	\$0	\$3,255,773
	2039	\$256,639	\$4,118,668	\$0	\$3,255,773
	2040	\$256,546	\$4,375,214	\$0	\$3,255,773
	2041	\$256,456	\$4,631,669	\$0	\$3,255,773
	2042	\$256,367	\$4,888,037	\$0	\$3,255,773
Additional Years as Required by 313.026(c)(1) (10 Years)	2043	\$256,281	\$5,144,317	\$0	\$3,255,773
	2044	\$256,197	\$5,400,515	\$0	\$3,255,773
	2045	\$256,116	\$5,656,630	\$0	\$3,255,773
	2046	\$256,036	\$5,912,666	\$0	\$3,255,773
	2047	\$255,958	\$6,168,625	\$0	\$3,255,773
	2048	\$255,883	\$6,424,508	\$0	\$3,255,773
	2049	\$255,809	\$6,680,317	\$0	\$3,255,773
	2050	\$255,737	\$6,936,054	\$0	\$3,255,773
	2051	\$255,667	\$7,191,721	\$0	\$3,255,773
	2052	\$255,598	\$7,447,319	\$0	\$3,255,773
		\$7,447,319	is greater than	\$3,255,773	
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, Red River Bend Solar, 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 Red River Bend Solar, 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 Red River Bend Solar, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “ENGIE North America, a division of ENGIE, manages a range of energy businesses throughout North America, ...The North America renewables portfolio consists of wind, solar and biomass/biogas assets, with a capacity of close to 1,000 MW. In Canada, ENGIE is among the Top 5 wind developers, with assets in Ontario, the Maritimes and British Columbia.”
 - B. “As a developer with international scope and capabilities, the Applicant has the ability to locate projects of this type in other countries as well as in states within the United States and other regions within Texas with favorable [solar] characteristics. The Applicant is actively assessing and developing opportunities for this project in Oklahoma, Nebraska, Indiana, South Dakota and Colorado. With Texas wholesale electricity prices already below the international average, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates. Global markets that have various available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.”
 - C. “The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement (PPA). Therefore, the applicant would be unable to finance and build the project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, the applicant would be forced to walk away from this project and spend the potential investment in other states where the rate of return is higher.”
- Per Red River Bend Solar, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. Red River Bend Solar, LLC (Red River Bend Solar) is requesting an appraised value limitation from New Boston Independent School District (ISD) for the Red River Bend Solar Project (the

“Project”), a proposed solar powered electric generating facility with attached battery storage in Bowie County.

B. “The proposed Project is anticipated to have a capacity of approximately 150MW...”

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 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.

SECTION 9: Projected Timeline

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement October 2022
 2. Estimated commencement of construction January 2027
 3. Beginning of qualifying time period (MM/DD/YYYY) 01/01/2026
 4. First year of limitation (YYYY) 01/01/2028
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
- ☐ A. January 1 following the application date ☒ B. January 1 following the end of QTP
- ☐ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations December 2027

SECTION 10: The Property

1. County or counties in which the proposed project will be located Bowie County
2. Central Appraisal District (CAD) that will be responsible for appraising the property Bowie CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

M&O (ISD): <u>New Boston ISD; 100%; \$1.0416</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>New Boston ISD; 100%; \$0.25746</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Bowie County; 100%; \$0.424322</u> <small>(Name, tax rate and percent of project)</small>	City: <u>NA</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>NA</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>NA</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Texarkana College; 100%; \$0.123081</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>NA</u> <small>(Name, tax rate and percent of project)</small>

Supporting Information

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



CUMMINGS WESTLAKE

Red River Bend Solar, LLC

Chapter 313 Application New Boston ISD

TAB 5

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

ENGIE North America, a division of ENGIE, manages a range of energy businesses throughout North America, including retail energy sales and energy services to commercial, industrial and residential customers, natural gas and liquefied natural gas (LNG) distribution and sales, and electricity generation and cogeneration. In 2015, ENGIE recorded \$77.6 billion in global revenues. More than 3,500 employees work in the region, with Houston serving as ENGIE North America's corporate headquarters.

ENGIE is one of the largest non-residential retail electricity suppliers in the United States and currently serves commercial, industrial, and institutional customers in 14 markets. Supplying energy to nearly 50 percent of Fortune 100 companies, ENGIE serves over 89,000 accounts, with an estimated peak load totaling nearly 13,000 MW.

In the United States and Canada, ENGIE owns and/or operates cogeneration, steam, and chilled water facilities, including more than 1,000 MW in the portfolio produced by combined heat and power (CHP) units located within commercial or industrial facilities and using waste heat from an onsite generation system to provide for heating and chilling needs. The North America renewables portfolio consists of wind, solar and biomass/biogas assets, with a capacity of close to 1,000 MW. In Canada, ENGIE is among the Top 5 wind developers, with assets in Ontario, the Maritimes and British Columbia.

As a developer with international scope and capabilities, the Applicant has the ability to locate projects of this type in other countries as well as in states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing opportunities for this project in Oklahoma, Nebraska, Indiana, South Dakota and Colorado. With Texas wholesale electricity prices already below the international average, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates. Global markets that have various available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement (PPA). Therefore, the applicant would be unable to finance and build the project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, the applicant would be forced to walk away from this project and spend the potential investment in other states where the rate of return is higher.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller



TAB 4

Detailed Description of the Project

Provide 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.

Red River Bend Solar, LLC (Red River Bend Solar) is requesting an appraised value limitation from New Boston Independent School District (ISD) for the Red River Bend Solar Project (the “Project”), a proposed solar powered electric generating facility with attached battery storage in Bowie County. The proposed New Boston ISD Project (this application) will be constructed within a Reinvestment Zone that will be created by New Boston ISD. A map showing the location of the project is included in TAB 11.

The proposed Project is anticipated to have a capacity of approximately 150MW located in New Boston ISD. The exact number and location of panels and inverters will vary depending upon ongoing siting analysis, manufacturer’s availability, prices, and the final megawatt generating capacity of the Project when completed. Current estimated plans are to install approximately 400,000 PV modules and inverters with all improvements located in New Boston ISD. The Applicant requests a value limitation for all facilities and equipment installed for the Project, including; solar modules/panels, tracking equipment, racking and mounting structures, O&M building, substation, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, generation transmission lines, interconnection facilities, energy storage enclosures containing batteries, energy storage cooling systems, SCADA systems, transformers, fire suppression systems and all necessary equipment for commercial generation of electricity. The batteries included in the Qualified Property will solely be used for the storage of electricity generated by this solar project.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within New Boston ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.