

**FINDINGS OF THE BORDEN COUNTY
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
IP JUNO, LLC (#1338)**



June 24, 2019

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DISTRICT
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JUNE 24, 2019

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SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE
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STATE OF TEXAS §

COUNTY OF NOLAN §

On the 24th day of June 2019, a public meeting of the Board of Trustees of the Borden County Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of IP Juno, LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On January 21, 2019, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Application was determined to be complete as of February 8, 2019. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32068063315), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Borden County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on March 26, 2019 in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project is reasonably likely to generate 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 before the 25th anniversary of the beginning of the limitation period; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F**.

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

Board Finding Number 1.

The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.

In support of Finding 1, the Application indicates that:

IP Juno, LLC ("IP Juno") is requesting an appraised value limitation from Borden County Independent School District ("ISD") for the IP Juno Project (the "Project"). IP Juno proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in Borden County Independent School District. The proposed Project will be constructed within a Reinvestment Zone that will be created by Borden County Commissioners Court.

Property used for renewable energy electric generation is eligible for a limitation under §313.024(b)(5).

Board Finding Number 2.

The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller's Certification).

Board Finding Number 3.

Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller's Certification).

Board Finding Number 4.

The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

Board Finding Number 5.

Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.

In its Application, the Applicant has committed to creating two (2) new qualifying jobs. The average salary level of qualifying jobs will be at least \$60,034 per year. The review of the application by the Comptroller's indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(3) requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

- (A) requires at least 1,600 hours of work a year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
- (E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

Board Finding Number 6.

Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Board Finding Number 7.

The Applicant does not intend to create any non-qualifying jobs.

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For any non-qualifying jobs the Applicant should create, the Applicant will be required to pay at least the county average wage of \$38,221 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(d).

Board Finding Number 8.

The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add \$270.4 million to the tax base that would be available for debt service purposes at the peak investment level for the 2022-23 school year, which should benefit the District and its taxpayers.

Board Finding Number 9.

The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the project.

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the new project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

Board Finding Number 10.

The Board finds that with the adoption of District Policy CCGB (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it

has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.

Board Finding Number 11.

The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.

The Board has developed a written policy CCGB (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning and economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A); as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an "official proceeding," a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

Board Finding Number 12.

The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Thirty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, § 313.054(a).

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller's Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2017 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year (**Attachment E**). The total industrial value for the District is \$268.2 million. The District is categorized as Subchapter C, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. The District is classified as a "rural" district due to its demographic characteristics. Given that the value of industrial property is more than \$200 million, it is classified as a Category I district which can offer a minimum value limitation of \$30 million.

Board Finding Number 13.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information

related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.

The Board relies on the certifications of its consultants and the Comptroller's Approval of the Agreement form to make this Finding. (**Attachment I**)

Board Finding Number 14.

The Applicant (Taxpayer No. 32068063315) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.

The Applicant, (Texas Taxpayer No. 32068063315), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**. The Board also finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**) contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

Board Finding Number 15.

The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.

Board Finding Number 16.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a revenue loss in the initial year that the value limitation is in effect without the proposed Agreement under current law. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. The Agreement contains adequate revenue protection measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

Board Finding Number 17.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.

Board Finding Number 18.

The Board finds that there are no conflicts of interest at the time of considering the agreement.

The Board finds that with the adoption of District Policies BBFA and BBFB, both (Legal) and (Local), set forth at <https://pol.tasb.org/home/index/190>, that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB, both (Legal) and (Local) that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings.

Board Finding Number 19.

The Board directs that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.

Board Finding Number 20.

Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 24th day of June 2019.

BORDEN COUNTY INDEPENDENT SCHOOL DISTRICT

By: _____

President, Board of Trustees

ATTEST: _____

By: _____

Secretary, Board of Trustees

Attachment A

Application

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

January 24, 2019

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

RE: Application to the Borden County Independent School District from IP Juno, LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Borden County Independent School District is notifying IP Juno, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the economic impact report.

The Applicant submitted the Application to the school district on January 21, 2019. The Board voted to accept the application on January 21, 2019. The application has been determined complete as of January 24, 2019. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Borden County Appraisal District
IP Juno, LLC

IP JUNO, LLC

**CHAPTER 313 APPLICATION
FOR APPRAISED VALUE LIMITATION
TO BORDEN COUNTY ISD**

Comptroller Copy

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size Note: Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* * To be submitted with application or before date of final application approval by school board
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

TAB 1

Pages 1 through 9 of application.

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

January 21, 2019

Date Application Received by District

Billy

First Name

Collins

Last Name

Superintendent

Title

Borden County ISD

School District Name

240 W. Kincaid Avenue

Street Address

P.O. Box 95

Mailing Address

Gail

City

806-756-4313

Phone Number

Texas

State

79738

ZIP

806-756-4310

Fax Number

bcollins@bcisd.net

Email Address

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application?



Yes



No

SECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

Dan	Casey
First Name	Last Name
Partner	
Title	
Moak, Casey & Associates, LLP	
Firm Name	
512-485-7878	512-485-7888
Phone Number	Fax Number
	dcasey@moakcasey.com
	Email Address
Mobile Number <i>(optional)</i>	
4. On what date did the district determine this application complete?	January 24, 2019
5. Has the district determined that the electronic copy and hard copy are identical?	☒ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Lucas	Dunnington
First Name	Last Name
Chief Operating Officer	IP Juno, LLC
Title	Organization
2 Embarcadero Center, 7th Floor, San Francisco, CA 94111	
Street Address	
548 Market Street, PMB 68743	
Mailing Address	
San Francisco	CA 94104
City	State ZIP
510-260-2192	Applicant has no fax number
Phone Number	Fax Number
	luke@intersectpower.com
Mobile Number <i>(optional)</i>	Business Email Address
2. Will a company official other than the authorized company representative be responsible for responding to future information requests?	☒ Yes ☐ No
2a. If yes, please fill out contact information for that person.	
Marisa	Mitchell
First Name	Last Name
Principal	Intersect Power
Title	Organization
2 Embarcadero Center, 7th Floor, San Francisco, CA 94111	
Street Address	
548 Market Street, PMB 68743	
Mailing Address	
San Francisco	CA 94104
City	State ZIP
510-260-2192	Applicant has no fax number
Phone Number	Fax Number
	marisa@intersectpower.com
Mobile Number <i>(optional)</i>	Business Email Address
3. Does the applicant authorize the consultant to provide and obtain information related to this application?	☒ Yes ☐ No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Date	Cummings
First Name	Last Name
Founding Partner	
Title	
Cummings Westlake, LLC	
Firm Name	
713-266-4456	713-266-2333
Phone Number	Fax Number
dcummings@cwlp.net	
Business Email Address	

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? IP Juno, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32068063315
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited liability company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

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:
- | | |
|---|--|
| ☒ Land has no existing improvements | ☐ Land has existing improvements (<i>complete Section 13</i>) |
| ☐ Expansion of existing operation on the land (<i>complete Section 13</i>) | ☐ 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.

SECTION 9: Projected Timeline

1. Application approval by school board August 2019
2. Commencement of construction First quarter 2020
3. Beginning of qualifying time period January 1, 2020
4. First year of limitation January 1, 2022
5. Begin hiring new employees Fourth quarter 2020
6. Commencement of commercial operations Second quarter 2021
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (*date your application is finally determined to be complete*)? ☒ Yes ☐ No
Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? Second quarter 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Borden
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Borden
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:
 County: Borden, \$.75875, 100% City: Not applicable
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Not applicable Water District: Not applicable
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Not applicable Other (describe): Not applicable
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☒ Yes ☐ No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
- a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
- 2a. If yes, attach complete documentation including:
- legal description of the land (Tab 9);
 - each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - owner (Tab 9);
 - the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☐ Yes ☒ No
- 3a. If yes, attach the applicable supporting documentation:
- evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - legal description of reinvestment zone (Tab 16);
 - order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - guidelines and criteria for creating the zone (Tab 16); and
 - a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
- 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? March 2019

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
- maps and/or detailed site plan;
 - surveys;
 - appraisal district values and parcel numbers;
 - inventory lists;
 - existing and proposed property lists;
 - model and serial numbers of existing property; or
 - other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☒ Fourth Quarter of 2018
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 2

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

a. Average weekly wage for all jobs (all industries) in the county is 735.00

b. 110% of the average weekly wage for manufacturing jobs in the county is No Data Available

c. 110% of the average weekly wage for manufacturing jobs in the region is 1,154.49

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 60,033.60

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 60,033.60

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No

12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No

13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

TAB 2

Proof of Payment of Application Fee

Please find on the following page, copy of the check for the \$75,000 application fee to Borden County Independent School District.

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of
Public Accounts)*

TAB 3

Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation (if applicable)

*Note – The attached is the most recent report filed and IP Juno, LLC had not been formed during the reporting time period of the 2018 report. IP Juno, LLC will be reported on the 2019 Report for IP Portfolio I, LLC.

**Documentation of combined
group received by the
Texas Comptroller
of Public Accounts**

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.

IP Juno, LLC ("IP Juno") is requesting an appraised value limitation from Borden County Independent School District ("ISD") for the IP Juno Project (the "Project"). IP Juno proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in Borden County Independent School District. The proposed Project will be constructed within a Reinvestment Zone that will be created by Borden County Commissioners Court. Maps showing the location of the Project are attached in Tab 11.

The Project will be constructed on approximately 4,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Borden County Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 400 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

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

Construction of the Project is anticipated to begin in the first quarter of 2020 with anticipated project completion by the second quarter of 2021.

The ERCOT GINR is 21INR0026 and the project is not known by any other name.

TAB 5**Documentation to assist in determining if limitation is a determining factor.**

IP Renewable Energy Holdings, LLC, the parent of IP Juno, LLC, is a national solar developer with project opportunities across the United States. The ability to enter into a value limitation agreement with Borden County ISD is a determining factor for constructing the project in Borden County, Texas, as opposed to building and investing in another county, state or region. IP Renewable Energy Holdings LLC is considering investing in California and Colorado.

IP Renewable Energy Holdings, LLC is actively developing and constructing other projects throughout the US. The applicant requires this value limitation agreement in order to move forward with constructing this project in Texas. Specifically, without the available property tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project becomes unlikely. The property tax liability of a project without tax incentives in Texas, including a value limitation agreement with Borden County ISD, lowers the return to investors and financiers to an unacceptable level at current contracted power rates under a power purchase agreement. As such, the applicant would not be able to finance and build its project without the property tax incentives. We want to avoid a situation where the applicant would be forced to have its development capital and prospective investment funds spent in other states where the rate of return is higher on a project basis.

However, the proposed site in Borden County is a desirable business location and can provide electricity at a price that is competitive with other projects in Borden County and elsewhere in Texas, assuming that the expected tax incentives, including a value limitation agreement, are obtained. Electric utilities and other wholesale electricity buyers are focused on providing low-cost energy to their customers, and contracting for the sale of solar electricity is highly competitive. Receiving a value limitation agreement from Borden County ISD is vital to ensuring the economics justify building the project and placing it into commercial operation in Borden County.

About IP Renewable Energy Holdings LLC

The IP Renewable Energy Holdings, LLC team has the collective experience in all phases of development across 60+ projects, and 2GWp of operating solar power with a total value of over \$6 billion. Our team has been involved in almost \$9B of successful debt and long-term equity financing for mid to late stage development projects. Our team has been successful together throughout the evolution of clean infrastructure, from the early days of kW scale solar, to pioneering 5-20MW projects and on to increasingly sophisticated and complex transactions of 100-500MW projects.

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable)

Taxing Entity	% of Project	2017 Tax Rate Per \$100
Borden County	100%	\$.75875
Borden County ISD	100%	\$1.32000

TAB 7**Description of Qualified Investment**

The Project will be constructed on approximately 4,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Borden County Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 400 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

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

Construction of the Project is anticipated to begin in the first quarter of 2020 with anticipated project completion by the second quarter of 2021.

NOTE - The map in TAB 11 shows the preliminary panel and inverter locations outlined with gold lines. The exact placement of these panels and inverters is subject to ongoing planning, soil studies, and engineering and will be finally determined before construction begins. The proposed location of the Project operations and maintenance building is shown with a black circle and identified with the letter "A". The Project substation is shown with a black circle and is identified with the letter "B".

TAB 8*Description of Qualified Property*

The Project will be constructed on approximately 4,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Borden County Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 400 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

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

Construction of the Project is anticipated to begin in the first quarter of 2020 with anticipated project completion by the second quarter of 2021.

TAB 9Description of Land

**Reinvestment Zone Legal Description
Borden County, Texas**

Description	Block	Section
T-5-N	32	4
T-5-N	32	5
T-5-N	32	6
T-5-N	32	7
T-5-N	32	8
T-5-N	32	9
T-5-N	32	15
T-5-N	32	16
T-5-N	32	17
T-5-N	32	18
T-5-N	32	22
T-5-N	32	27
T-5-N	32	34
T-5-N	32	39
T-5-N	32	43
T-5-N	32	S/2 41
T-5-N	32	S/2 42
T-5-N	32	44
T-5-N	32	45
T-5-N	32	46
T-5-N	32	All that part of Section 20 north of the centerline of US Highway 180
T-5-N	32	All that part of Section 21 north of the centerline of US Highway 180

TAB 10*Description of all property not eligible to become qualified property (if applicable)*

There is no solar energy-related property owned by the Applicant on the land. There is no existing property in the reinvestment zone or project area that would qualify for a Chapter 313 agreement. More specifically, **none** of the following property that would be eligible for a Chapter 313 agreement presently exists in the reinvestment zone or project area:

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 integrated 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 described by 313.024(e)(7) and TAC 9.1051.

IP Juno, LLC will lease the land where the Project improvements will be located.

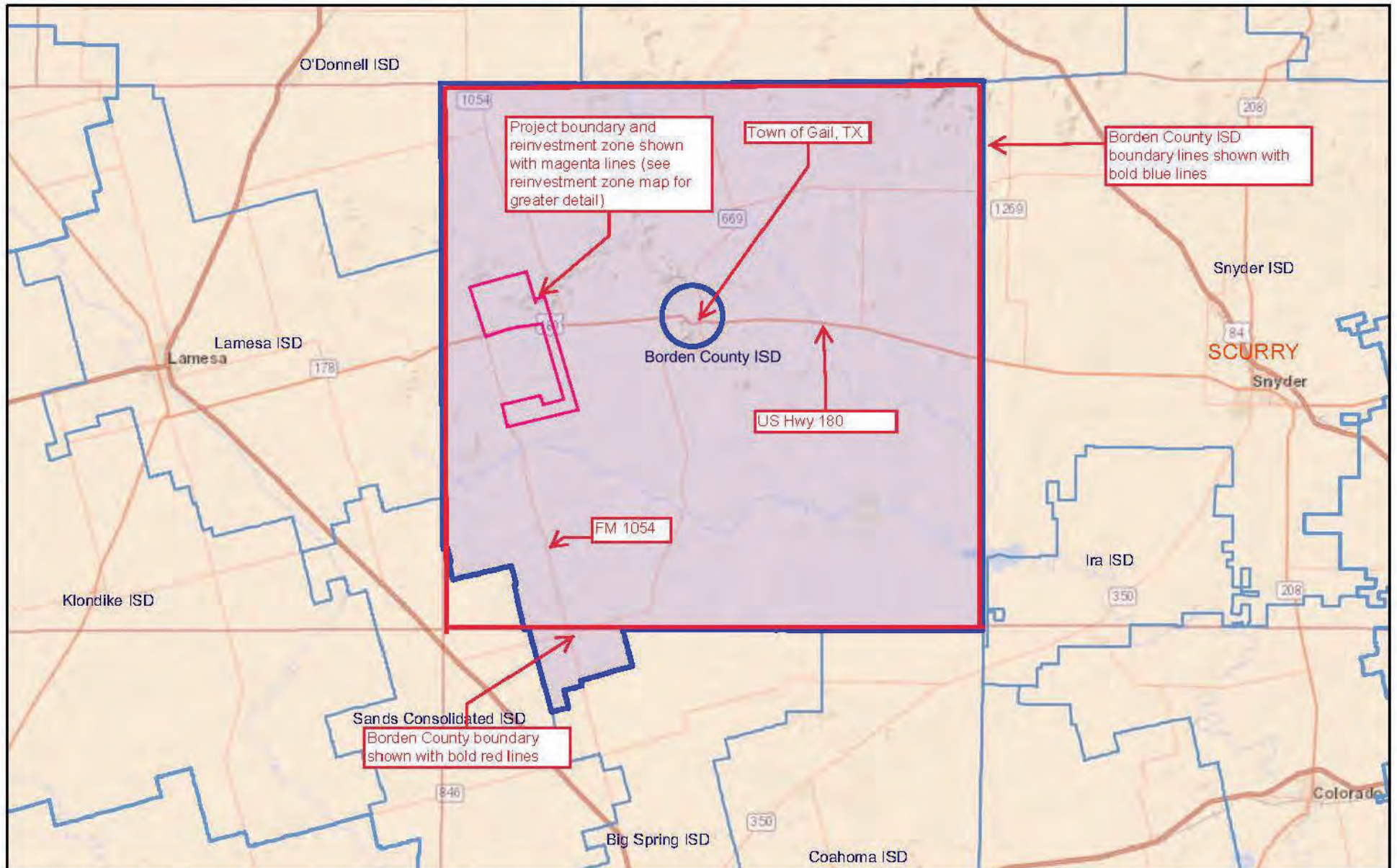
TAB 11

Maps that clearly show:

- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building or new improvements
- d) Existing property
- e) Land location within vicinity map
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

See attached maps.

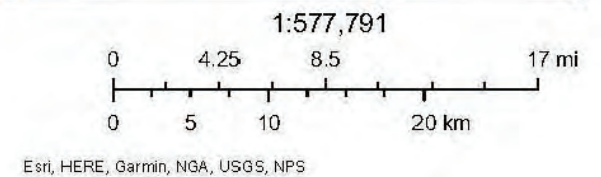
Borden County ISD Vicinity Map



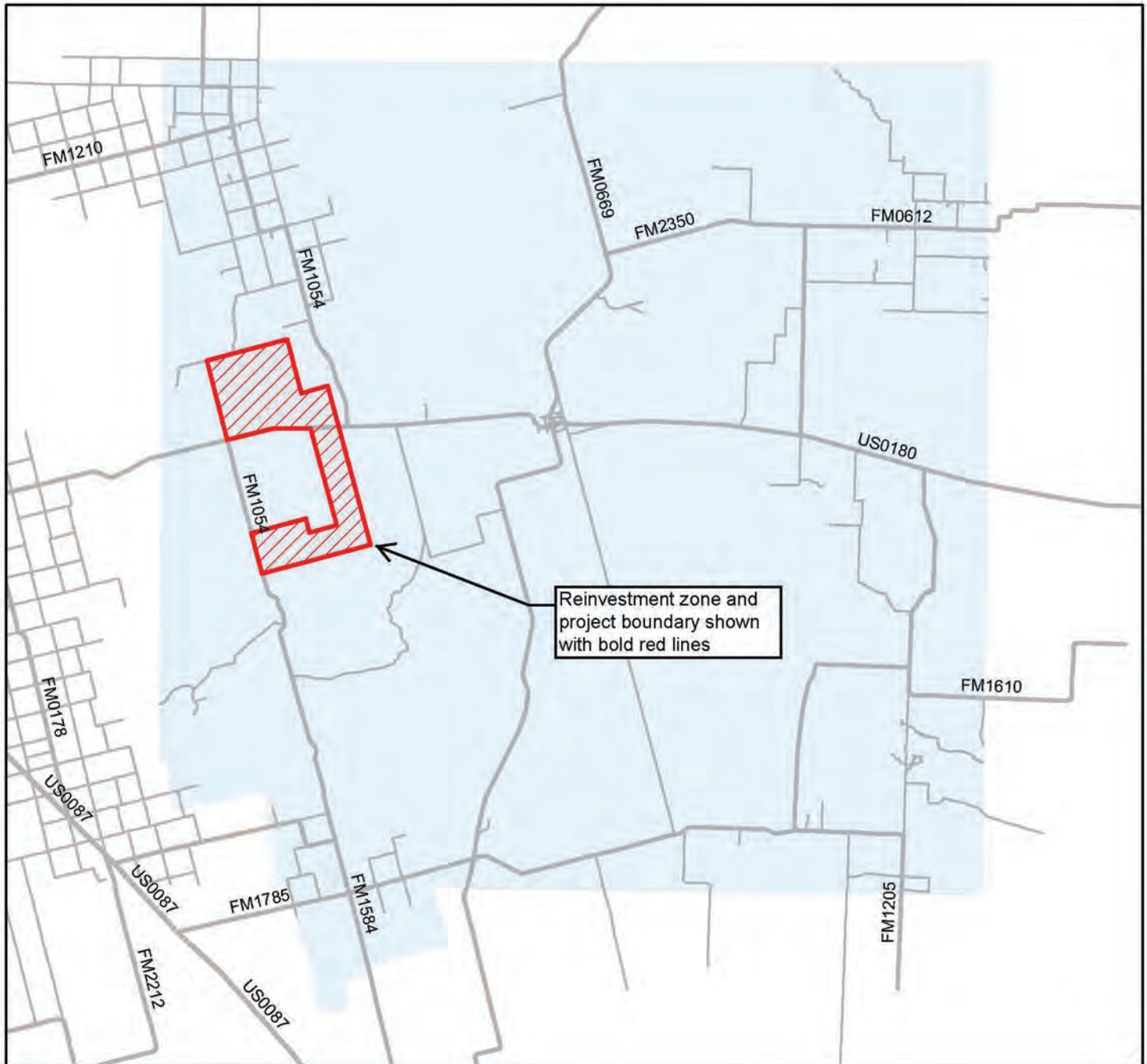
January 4, 2019

- Texas_Outline
- Counties
- Current_Districts

All qualified investment and qualified property are wholly within the boundary of Borden County and Borden County ISD



PROJECT VICINTY MAP



Reinvestment Zone



Borden County Independent School District

Roads



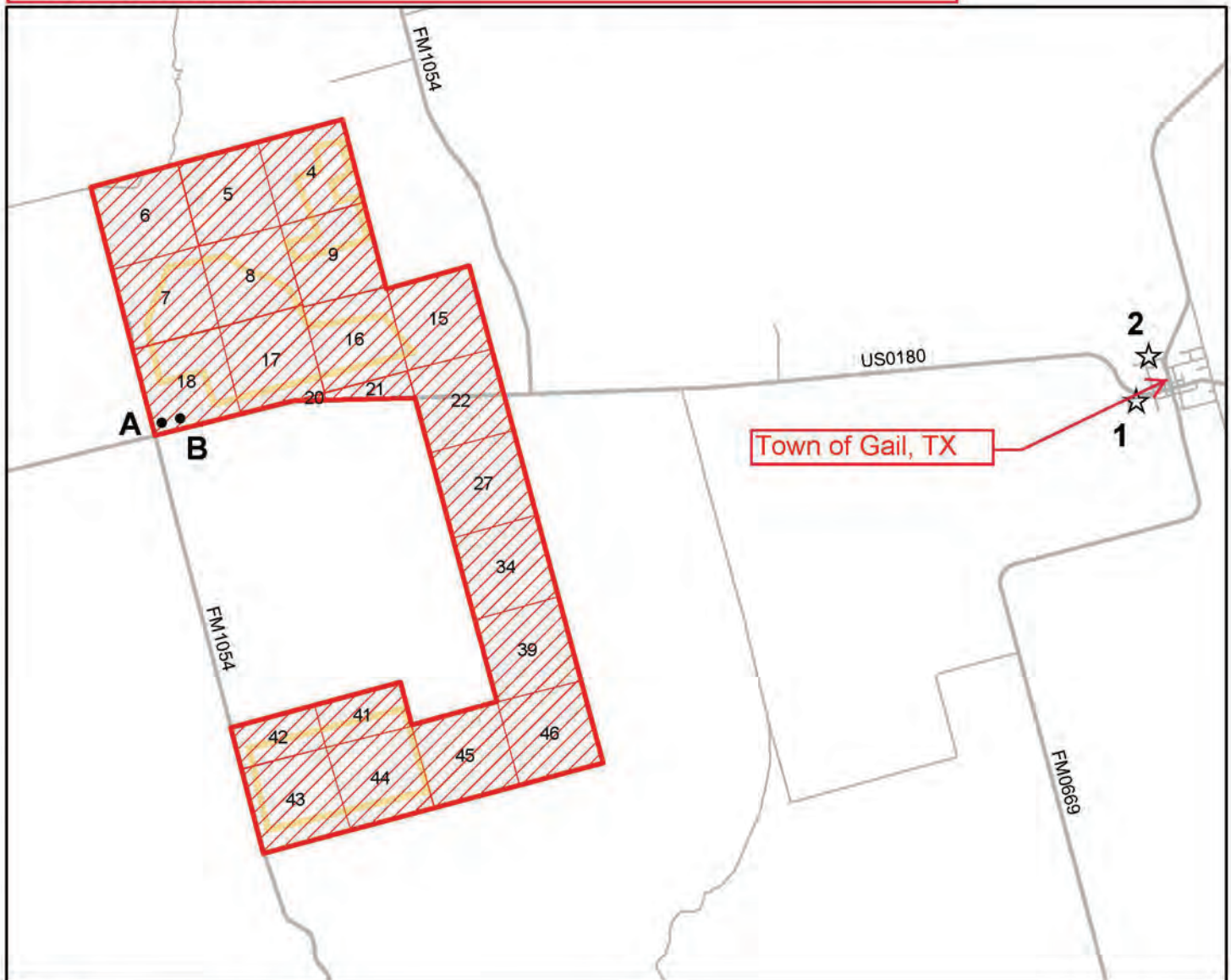
Highways



County Roads



REINVESTMENT ZONE AND PROJECT BOUNDARY - ALL QUALIFIED INVESTMENT AND QUALIFIED PROPERTY IS WHOLLY WITHIN THE REINVESTMENT ZONE



Reinvestment Zone

Public Land Survey System section number (all parcels are Block 32 T5N)



Solar Development Footprint Area

- A. Approximate location of O&M Building
- B. Approximate location of Project Substation

☆ 1. Borden County Judge's Office

☆ 2. Borden County School

Roads

— Highways

— County Roads

0 2 4 Miles



TAB 12

Request for Waiver of Job Creation Requirement and supporting information (if applicable)

See attached.



CUMMINGS WESTLAKE
PROPERTY TAX ADVISORS

January 21, 2019

Mr. Billy Collins
Superintendent
Borden County Independent School District
240 W. Kincaid Avenue
Gail, TX 79738

Re: Chapter 313 Job Waiver Request

Dear Mr. Collins,

IP Juno, LLC requests that the Borden County Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

IP Juno, LLC requests that the Borden County Independent School District make such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, IP Juno, LLC has committed to create 2 total jobs for the project, which will be in Borden County Independent School District.

Solar projects create a large number of full and part-time, but temporary jobs during the construction phase of the project but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences. A number of our solar clients have advised that the industry standard for staffing new solar projects is one employee for every 200 megawatts AC of capacity.

The number of jobs specified in this application is in line with the industry standards for a solar farm of this scope and size. This is evidenced by previously filed limitation agreement applications by solar developers who also requested a

waiver of the job requirements. In addition, there is publicly available educational material and other documentation that also suggest that IP Juno has the appropriate number of jobs for this project.

Sincerely,

A handwritten signature in blue ink that reads "D. Dale Cummings". The signature is written in a cursive style with a large initial "D" and a stylized "Cummings".

D. Dale Cummings

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Borden County average weekly wage for all jobs (all industries)
- Borden County average weekly wage for all jobs (manufacturing) – there are no TWC data for manufacturing jobs in Borden County
- See attached Council of Governments Regional Wage Calculation and Documentation

TAB 13 TO CHAPTER 313 APPLICATION

BORDEN COUNTY ISD - BORDEN COUNTY CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
THIRD	2017	\$ 677.00	\$ 35,204.00
FOURTH	2017	\$ 776.00	\$ 40,352.00
FIRST	2018	\$ 739.00	\$ 38,428.00
SECOND	2018	\$ 748.00	\$ 38,896.00
	AVERAGE	\$ 735.00	\$ 38,220.00

BORDEN COUNTY ISD - BORDEN COUNTY CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
THIRD	2017	<i>Not applicable</i>	<i>Not applicable</i>
FOURTH	2017	<i>Not applicable</i>	<i>Not applicable</i>
FIRST	2018	<i>Not applicable</i>	<i>Not applicable</i>
SECOND	2018	<i>Not applicable</i>	<i>Not applicable</i>
	AVERAGE	<i>Not applicable</i>	<i>Not applicable</i>
	X	110%	110%
		<i>Not applicable</i>	<i>Not applicable</i>

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

REGION	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Permian Basin	2017	\$ 1,049.54	\$ 54,576.00
	X	110%	110%
		\$ 1,154.49	\$ 60,033.60

* SEE ATTACHED TWC DOCUMENTATION

Quarterly Employment and Wages (QCEW)

[Back](#)

D.PERIODYEAR

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2018	1st Qtr	Borden County	Total All	00	0	10	Total, all industries	\$739
2018	2nd Qtr	Borden County	Total All	00	0	10	Total, all industries	\$748
2017	3rd Qtr	Borden County	Total All	00	0	10	Total, all industries	\$677
2017	4th Qtr	Borden County	Total All	00	0	10	Total, all industries	\$776

**2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$26.24	\$54,587
1. Panhandle Regional Planning Commission	\$23.65	\$49,190
2. South Plains Association of Governments	\$19.36	\$40,262
3. NORTEX Regional Planning Commission	\$23.46	\$48,789
4. North Central Texas Council of Governments	\$26.80	\$55,747
5. Ark-Tex Council of Governments	\$18.59	\$38,663
6. East Texas Council of Governments	\$21.07	\$43,827
7. West Central Texas Council of Governments	\$21.24	\$44,178
8. Rio Grande Council of Governments	\$18.44	\$38,351
9. Permian Basin Regional Planning Commission	\$26.24	\$54,576
10. Concho Valley Council of Governments	\$19.67	\$40,924
11. Heart of Texas Council of Governments	\$21.53	\$44,781
12. Capital Area Council of Governments	\$31.49	\$65,497
13. Brazos Valley Council of Governments	\$17.76	\$39,931
14. Deep East Texas Council of Governments	\$17.99	\$37,428
15. South East Texas Regional Planning Commission	\$34.98	\$72,755
16. Houston-Galveston Area Council	\$28.94	\$60,202
17. Golden Crescent Regional Planning Commission	\$26.94	\$56,042
18. Alamo Area Council of Governments	\$22.05	\$48,869
19. South Texas Development Council	\$15.07	\$31,343
20. Coastal Bend Council of Governments	\$28.98	\$60,276
21. Lower Rio Grande Valley Development Council	\$17.86	\$37,152
22. Texoma Council of Governments	\$21.18	\$44,060
23. Central Texas Council of Governments	\$19.30	\$40,146
24. Middle Rio Grande Development Council	\$24.07	\$50,058

Source: Texas Occupational Employment and Wages

Data published: July 2018

Data published annually, next update will be July 31, 2019

**\$54,576 x 110% =
\$60,033.60**

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

TAB 14

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

See attached Schedules A1, A2, B, C and D

Date 21-Jan-19
Applicant Name IP Juno, LLC
ISD Name Borden County ISD

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Table with 9 columns: Year, School Year, Tax Year, Column A (New investment in tangible personal property), Column B (New investment in buildings or permanent nonremovable components), Column C (Other new investment), Column D (Other new investment), and Column E (Total Investment). Rows include investment made before filing, after filing, and complete tax years of qualifying time period, ending with a Total Investment row.

For All Columns: List amount invested each year, not cumulative totals.
Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.
Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.
Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$ 394,800,000	\$ 200,000	\$ -	\$ -	\$ 395,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>		2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -
		2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2021-2022	2021	\$ -	\$ -	\$ -	\$ -	\$ -
Value limitation period***	1	2022-2023	2022	\$ -	\$ -	\$ 30,555	\$ -	\$ 30,555
	2	2023-2024	2023	\$ -	\$ -	\$ 69,959	\$ -	\$ 69,959
	3	2024-2025	2024	\$ -	\$ -	\$ 59,932	\$ -	\$ 59,932
	4	2025-2026	2025	\$ -	\$ -	\$ 69,038	\$ -	\$ 69,038
	5	2026-2027	2026	\$ -	\$ -	\$ 75,489	\$ -	\$ 75,489
	6	2027-2028	2027	\$ -	\$ -	\$ 266,362	\$ -	\$ 266,362
	7	2028-2029	2028	\$ -	\$ -	\$ 271,358	\$ -	\$ 271,358
	8	2029-2030	2029	\$ -	\$ -	\$ 278,338	\$ -	\$ 278,338
	9	2030-2031	2030	\$ -	\$ -	\$ 281,795	\$ -	\$ 281,795
	10	2031-2032	2031	\$ -	\$ -	\$ 297,553	\$ -	\$ 297,553
Total Investment made through limitation				\$ 394,800,000	\$ 200,000	\$ 1,700,380	\$ -	\$ 396,700,380
Continue to maintain viable presence	11	2032-2033	2032			\$ 310,865		\$ 310,865
	12	2033-2034	2033			\$ 299,838		\$ 299,838
	13	2034-2035	2034			\$ 325,719		\$ 325,719
	14	2035-2036	2035			\$ 329,664		\$ 329,664
	15	2036-2037	2036			\$ 329,268		\$ 329,268
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037			\$ 333,264		\$ 333,264
	17	2038-2039	2038			\$ 336,325		\$ 336,325
	18	2039-2040	2039			\$ 350,040		\$ 350,040
	19	2040-2041	2040			\$ 362,523		\$ 362,523
	20	2041-2042	2041			\$ 379,681		\$ 379,681
	21	2042-2043	2042			\$ 380,611		\$ 380,611
	22	2043-2044	2043			\$ 390,617		\$ 390,617
	23	2044-2045	2044			\$ 408,908		\$ 408,908
	24	2045-2046	2045			\$ 408,908		\$ 408,908
	25	2046-2047	2046			\$ 408,908		\$ 408,908

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date

1/21/2019

Applicant Name

IP Juno, LLC

Form 50-296A

ISD Name

Borden County ISD

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>		2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>		2021-2022	2021			\$ 91,904,800	\$ 91,904,800	\$ 91,904,800	\$ 91,904,800
Value Limitation Period	1	2022-2023	2022	\$ -	\$ 200,000	\$ 270,200,200	\$ 270,400,200	\$ 270,400,200	\$ 30,000,000
	2	2023-2024	2023	\$ -	\$ 197,000	\$ 226,968,200	\$ 227,165,200	\$ 227,165,200	\$ 30,000,000
	3	2024-2025	2024	\$ -	\$ 194,000	\$ 202,650,200	\$ 202,844,200	\$ 202,844,200	\$ 30,000,000
	4	2025-2026	2025	\$ -	\$ 191,100	\$ 178,332,100	\$ 178,523,200	\$ 178,523,200	\$ 30,000,000
	5	2026-2027	2026	\$ -	\$ 188,200	\$ 154,014,100	\$ 154,202,300	\$ 154,202,300	\$ 30,000,000
	6	2027-2028	2027	\$ -	\$ 185,400	\$ 126,994,100	\$ 127,179,500	\$ 127,179,500	\$ 30,000,000
	7	2028-2029	2028	\$ -	\$ 182,600	\$ 102,676,100	\$ 102,858,700	\$ 102,858,700	\$ 30,000,000
	8	2029-2030	2029	\$ -	\$ 179,900	\$ 86,464,100	\$ 86,644,000	\$ 86,644,000	\$ 30,000,000
	9	2030-2031	2030	\$ -	\$ 177,200	\$ 78,358,100	\$ 78,535,300	\$ 78,535,300	\$ 30,000,000
	10	2031-2032	2031	\$ -	\$ 174,500	\$ 67,550,100	\$ 67,724,600	\$ 67,724,600	\$ 30,000,000
Continue to maintain viable presence	11	2032-2033	2032	\$ -	\$ 171,900	\$ 54,040,000	\$ 54,211,900	\$ 54,211,900	\$ 54,211,900
	12	2033-2034	2033	\$ -	\$ 169,300	\$ 54,040,000	\$ 54,209,300	\$ 54,209,300	\$ 54,209,300
	13	2034-2035	2034	\$ -	\$ 166,800	\$ 54,040,000	\$ 54,206,800	\$ 54,206,800	\$ 54,206,800
	14	2035-2036	2035	\$ -	\$ 164,300	\$ 54,040,000	\$ 54,204,300	\$ 54,204,300	\$ 54,204,300
	15	2036-2037	2036	\$ -	\$ 161,800	\$ 54,040,000	\$ 54,201,800	\$ 54,201,800	\$ 54,201,800
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	\$ -	\$ 159,400	\$ 54,040,000	\$ 54,199,400	\$ 54,199,400	\$ 54,199,400
	17	2038-2039	2038	\$ -	\$ 157,000	\$ 54,040,000	\$ 54,197,000	\$ 54,197,000	\$ 54,197,000
	18	2039-2040	2039	\$ -	\$ 154,600	\$ 54,040,000	\$ 54,194,600	\$ 54,194,600	\$ 54,194,600
	19	2040-2041	2040	\$ -	\$ 152,300	\$ 54,040,000	\$ 54,192,300	\$ 54,192,300	\$ 54,192,300
	20	2041-2042	2041	\$ -	\$ 150,000	\$ 54,040,000	\$ 54,190,000	\$ 54,190,000	\$ 54,190,000
	21	2042-2043	2042	\$ -	\$ 147,800	\$ 54,040,000	\$ 54,187,800	\$ 54,187,800	\$ 54,187,800
	22	2043-2044	2043	\$ -	\$ 145,600	\$ 54,040,000	\$ 54,185,600	\$ 54,185,600	\$ 54,185,600
	23	2044-2045	2044	\$ -	\$ 143,400	\$ 54,040,000	\$ 54,183,400	\$ 54,183,400	\$ 54,183,400
	24	2045-2046	2045	\$ -	\$ 141,200	\$ 54,040,000	\$ 54,181,200	\$ 54,181,200	\$ 54,181,200
	25	2046-2047	2046	\$ -	\$ 141,200	\$ 54,040,000	\$ 54,181,200	\$ 54,181,200	\$ 54,181,200

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

Only include market value for eligible property on this schedule.

Date

Applicant Name

ISD Name

1/21/2019

IP Juno, LLC

Borden County ISD

Schedule C: Employment Information

Form 50-296A

Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	0	\$ -	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	400 FTE	\$ 100,000	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	400 FTE	\$ 100,000	0	2	\$ 60,033.60
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2022-2023	2022	0	\$ -	0	2	\$ 60,033.60
	2	2023-2024	2023	0	\$ -	0	2	\$ 60,033.60
	3	2024-2025	2024	0	\$ -	0	2	\$ 60,033.60
	4	2025-2026	2025	0	\$ -	0	2	\$ 60,033.60
	5	2026-2027	2026	0	\$ -	0	2	\$ 60,033.60
	6	2027-2028	2027	0	\$ -	0	2	\$ 60,033.60
	7	2028-2029	2028	0	\$ -	0	2	\$ 60,033.60
	8	2029-2030	2029	0	\$ -	0	2	\$ 60,033.60
	9	2030-2031	2030	0	\$ -	0	2	\$ 60,033.60
	10	2031-2032	2031	0	\$ -	0	2	\$ 60,033.60
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	0	\$ -	0	2	\$ 60,033.60

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

- C1.

Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute?
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
If yes, answer the following two questions:

(25

x

Yes

No
- C1a.

Will the applicant request a job waiver, as provided under 313.025(f-1)?

x

Yes

No
- C1b.

Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes

x

No

Schedule D: Other Incentives (Estimated)

Date

1/21/2019

Applicant Name

IP Juno, LLC

Form 50-296A

ISD Name

Borden County ISD

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: Borden	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Tax Code Chapter 312	County: Borden <i>(total over 25 years)</i>	2022	10 years	\$ 18,185,053	\$ 9,177,298	\$ 9,007,755
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Local Government Code Chapters 380/381	County: Borden	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Freeport Exemptions	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Non-Annexation Agreements	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Enterprise Zone/Project	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Economic Development Corporation	Not applicable	Not applicable	Not applicable		Not applicable	
Texas Enterprise Fund	Not applicable	Not applicable	Not applicable		Not applicable	
Employee Recruitment	Not applicable	Not applicable	Not applicable		Not applicable	
Skills Development Fund	Not applicable	Not applicable	Not applicable		Not applicable	
Training Facility Space and Equipment	Not applicable	Not applicable	Not applicable		Not applicable	
Infrastructure Incentives	Not applicable	Not applicable	Not applicable		Not applicable	
Permitting Assistance	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
TOTAL				\$ 18,185,053	\$ 9,177,298	\$ 9,007,755

Additional information on incentives for this project:

Applicant expects to execute a Chapter 312 agreement with Borden County on terms similar to another solar energy facility in the county. Applicant has had preliminary discussions with the county but no application for tax abatement has been filed as of the date this application was submitted to Borden County ISD.

TAB 15

Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) Evidence that the area qualifies as a enterprise zone as defined by the Governor's office*
- b) Legal description of reinvestment zone*
- c) Order, resolution, or ordinance established the reinvestment zone*
- d) Guidelines and criteria for creating the zone*

16 a) Not applicable.

16 b) See legal description below:

**Reinvestment Zone Legal Description
Borden County, Texas**

Description	Block	Section
T-5-N	32	4
T-5-N	32	5
T-5-N	32	6
T-5-N	32	7
T-5-N	32	8
T-5-N	32	9
T-5-N	32	15
T-5-N	32	16
T-5-N	32	17
T-5-N	32	18
T-5-N	32	22
T-5-N	32	27
T-5-N	32	34
T-5-N	32	39
T-5-N	32	43
T-5-N	32	S/2 41
T-5-N	32	S/2 42
T-5-N	32	44
T-5-N	32	45
T-5-N	32	46
T-5-N	32	All that part of Section 20 north of the centerline of US Highway 180

T-5-N	32	All that part of Section 21 north of the centerline of US Highway 180
-------	----	---

16 c) Borden County Commissioners Court will create the reinvestment zone at a later date.

16 d) See attached Borden County Tax Abatement Guidelines and Criteria that were adopted on January 8, 2019.

Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones

Borden County, Texas

Preamble

Pursuant to Chapter 312 of the Texas Tax Code, Borden County may consider an application for tax abatement, designate a reinvestment zone and enter into a tax abatement agreement as provided for in these Guidelines and Criteria.

I. Abatement Application Procedure

- a. Who may apply. Any present or potential owner or lessee of taxable property in Borden County may submit an application for tax abatement conforming to the requirements outlined herein.
- b. Eligible property. Abatement may only be granted for the following property constructed or otherwise put in place after the effective date of the tax abatement agreement: new, expanded or modernized buildings and structures, fixed machinery and equipment; site improvements; related fixed improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.
- c. Application provisions. The application shall consist of a completed Borden County Tax Abatement Application form, which shall contain the following:
 1. Information showing how the project meets the requirements of the criteria outlined in Section II below;
 2. a map and description of the property;
 3. a time schedule for completing the planned improvements;
 4. the estimated taxable value or range of values of the project or facility; and
 5. basic financial information about the principles sufficient to enable evaluation of the applicant's financial capacity.
 6. Application shall be accompanied by an application fee of \$1,000.00 payable to Borden County.
- d. Procedure for Application Consideration. The procedure for consideration by the County of a Tax Abatement Application is as follows.
 1. An applicant may request a Tax Abatement Application from the County Judge's Office.
 2. After an applicant completes the Tax Abatement Application, applicant provides a copy to each member of the Borden County Commissioners Court and the County Judge's Administrative Assistant.
 3. Upon receipt of an application, the Commissioners Court determines, within forty-five (45) days, how to proceed with the application. The Commissioners Court shall choose either to deny the application, consider the application, or consider the application on an expedited basis.
 - A. Denial of application. If the Commissioners Court chooses to deny the application, it shall make a finding by majority vote at a regularly scheduled meeting that the application does not meet the requirements of the criteria provided below in Section II.

- B. Consideration of application. If the Commissioners Court determines that the application should be further considered, the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place, and subject in the local newspaper. At the hearing, the Commissioners Court evaluates the application against the criteria in Section II and decides whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then arrange to consider for approval of the tax abatement agreement between the applicant and the County at its next regularly scheduled meeting. At least seven (7) days prior to entering into a tax abatement agreement, the county must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the county.
- C. Expedited consideration of application. If the County determines that the application should receive expedited consideration, the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of hearing time, place and subject in the local newspaper. Also at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. During the regularly scheduled meeting, the Commissioners Court evaluates the application against the criteria in Section II and decides whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, The Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.
- e. Confidentiality. As required by Section 312.003 of the Texas Tax code, information that is provided to Borden County in connection with an application or request for tax abatement under this chapter and that describes the specific processes or business activities to be conducted or the equipment or the property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed.

II. Criteria for Designating a Reinvestment Zone

- a. Minimum requirement. To be designated a reinvestment zone, County Commissioners must find by majority vote that:
 1. the property for which the abatement is sought will be reasonably likely as a result the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the County, or meet one or more of the other requirements provide in Section 312.202 of the Texas Tax Code; and
 2. that the improvements sought are feasible and practical and would be a benefit to the land to be included in the zone and to the County after expiration of the tax abatement agreement.
- b. Criteria. In determining whether to designate a reinvestment zone and whether to enter into a tax abatement agreement, the Commissioners Court shall consider the following factors, among others determined appropriate by the Court:
 1. value of land and existing improvements, if any;
 2. type and value of proposed improvements;
 3. productive life of proposed improvements;
 4. number of existing jobs to be retained by proposed improvements;
 5. number and type of new jobs, if any, to be created by proposed improvements;
 6. costs to be incurred by Borden County, if any, to provide facilities or services directly resulting from the new improvements;
 7. types and values of public improvements, if any, to be made by applicant seeking abatement;
 8. the amount of ad valorem property tax to be paid to Borden County after expiration of the abatement agreement;
 9. the impact on the business opportunities of existing businesses and the attraction of new business to the area, if any; and
 10. the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area.

III. Format for Tax Abatement Agreement

- a. Required provisions. If the Borden County Commissioners Court designates a reinvestment zone, it may consider and execute a tax abatement agreement with the owner of the designated property and lessee, as appropriate, as outlined above. Any tax abatement agreement shall include at least the following:
 1. the kind, number and location of all proposed improvements of the property;
 2. provisions allowing for reasonable access to the property for initial and intermittent inspection purposes by County employees or designated representatives to ensure improvements are made in compliance with the agreement;
 3. provisions limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period of abatement;
 4. provisions for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided in the agreement;
 5. each term agreed to by the recipient of the abatement;

6. a requirement that the abatement recipient certify its compliance with the agreement annually to the County; and
 7. provisions allowing the County to cancel or modify the agreement if the recipient is out of compliance with the agreement.
- b. Optional provisions. The tax abatement agreement may also contain any or all of the following items, in addition to any others deemed appropriate by the contracting parties;
1. the estimated taxable value to be abated each year;
 2. percent of value to be abated each year;
 3. the commencement and termination dates of the abatement ;
 4. proposed use of the property;
 5. nature of the construction, time schedule, map and property description;
 6. contractual obligations in the event of default or violation of terms or conditions;
 7. size of investment and number of temporary and permanent jobs involved, if any;
 8. provisions for dispute resolution.
- c. Duration and portion of abatement. A tax abatement agreement granted by Borden County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% in portion of ad valorem property taxes abated.
- d. Time limit. Such agreement shall be executed within thirty (30) days after passage of the resolution approving the agreement, unless the County and the applicant mutually agree otherwise.

IV. Administration of Tax Abatement Agreement

- a. Inspections. County employees or their designated representatives shall have reasonable access to the property for initial and intermittent inspection purposes in order to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement.
- b. Cure provisions. Should Borden County determine that the company or individual receiving the abatement is in default of the tax abatement agreement, it shall notify the company or individual of such default in writing at the address specified in the agreement, and if such is not cured within sixty (60) days of notice, the agreement may be terminated by the County.
- c. Modification and termination. At any time before the expiration of a tax abatement agreement, an agreement may be modified by the parties to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. The modification must be made by the same procedure by which the original agreement was made. An agreement may also be terminated by the mutual consent of the parties in the same way the agreement was made, or by other means as agreed by the parties according to the provisions of the agreement.

V. Assignment

An abatement granted by Borden County may be transferred and assigned by the holder to a new owner or lessee of the same property, upon the approval by resolution of Borden County, subject to the financial capacity of the assignee and provided that all conditions and obligations in the tax abatement agreement with Borden County are fulfilled. Approval shall not be unreasonably withheld by Borden County.

VI. Sunset and Amendment of Guidelines and Criteria

These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by three-fourths (3/4) vote of the Borden County Commissioners Court.

Passed and approved at a regular meeting of the Borden County Commissioners Court, at which a quorum was present on the 8th day of January, 2019.



Ross D. Sharp
County Judge

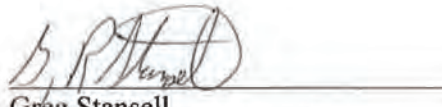
Monte Smith
Commissioner Precinct 1



Randy Adcock
Commissioner Precinct 2

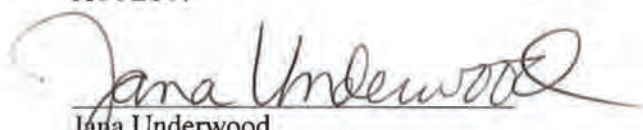


Ernest Reyes
Commissioner Precinct 3



Greg Stansell
Commissioner Precinct 4

ATTEST:



Jana Underwood
County Clerk

TAB 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

See attached

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print
here

Billy Collins

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

Signature (Authorized School District Representative)

Date

1/21/2019

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print
here

Lucas Dunnington

Print Name (Authorized Company Representative (Applicant))

COO

Title

sign
here

Signature (Authorized Company Representative (Applicant))

Date

1/16/2019

GIVEN under my hand and seal of office this, the

day of

SEE ATTACHED

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires:

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

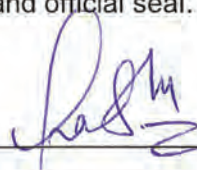
County of _____)

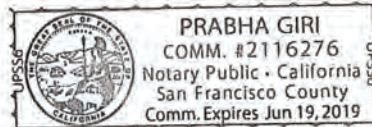
On 01/16/2019 before me, _____
(insert name and title of the officer)

personally appeared LUCAS DUNNINGTON,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

February 7, 2019

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

RE: Supplement001 to the Borden County Independent School District from IP Juno, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is supplement001 to the Borden County ISD from IP Juno, LLC. The following changes have been made:

1. Schedule D: Provided annual incentive as a percentage.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Borden County Appraisal District
IP Juno, LLC

Schedule D: Other Incentives (Estimated)

Date

1/21/2019

Applicant Name

IP Juno, LLC

Form 50-296A

ISD Name

Borden County ISD

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: Borden	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Tax Code Chapter 312	County: Borden	2022	10 years	\$ 18,185,053	\$ 9,177,298	\$ 9,007,755
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Local Government Code Chapters 380/381	County: Borden	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Freeport Exemptions	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Non-Annexation Agreements	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Enterprise Zone/Project	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Economic Development Corporation	Not applicable	Not applicable	Not applicable		Not applicable	
Texas Enterprise Fund	Not applicable	Not applicable	Not applicable		Not applicable	
Employee Recruitment	Not applicable	Not applicable	Not applicable		Not applicable	
Skills Development Fund	Not applicable	Not applicable	Not applicable		Not applicable	
Training Facility Space and Equipment	Not applicable	Not applicable	Not applicable		Not applicable	
Infrastructure Incentives	Not applicable	Not applicable	Not applicable		Not applicable	
Permitting Assistance	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
TOTAL				\$ 18,185,053	\$ 9,177,298	\$ 9,007,755

Additional information on incentives for this project:

Applicant expects to execute a Chapter 312 agreement with Borden County on terms similar to another solar energy facility in the county which would be equivalent to a 10-year abatement of 81%. Applicant has had preliminary discussions with the county but no application for tax abatement has been filed as of the date this application was submitted to Borden County ISD.

Attachment B

Franchise Tax Account Status



Franchise Tax Account Status

As of : 05/11/2019 17:16:09

This Page Is Not Sufficient for Filings with the Secretary of State

IP JUNO, LLC

Texas Taxpayer Number 32068063315

Mailing Address 548 MARKET ST SAN FRANCISCO, CA 94104-5401

Right to Transact Business in Texas ACTIVE

State of Formation DE

Effective SOS Registration Date 08/14/2018

Texas SOS File Number 0803090865

Registered Agent Name CT CORPORATION SYSTEM

Registered Office Street Address 1999 BRYAN STREET, SUITE 900 DALLAS, TX 75201

Attachment C

State Comptroller's Certification



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

March 26, 2019

Billy Collins
Superintendent
Borden County Independent School District
PO Box 95
Gail, Texas 79738

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Borden County Independent
School District and IP Juno, LLC, Application 1338

Dear Superintendent Collins:

On February 8, 2019, the Comptroller issued written notice that IP Juno, LLC (applicant) submitted a completed application (Application 1338) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on January 21, 2019, to the Borden County 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 C; 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 1338.

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 C.

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, 2019.

Note that any building or improvement existing as of the application review start date of February 8, 2019, 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,



Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of IP Juno, LLC (project) applying to Borden County 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 IP Juno, LLC.

Applicant	IP Juno, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Borden County ISD
2017-2018 Average Daily Attendance	221
County	Borden
Proposed Total Investment in District	\$396,700,380
Proposed Qualified Investment	\$395,000,000
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2020-2021
Number of new qualifying jobs committed to by applicant	2*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,154
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,154
Minimum annual wage committed to by applicant for qualified jobs	\$60,034
Minimum weekly wage required for non-qualifying jobs	\$735
Minimum annual wage required for non-qualifying jobs	\$38,221
Investment per Qualifying Job	\$198,350,190
Estimated M&O levy without any limit (15 years)	\$18,770,069
Estimated M&O levy with Limitation (15 years)	\$6,330,866
Estimated gross M&O tax benefit (15 years)	\$12,439,203

* 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 IP Juno, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	400	673	1073	\$40,000,000	\$54,000,000	\$94,000,000
2021	402	711	1113	\$40,120,067	\$64,879,933	\$105,000,000
2022	2	92	94	\$120,067	\$16,879,933	\$17,000,000
2023	2	25	27	\$120,067	\$9,879,933	\$10,000,000
2024	2	(28)	-26	\$120,067	\$3,879,933	\$4,000,000
2025	2	(50)	-48	\$120,067	-\$120,067	\$0
2026	2	(53)	-51	\$120,067	-\$1,120,067	-\$1,000,000
2027	2	(47)	-45	\$120,067	-\$2,120,067	-\$2,000,000
2028	2	(35)	-33	\$120,067	-\$1,120,067	-\$1,000,000
2029	2	(23)	-21	\$120,067	-\$1,120,067	-\$1,000,000
2030	2	(11)	-9	\$120,067	-\$120,067	\$0
2031	2	(1)	1	\$120,067	\$879,933	\$1,000,000
2032	2	5	7	\$120,067	\$1,879,933	\$2,000,000
2033	2	10	12	\$120,067	\$1,879,933	\$2,000,000
2034	2	13	15	\$120,067	\$2,879,933	\$3,000,000
2035	2	14	16	\$120,067	\$2,879,933	\$3,000,000

Source: CPA REMI, IP Juno, 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		Borden County ISD I&S Tax Levy	Borden County ISD M&O Tax Levy	Borden County ISD M&O and I&S Tax Levies	Borden County Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2800	1.0400		0.7600	
2021	\$ 91,904,800	\$91,904,800		\$257,333	\$955,810	\$1,213,143	\$698,476	\$1,911,620
2022	\$ 270,400,200	\$270,400,200		\$757,121	\$2,812,162	\$3,569,283	\$2,055,042	\$5,624,324
2023	\$ 227,165,200	\$227,165,200		\$636,063	\$2,362,518	\$2,998,581	\$1,726,456	\$4,725,036
2024	\$ 202,844,200	\$202,844,200		\$567,964	\$2,109,580	\$2,677,543	\$1,541,616	\$4,219,159
2025	\$ 178,523,200	\$178,523,200		\$499,865	\$1,856,641	\$2,356,506	\$1,356,776	\$3,713,283
2026	\$ 154,202,300	\$154,202,300		\$431,766	\$1,603,704	\$2,035,470	\$1,171,937	\$3,207,408
2027	\$ 127,179,500	\$127,179,500		\$356,103	\$1,322,667	\$1,678,769	\$966,564	\$2,645,334
2028	\$ 102,858,700	\$102,858,700		\$288,004	\$1,069,730	\$1,357,735	\$781,726	\$2,139,461
2029	\$ 86,644,000	\$86,644,000		\$242,603	\$901,098	\$1,143,701	\$658,494	\$1,802,195
2030	\$ 78,535,300	\$78,535,300		\$219,899	\$816,767	\$1,036,666	\$596,868	\$1,633,534
2031	\$ 67,724,600	\$67,724,600		\$189,629	\$704,336	\$893,965	\$514,707	\$1,408,672
2032	\$ 54,211,900	\$54,211,900		\$151,793	\$563,804	\$715,597	\$412,010	\$1,127,608
2033	\$ 54,209,300	\$54,209,300		\$151,786	\$563,777	\$715,563	\$411,991	\$1,127,553
2034	\$ 54,206,800	\$54,206,800		\$151,779	\$563,751	\$715,530	\$411,972	\$1,127,501
2035	\$ 54,204,300	\$54,204,300		\$151,772	\$563,725	\$715,497	\$411,953	\$1,127,449
			Total	\$5,053,480	\$18,770,069	\$23,823,549	\$13,716,589	\$37,540,137

Source: CPA, IP Juno, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Borden 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		Borden County ISD I&S Tax Levy	Borden County ISD M&O Tax Levy	Borden County ISD M&O and I&S Tax Levies	Borden County Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2800	1.0400		0.7600	
2021	\$ 91,904,800	\$ 91,904,800		\$257,333	\$955,810	\$1,213,143	\$698,476	\$1,911,620
2022	\$270,400,200	\$30,000,000		\$757,121	\$312,000	\$1,069,121	\$390,458	\$1,459,578
2023	\$227,165,200	\$30,000,000		\$636,063	\$312,000	\$948,063	\$328,027	\$1,276,089
2024	\$202,844,200	\$30,000,000		\$567,964	\$312,000	\$879,964	\$292,907	\$1,172,871
2025	\$178,523,200	\$30,000,000		\$499,865	\$312,000	\$811,865	\$257,788	\$1,069,652
2026	\$154,202,300	\$30,000,000		\$431,766	\$312,000	\$743,766	\$222,668	\$966,435
2027	\$127,179,500	\$30,000,000		\$356,103	\$312,000	\$668,103	\$183,647	\$851,750
2028	\$102,858,700	\$30,000,000		\$288,004	\$312,000	\$600,004	\$148,528	\$748,532
2029	\$86,644,000	\$30,000,000		\$242,603	\$312,000	\$554,603	\$125,114	\$679,717
2030	\$78,535,300	\$30,000,000		\$219,899	\$312,000	\$531,899	\$113,405	\$645,304
2031	\$67,724,600	\$30,000,000		\$189,629	\$312,000	\$501,629	\$97,794	\$599,423
2032	\$54,211,900	\$54,211,900		\$151,793	\$563,804	\$715,597	\$412,010	\$1,127,608
2033	\$54,209,300	\$54,209,300		\$151,786	\$563,777	\$715,563	\$411,991	\$1,127,553
2034	\$54,206,800	\$54,206,800		\$151,779	\$563,751	\$715,530	\$411,972	\$1,127,501
2035	\$54,204,300	\$54,204,300		\$151,772	\$563,725	\$715,497	\$411,953	\$1,127,449
			Total	\$5,053,480	\$6,330,866	\$11,384,346	\$4,506,737	\$15,891,083
			Diff	\$0	\$12,439,203	\$12,439,203	\$9,209,851	\$21,649,054
Assumes School Value Limitation and Tax Abatements with the County.								

Source: CPA, IP Juno, 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 IP Juno, 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	\$955,810	\$955,810	\$0	\$0
Limitation Period (10 Years)	2022	\$312,000	\$1,267,810	\$2,500,162	\$2,500,162
	2023	\$312,000	\$1,579,810	\$2,050,518	\$4,550,680
	2024	\$312,000	\$1,891,810	\$1,797,580	\$6,348,260
	2025	\$312,000	\$2,203,810	\$1,544,641	\$7,892,901
	2026	\$312,000	\$2,515,810	\$1,291,704	\$9,184,605
	2027	\$312,000	\$2,827,810	\$1,010,667	\$10,195,272
	2028	\$312,000	\$3,139,810	\$757,730	\$10,953,002
	2029	\$312,000	\$3,451,810	\$589,098	\$11,542,100
	2030	\$312,000	\$3,763,810	\$504,767	\$12,046,867
	2031	\$312,000	\$4,075,810	\$392,336	\$12,439,203
Maintain Viable Presence (5 Years)	2032	\$563,804	\$4,639,614	\$0	\$12,439,203
	2033	\$563,777	\$5,203,390	\$0	\$12,439,203
	2034	\$563,751	\$5,767,141	\$0	\$12,439,203
	2035	\$563,725	\$6,330,866	\$0	\$12,439,203
	2036	\$563,699	\$6,894,565	\$0	\$12,439,203
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$563,674	\$7,458,238	\$0	\$12,439,203
	2038	\$563,649	\$8,021,887	\$0	\$12,439,203
	2039	\$563,624	\$8,585,511	\$0	\$12,439,203
	2040	\$563,600	\$9,149,111	\$0	\$12,439,203
	2041	\$563,576	\$9,712,687	\$0	\$12,439,203
	2042	\$563,553	\$10,276,240	\$0	\$12,439,203
	2043	\$563,530	\$10,839,770	\$0	\$12,439,203
	2044	\$563,507	\$11,403,278	\$0	\$12,439,203
	2045	\$563,484	\$11,966,762	\$0	\$12,439,203
	2046	\$563,484	\$12,530,247	\$0	\$12,439,203

\$12,530,247

is greater than

\$12,439,203

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

Source: CPA, IP Juno, 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 IP Juno, 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 IP Juno, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “IP Renewable Energy Holdings, LLC, the parent of IP Juno, LLC, is a national solar developer with project opportunities across the United States. The ability to enter into a value limitation agreement with Borden County ISD is a determining factor for constructing the project in Borden County, Texas, as opposed to building and investing in another county, state or region. IP Renewable Energy Holdings LLC is considering investing in California and Colorado.”
 - B. “IP Renewable Energy Holdings, LLC is actively developing and constructing other projects throughout the US. The applicant requires this value limitation agreement in order to move forward with constructing this project in Texas. Specifically, without the available property tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project becomes unlikely. The property tax liability of a project without tax incentives in Texas, including a value limitation agreement with Borden County ISD, lowers the return to investors and financiers to an unacceptable level at current contracted power rates under a power purchase agreement. As such, the applicant would not be able to finance and build its project without the property tax incentives.”
 - C. “However, the proposed site in Borden County is a desirable business location and can provide electricity at a price that is competitive with other projects in Borden County and elsewhere in Texas, assuming that the expected tax incentives, including a value limitation agreement, are obtained.”
 - D. “Receiving a value limitation agreement from Borden County ISD is vital to ensuring the economics justify building the project and placing it into commercial operation in Borden County.”

- Comptroller Research:
 - A. Application #1338, IP Juno, LLC, was submitted to the district on January 21, 2019. The IP Juno project will be a 400 MW-AC solar plant in Borden County. It is anticipated to be operational by 2021.
 - B. On February 19, 2019, *Industry Week* reported, "The 495-megawatt storage system would be built in tandem with a solar farm of the same size. The Electric Reliability Council of Texas Inc., which operates most of the state's grid, posted the details in a chart that also shows Texas' battery storage will surge more than sixfold to 584 megawatts when the projects, dubbed Juno Solar and Juno Storage, are complete. They're scheduled to be built by May 2021 in Borden County, Texas."
 - C. On February 19, 2019, *Utility Dive* reported that Intersect Power is planning to construct an energy storage next to a solar farm in Borden County, Juno Storage and Juno Solar. They also stated that the developer signed an interconnection agreement for both assets at the end of December.
- Supplemental information provided by the applicant:
 - A. The legal entity of the company is IP Juno, LLC, and is not known by any other names. The solar project itself is commonly known as "Juno Solar" and "IP Juno Solar" and "Juno Project".
 - B. We have filed with ERCOT for a solar facility. Juno Solar is 211NR0026. We filed on July 23, 2018, and it was confirmed and assigned on August 14, 2018.
 - C. No batteries are a part of this application or are currently planned. An interconnection application was filed in case there was interest in this in the future. If ever built, the owner of the battery component would not be IP Juno, LLC. To clarify my earlier note, if batteries were ever built they would not be owned by IP Juno, LLC.

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:

☒ Land has no existing improvements	☐ Land has existing improvements (<i>complete Section 13</i>)
☐ Expansion of existing operation on the land (<i>complete Section 13</i>)	☐ 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 313.025(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.

IP Renewable Energy Holdings, LLC, the parent of IP Juno, LLC, is a national solar developer with project opportunities across the United States. The ability to enter into a value limitation agreement with Borden County ISD is a determining factor for constructing the project in Borden County, Texas, as opposed to building and investing in another county, state or region. IP Renewable Energy Holdings LLC is considering investing in California and Colorado.

IP Renewable Energy Holdings, LLC is actively developing and constructing other projects throughout the US. The applicant requires this value limitation agreement in order to move forward with constructing this project in Texas. Specifically, without the available property tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project becomes unlikely. The property tax liability of a project without tax incentives in Texas, including a value limitation agreement with Borden County ISD, lowers the return to investors and financiers to an unacceptable level at current contracted power rates under a power purchase agreement. As such, the applicant would not be able to finance and build its project without the property tax incentives. We want to avoid a situation where the applicant would be forced to have its development capital and prospective investment funds spent in other states where the rate of return is higher on a project basis.

However, the proposed site in Borden County is a desirable business location and can provide electricity at a price that is competitive with other projects in Borden County and elsewhere in Texas, assuming that the expected tax incentives, including a value limitation agreement, are obtained. Electric utilities and other wholesale electricity buyers are focused on providing low-cost energy to their customers, and contracting for the sale of solar electricity is highly competitive. Receiving a value limitation agreement from Borden County ISD is vital to ensuring the economics justify building the project and placing it into commercial operation in Borden County.

About IP Renewable Energy Holdings LLC

The IP Renewable Energy Holdings, LLC team has the collective experience in all phases of development across 60+ projects, and 2GWp of operating solar power with a total value of over \$6 billion. Our team has been involved in almost \$9B of successful debt and long-term equity financing for mid to late stage development projects. Our team has been successful together throughout the evolution of clean infrastructure, from the early days of kW scale solar, to pioneering 5-20MW projects and on to increasingly sophisticated and complex transactions of 100-500MW projects.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Borden County ISD–IP Juno, LLC App. #1338

Comptroller Questions (via email on February 13, 2019):

1. *Is IP Juno, LLC currently known by any other project names?*
2. *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.*
3. *Has this project applied to ERCOT at this time? If so, please provide the project's IGNR number and when was it assigned.*

Comptroller Questions (via email on February 27, 2019):

1. *The attached article indicates that a storage system will be built in tandem with Juno Solar. Please explain any interconnections; and if any batteries associated are included in the existing application.*

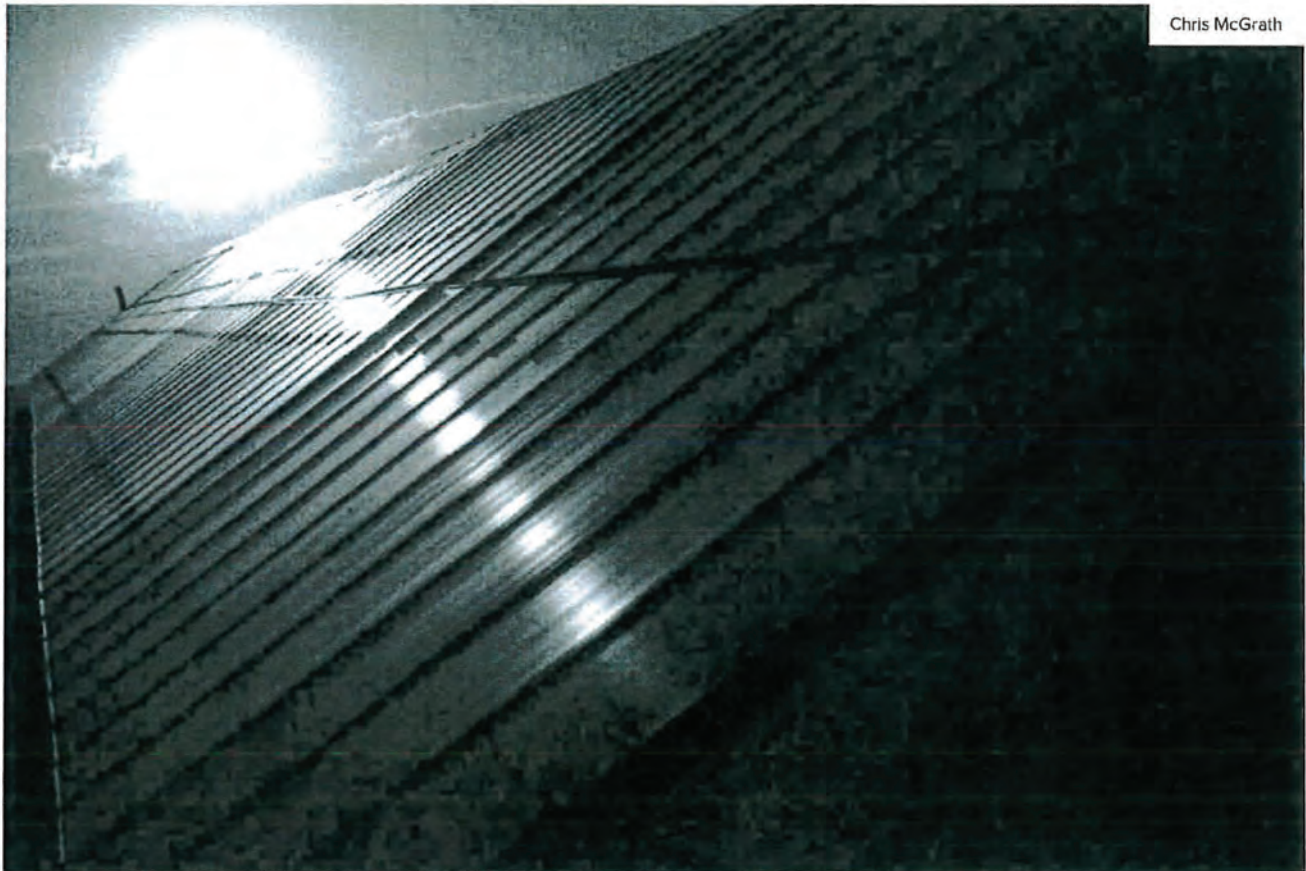
Applicant Response (via email on February 14, 2019):

1. *The legal entity of the company is IP Juno, LLC, and is not known by any other names. The solar project itself is commonly known as "Juno Solar" and "IP Juno Solar" and "Juno Project".*
2. *Same response as above. There have been no media reports for the project.*
3. *Yes, we have filed with ERCOT for a solar facility. Juno Solar is 21INR0026. We filed on July 23, 2018, and it was confirmed and assigned on August 14, 2018.*

Applicant Response (via email on February 27, 2019):

1. *No batteries are a part of this application or are currently planned. An interconnection application was filed in case there was interest in this in the future. If ever built, the owner of the battery component would not be IP Juno, LLC. To clarify my earlier note, if batteries were ever built they would not be owned by IP Juno, LLC*

IndustryWeek



Chris McGrath

TECHNOLOGY AND IIOT > ENERGY

World's Biggest Battery Quietly Being Planned in the Oil Patch

The 495-megawatt storage system would be built in tandem with a solar farm of the same size.

Bloomberg | Feb 14, 2019

A little-known solar-farm developer has quietly filed plans to build what would become the world's largest battery on the edge of the Texas oil country.

The 495-megawatt storage system would be built in tandem with a solar farm of the same size. The Electric Reliability Council of Texas Inc., which operates most of the state's grid, posted the details in a chart that also shows Texas' battery storage will surge more than sixfold to 584 megawatts when the projects, dubbed Juno Solar and Juno Storage, are complete. They're scheduled to be built by May 2021 in Borden County, Texas.

The project underscores how Big Oil's demand for power in the fossil fuels-rich Permian Basin of Texas and New Mexico is, in a twist, boosting the case for renewable energy. Texas's power grid operator has stressed the need for more electricity resources in the region to power oil and gas drilling operations.

IP Juno, a unit of San Francisco-based Intersect Power LLC, outlined plans to build a 400-megawatt solar facility by the second quarter of 2021 in Borden County, according to an application concerning its state property taxes. Intersect Power didn't return calls and emails for comment. Borden County -- population less than 700 -- is about 70 miles south of Lubbock.

Vistra Energy Corp. just completed what's now the largest battery storage facility in Texas with a 10-megawatt system connected to a solar farm. It's also planning the biggest one in the world at the Moss Landing power plant in California, which will store 300 megawatts for up to four hours when completed next year.

By Christopher Martin

Source URL: <https://www.industryweek.com/energy/worlds-biggest-battery-quietly-being-planned-oil-patch>

BRIEF

Developer eyes world's largest solar+storage facility for Texas

Bylulia Gheorghiu

Published Feb. 19, 2019

Dive Brief:

- Renewable energy developer Intersect Power has floated plans to construct 495 MW of energy storage next to 495 MW of solar in Borden County, Texas, according to the January generation interconnection status report from the Electric Reliability Council of Texas (ERCOT).
- If completed, the project would be the world's largest battery system when it comes online in 2021, Bloomberg reported, based on an ERCOT chart listing storage and solar projects expected to be completed in the next four years. The project would increase the state's installed solar capacity to over 6.8 GW and the energy storage capacity to 584 MW.
- The solar-plus-storage pairing in the middle of the Permian Basin could help meet energy needs for oil-field operations, but Intersect's CEO told Utility Dive that many filings in interconnection queues "never reach operations."

Dive Insight:

As technology costs drop, battery storage is increasingly getting paired to all sorts of generation these days, including gas-fired and solar of all sizes.

Last week, NextEra Energy Resources and Portland General Electric (PGE) announced they would pair 30 MW of battery

storage with 300 MW of wind generation and 50 MW of solar — the largest wind-solar-storage hybrid in the United States.

The utility said it expects similar projects will follow. PGE is one of many trying to increase reliability of renewable assets with energy storage. But in Texas, some utilities have a harder time accessing the benefits of pairing storage with renewables.

State regulators have asked for "legislative clarity" on the ownership of energy storage devices. The Public Utility Commission of Texas (PUCT) in January deferred an anticipated decision about whether transmission and distribution (T&D) utilities operating within ERCOT can own storage assets under the state's Public Utility Regulatory Act (PURA).

While Texas law classifies energy storage as generation, the technology also has load capabilities. T&D utilities have argued through the PUCT proceeding that they can own energy storage facilities for use on their distribution systems because they would not be intended as generation, therefore not impacting wholesale power prices.

The state legislature's session runs until May 27, but if it does not act, the PUCT would revisit the issue, according to Chairman DeAnn Walker. ERCOT did not comment on storage ownership for T&D utilities in the PUCT's storage ownership docket.

While utilities, such as Oncor Electric, say that statutory grid reliability provisions made under PURA allow certain storage applications, generators like Vistra Energy say the declining costs of energy storage signal utility support is not needed to develop and deploy "nontraditional technologies."

Currently, the largest energy storage project in Texas is a 10 MW, 42 MWh lithium-ion battery completed by Vistra at a 180 MW solar plant in Upton County.

Like Borden, Upton is in the middle of the Permian Basin. The grid operator has identified a need for more power capacity to

drive the area's oil and gas drilling operations. Wind resources are also being developed in West Texas.

The Borden projects, labeled Juno Storage and Juno Solar in ERCOT's generation interconnection status report, are expected to be completed by May 15, 2021. The developer signed an interconnection agreement for both assets at the end of December.

Intersect Power declined to comment on the Juno assets.

"We make a lot of filings and hold lots of land positions for many reasons across our portfolio, the bulk of them never reach operations. This is the nature of our business," Sheldon Kimber, CEO and founder of the company, told Utility Dive via e-mail.

ERCOT also lists Intersect Power as the developer for two additional solar projects that have requested full solar interconnection studies in West Texas: Aragorn Solar, 186.3 MW, expected to be completed by the end of July, 2020, and IP Titan, 272 MW, expected to be completed by the end of June, 2021.

Recommended Reading:

 Bloomberg

World's Biggest Battery to Boost Solar in Texas Oil Country [↗](#)

 Utility Dive

Texas generators, utilities square off at PUC over storage ownership [↗](#)

Attachment D

Summary of Financial Impact

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED IP JUNO, LLC
PROJECT IN THE BORDEN COUNTY INDEPENDENT
SCHOOL DISTRICT
(PROJECT # 1338)**

PREPARED BY



FEBRUARY 16, 2019

Executive Summary

IP Juno, LLC (Company) has requested that the Borden County Independent School District (BCISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to BCISD on January 21, 2019 the Company plans to invest \$270.4 million to construct a renewable energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The IP Juno project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, BCISD may offer a minimum value limitation of \$30 million. This value limitation, under the proposed application, will begin in the 2022-23 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report, incorporating the major legislative changes adopted in 2017. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to BCISD	\$2.0 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$10.5 million

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. At the time the application is determined complete—typically 4-6 weeks after receipt—the Comptroller will deliver a Completeness Letter to the company and the school district.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of the project and provide its certificate for a limitation on appraised value. After the certificate

is received, the district has until the 150th day from the receipt of the Completeness Letter to adopt an agreement.

After the Comptroller's certificate is received, O'Hanlon, Demerath & Castillo will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

Prior to final board meeting, O'Hanlon, Demerath & Castillo will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. The school board will be asked to consider the adoption of a job waiver during this meeting.

How the 313 Agreement Interacts with Texas School Finance

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). (For more detailed information on the school finance funding system, please review the Texas Education Agency's website ([Manuals and Presentations](#)) or ([School Finance-One Page Descriptions](#)).

Because the general school finance formula system calculates state aid entitlements using the Comptroller's certified property value for the preceding year, the first year is often problematic financially. The implementation of the value limitation often results in an M&O revenue loss to the school district in the first year of the limitation that would not be reimbursed by the state but require some type of compensation from the Company under the revenue protection provisions of the agreement. **If the full value of the project increases significantly during the value limitation period, the revenue losses may be greater than originally estimated.**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment remained at \$5,140 and the Tier II Austin yield increased to \$106.28 for 2018-19, which is maintained for future years.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used. The impact of the Chapter 313 project value returning to the total tax roll for M&O funding purposes is beyond the scope of this revenue report.

ADA: 221
 Local Tax Base: \$526.1 million
 M&O Tax Rate: \$1.04 per \$100
 I&S Tax Rate: \$0.28 per \$100
 Wealth per WADA: \$992,175

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

Table 1 – Base District Information with IP Juno Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
QTP0	2019-20	221.09	417.65	\$1.0400	\$0.2800	\$557,931,920	\$557,931,920	\$368,582,490	\$368,582,490	\$882,524	\$882,524
QTP1	2020-21	221.09	417.65	\$1.0400	\$0.2800	\$586,716,351	\$586,716,351	\$400,384,004	\$400,384,004	\$958,668	\$958,668
QTP2	2021-22	221.09	417.65	\$1.0400	\$0.2800	\$678,621,151	\$678,621,151	\$429,168,436	\$429,168,436	\$1,027,589	\$1,027,589
VL1	2022-23	221.09	417.65	\$1.0400	\$0.2800	\$857,116,551	\$616,716,351	\$521,073,236	\$521,073,236	\$1,247,643	\$1,247,643
VL2	2023-24	221.09	417.65	\$1.0400	\$0.2800	\$813,881,551	\$616,716,351	\$699,568,636	\$459,168,436	\$1,675,028	\$1,099,420
VL3	2024-25	221.09	417.65	\$1.0400	\$0.2800	\$789,560,551	\$616,716,351	\$656,333,636	\$459,168,436	\$1,571,507	\$1,099,420
VL4	2025-26	221.09	417.65	\$1.0400	\$0.2800	\$845,975,945	\$697,452,745	\$632,012,636	\$459,168,436	\$1,513,274	\$1,099,420
VL5	2026-27	221.09	417.65	\$1.0400	\$0.2800	\$814,646,749	\$690,444,449	\$688,428,030	\$539,904,830	\$1,648,353	\$1,292,733
VL6	2027-28	221.09	417.65	\$1.0400	\$0.2800	\$781,104,071	\$683,924,571	\$657,098,834	\$532,896,534	\$1,573,339	\$1,275,953
VL7	2028-29	221.09	417.65	\$1.0400	\$0.2800	\$756,783,271	\$683,924,571	\$623,556,156	\$526,376,656	\$1,493,026	\$1,260,342
VL8	2029-30	221.09	417.65	\$1.0400	\$0.2800	\$805,899,028	\$749,255,028	\$599,235,356	\$526,376,656	\$1,434,793	\$1,260,342
VL9	2030-31	221.09	417.65	\$1.0400	\$0.2800	\$792,968,400	\$744,433,100	\$648,351,112	\$591,707,112	\$1,552,394	\$1,416,767
VL10	2031-32	221.09	417.65	\$1.0400	\$0.2800	\$777,576,868	\$739,852,268	\$635,420,485	\$586,885,185	\$1,521,433	\$1,405,222
VP1	2032-33	221.09	417.65	\$1.0400	\$0.2800	\$759,712,378	\$759,712,378	\$620,028,953	\$582,304,353	\$1,484,580	\$1,394,253
VP2	2033-34	221.09	417.65	\$1.0400	\$0.2800	\$755,575,578	\$755,575,578	\$602,164,463	\$602,164,463	\$1,441,806	\$1,441,806
VP3	2034-35	221.09	417.65	\$1.0400	\$0.2800	\$751,645,587	\$751,645,587	\$598,027,663	\$598,027,663	\$1,431,901	\$1,431,901
VP4	2035-36	221.09	417.65	\$1.0400	\$0.2800	\$747,911,971	\$747,911,971	\$594,097,672	\$594,097,672	\$1,422,491	\$1,422,491
VP5	2036-37	221.09	417.65	\$1.0400	\$0.2800	\$744,364,911	\$744,364,911	\$590,364,056	\$590,364,056	\$1,413,551	\$1,413,551

*Basic Allotment: \$5,140; AISD Yield: \$106.28; Equalized Wealth: \$514,000 per WADA

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

M&O Impact of the IP Juno project on BCISD

A model is established to make a calculation of the “Baseline Revenue Model” (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the “Value Limitation Revenue Model” (Table 3) by adding the project’s limited value of \$30 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$2.0 million over the course of the Agreement, with all the loss reflected in the first limitation year (2022-23). Nearly all reduction in M&O taxes under the limitation agreement is offset through a reduction in recapture costs owed to the state under current law.

Table 2- "Baseline Revenue Model" --Project Value Added with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2019-20	\$4,988,307	\$67,917		\$0	\$305,407	\$62,417	\$0	\$0	\$10,500	\$5,434,548
QTP1	2020-21	\$5,264,753	\$101,840		\$0	\$322,332	\$35,010	\$0	\$0	\$10,500	\$5,734,435
QTP2	2021-22	\$6,147,407	\$67,917		-\$185,972	\$376,372	\$12,897	\$0	\$0	\$10,500	\$6,429,121
VL1	2022-23	\$7,861,677	\$101,840		-\$1,585,454	\$481,327	\$0	\$0	\$0	\$10,500	\$6,869,890
VL2	2023-24	\$7,446,448	\$67,917		-\$2,926,758	\$455,905	\$0	\$0	\$0	\$10,500	\$5,054,012
VL3	2024-25	\$7,212,869	\$101,840		-\$2,597,968	\$441,604	\$0	\$0	\$0	\$10,500	\$5,168,845
VL4	2025-26	\$7,754,682	\$67,917		-\$2,569,501	\$474,776	\$0	\$0	\$0	\$10,500	\$5,738,374
VL5	2026-27	\$7,453,797	\$101,840		-\$2,901,420	\$456,355	\$0	\$0	\$0	\$10,500	\$5,121,071
VL6	2027-28	\$7,131,653	\$67,917		-\$2,530,810	\$436,632	\$0	\$0	\$0	\$10,500	\$5,115,892
VL7	2028-29	\$6,898,076	\$101,840		-\$2,257,993	\$422,331	\$0	\$0	\$0	\$10,500	\$5,174,754
VL8	2029-30	\$7,369,784	\$67,917		-\$2,177,823	\$451,211	\$0	\$0	\$0	\$10,500	\$5,721,589
VL9	2030-31	\$7,245,598	\$101,840		-\$2,555,434	\$443,608	\$0	\$0	\$0	\$10,500	\$5,246,112
VL10	2031-32	\$7,097,778	\$67,917		-\$2,368,494	\$434,558	\$0	\$0	\$0	\$10,500	\$5,242,258
VP1	2032-33	\$6,926,207	\$101,840		-\$2,242,141	\$424,053	\$0	\$0	\$0	\$10,500	\$5,220,459
VP2	2033-34	\$6,886,477	\$67,917		-\$2,052,002	\$421,621	\$0	\$0	\$0	\$10,500	\$5,334,512
VP3	2034-35	\$6,848,734	\$101,840		-\$2,052,495	\$419,310	\$0	\$0	\$0	\$10,500	\$5,327,888
VP4	2035-36	\$6,812,876	\$67,917		-\$1,966,723	\$417,115	\$0	\$0	\$0	\$10,500	\$5,341,685
VP5	2036-37	\$6,778,810	\$101,840		-\$1,971,437	\$415,029	\$0	\$0	\$0	\$10,500	\$5,334,742

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 3- "Value Limitation Revenue Model" --Project Value Added with Value Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2019-20	\$4,988,307	\$67,917		\$0	\$305,407	\$62,417	\$0	\$0	\$10,500	\$5,434,548
QTP1	2020-21	\$5,264,753	\$101,840		\$0	\$322,332	\$35,010	\$0	\$0	\$10,500	\$5,734,435
QTP2	2021-22	\$6,147,407	\$67,917		-\$185,972	\$376,372	\$12,897	\$0	\$0	\$10,500	\$6,429,121
VL1	2022-23	\$5,552,873	\$101,840		-\$1,098,426	\$339,972	\$0	\$0	\$0	\$10,500	\$4,906,758
VL2	2023-24	\$5,552,873	\$67,917		-\$491,782	\$339,972	\$0	\$0	\$0	\$10,500	\$5,479,480
VL3	2024-25	\$5,552,873	\$101,840		-\$535,824	\$339,972	\$0	\$0	\$0	\$10,500	\$5,469,361
VL4	2025-26	\$6,328,265	\$67,917		-\$562,431	\$387,445	\$0	\$0	\$0	\$10,500	\$6,231,695
VL5	2026-27	\$6,260,958	\$101,840		-\$1,416,128	\$383,324	\$0	\$0	\$0	\$10,500	\$5,340,494
VL6	2027-28	\$6,198,341	\$67,917		-\$1,295,789	\$379,490	\$0	\$0	\$0	\$10,500	\$5,360,458
VL7	2028-29	\$6,198,341	\$101,840		-\$1,282,712	\$379,490	\$0	\$0	\$0	\$10,500	\$5,407,459
VL8	2029-30	\$6,825,775	\$67,917		-\$1,370,024	\$417,905	\$0	\$0	\$0	\$10,500	\$5,952,073
VL9	2030-31	\$6,779,465	\$101,840		-\$1,982,124	\$415,069	\$0	\$0	\$0	\$10,500	\$5,324,750
VL10	2031-32	\$6,735,470	\$67,917		-\$1,886,807	\$412,376	\$0	\$0	\$0	\$10,500	\$5,339,456
VP1	2032-33	\$6,926,207	\$101,840		-\$1,950,817	\$424,053	\$0	\$0	\$0	\$10,500	\$5,511,782
VP2	2033-34	\$6,886,477	\$67,917		-\$2,052,002	\$421,621	\$0	\$0	\$0	\$10,500	\$5,334,512
VP3	2034-35	\$6,848,734	\$101,840		-\$2,052,495	\$419,310	\$0	\$0	\$0	\$10,500	\$5,327,888
VP4	2035-36	\$6,812,876	\$67,917		-\$1,966,723	\$417,115	\$0	\$0	\$0	\$10,500	\$5,341,685
VP5	2036-37	\$6,778,810	\$101,840		-\$1,971,437	\$415,029	\$0	\$0	\$0	\$10,500	\$5,334,742

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2019-20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1	2020-21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2	2021-22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VL1	2022-23	-\$2,308,804	\$0	\$487,027	-\$141,355	\$0	\$0	\$0	\$0	-\$1,963,132
VL2	2023-24	-\$1,893,575	\$0	\$2,434,976	-\$115,933	\$0	\$0	\$0	\$0	\$425,468
VL3	2024-25	-\$1,659,996	\$0	\$2,062,144	-\$101,632	\$0	\$0	\$0	\$0	\$300,516
VL4	2025-26	-\$1,426,417	\$0	\$2,007,069	-\$87,331	\$0	\$0	\$0	\$0	\$493,321
VL5	2026-27	-\$1,192,839	\$0	\$1,485,292	-\$73,031	\$0	\$0	\$0	\$0	\$219,422
VL6	2027-28	-\$933,312	\$0	\$1,235,020	-\$57,142	\$0	\$0	\$0	\$0	\$244,566
VL7	2028-29	-\$699,735	\$0	\$975,281	-\$42,841	\$0	\$0	\$0	\$0	\$232,705
VL8	2029-30	-\$544,009	\$0	\$807,799	-\$33,306	\$0	\$0	\$0	\$0	\$230,484
VL9	2030-31	-\$466,133	\$0	\$573,310	-\$28,539	\$0	\$0	\$0	\$0	\$78,638
VL10	2031-32	-\$362,308	\$0	\$481,687	-\$22,182	\$0	\$0	\$0	\$0	\$97,197
VP1	2032-33	\$0	\$0	\$291,323	\$0	\$0	\$0	\$0	\$0	\$291,323
VP2	2033-34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2035-36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2036-37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$12.4 million over the life of the agreement. The BCISD revenue losses are expected to total approximately \$2.0 million over the course of the agreement. In total, the potential net tax benefits (after hold-harmless payments are made) are estimated to reach \$10.5 million, prior to any negotiations with IP Juno on supplemental payments.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with BCISD currently levying a \$0.28 per \$100 I&S tax rate. The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. Local taxpayers should benefit from the addition of the IP Juno project to the local I&S tax roll. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Table 5 - Estimated Financial Impact of the IP Juno Project Property Value Limitation Request Submitted to BCISD at \$1.04 per \$100 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	School District Revenue Losses	Estimated Net Tax Benefits
QTP0	2019-20	\$0	\$0	\$0	\$1.040	\$0	\$0	\$0	\$0	\$0
QTP1	2020-21	\$0	\$0	\$0	\$1.040	\$0	\$0	\$0	\$0	\$0
QTP2	2021-22	\$91,904,800	\$91,904,800	\$0	\$1.040	\$955,810	\$955,810	\$0	\$0	\$0
VL1	2022-23	\$270,400,200	\$30,000,000	\$240,400,200	\$1.040	\$2,812,162	\$312,000	\$2,500,162	-\$1,963,132	\$537,030
VL2	2023-24	\$227,165,200	\$30,000,000	\$197,165,200	\$1.040	\$2,362,518	\$312,000	\$2,050,518	\$0	\$2,050,518
VL3	2024-25	\$202,844,200	\$30,000,000	\$172,844,200	\$1.040	\$2,109,580	\$312,000	\$1,797,580	\$0	\$1,797,580
VL4	2025-26	\$178,523,200	\$30,000,000	\$148,523,200	\$1.040	\$1,856,641	\$312,000	\$1,544,641	\$0	\$1,544,641
VL5	2026-27	\$154,202,300	\$30,000,000	\$124,202,300	\$1.040	\$1,603,704	\$312,000	\$1,291,704	\$0	\$1,291,704
VL6	2027-28	\$127,179,500	\$30,000,000	\$97,179,500	\$1.040	\$1,322,667	\$312,000	\$1,010,667	\$0	\$1,010,667
VL7	2028-29	\$102,858,700	\$30,000,000	\$72,858,700	\$1.040	\$1,069,730	\$312,000	\$757,730	\$0	\$757,730
VL8	2029-30	\$86,644,000	\$30,000,000	\$56,644,000	\$1.040	\$901,098	\$312,000	\$589,098	\$0	\$589,098
VL9	2030-31	\$78,535,300	\$30,000,000	\$48,535,300	\$1.040	\$816,767	\$312,000	\$504,767	\$0	\$504,767
VL10	2031-32	\$67,724,600	\$30,000,000	\$37,724,600	\$1.040	\$704,336	\$312,000	\$392,336	\$0	\$392,336
VP1	2032-33	\$54,211,900	\$54,211,900	\$0	\$1.040	\$563,804	\$563,804	\$0	\$0	\$0
VP2	2033-34	\$54,209,300	\$54,209,300	\$0	\$1.040	\$563,777	\$563,777	\$0	\$0	\$0
VP3	2034-35	\$54,206,800	\$54,206,800	\$0	\$1.040	\$563,751	\$563,751	\$0	\$0	\$0
VP4	2035-36	\$54,204,300	\$54,204,300	\$0	\$1.040	\$563,725	\$563,725	\$0	\$0	\$0
VP5	2036-37	\$54,201,800	\$54,201,800	\$0	\$1.040	\$563,699	\$563,699	\$0	\$0	\$0
						\$19,333,767	\$6,894,565	\$12,439,203	-\$1,963,132	\$10,476,071

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.

Attachment E

Taxable Value of Property

Taxes

Property Tax Assistance

2017 ISD Summary Worksheet
017/Borden
017-901/Borden County ISD

Category	Local Tax Roll Value	2017 WTD Mean Ratio	2017 PTAD Value Estimate	2017 Value Assigned
A. Single-Family Residences	1,624,990	N/A	1,624,990	1,624,990
B. Multi-Family Residences	0	N/A	0	0
C1. Vacant Lots	454,380	N/A	454,380	454,380
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real (Taxable)	15,230,310	.7849	19,403,216	15,230,310
D2. Real Prop Farm & Ranch	1,572,360	N/A	1,572,360	1,572,360
E. Real Prop NonQual Acres	7,027,110	N/A	7,027,110	7,027,110
F1. Commercial Real	1,045,870	N/A	1,045,870	1,045,870
F2. Industrial Real	253,726,590	N/A	253,726,590	253,726,590
G. Oil, Gas, Minerals	149,336,030	.9980	149,635,301	149,336,030
J. Utilities	147,253,820	.9031	163,053,726	147,253,820
L 1. Commercial Personal	1,381,440	N/A	1,381,440	1,381,440
L2. Industrial Personal	14,255,130	N/A	14,255,130	14,255,130
M. Other Personal	50,480	N/A	50,480	50,480
N. Intangible Personal Prop	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0

S. Special Inventory	0	N/A	0	0
Subtotal	592,958,510		613,230,593	592,958,510
Less Total Deductions	189,695,062		189,695,062	189,695,062
Total Taxable Value	403,263,448		423,535,531	403,263,448 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M&O Purposes

T1	T2	T3	T4
403,692,028	403,263,448	403,454,823	403,026,243

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
428,580	237,205

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10
590,054,668	589,626,088	589,817,463	589,388,883

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

114/Howard

017-901/Borden County ISD

Category	Local Tax Roll Value	2017 WTD Mean Ratio	2017 PTAD Value Estimate	2017 Value Assigned
A. Single-Family Residences	515,800	N/A	515,800	515,800
B. Multi-Family Residences	2,536	N/A	2,536	2,536
C1. Vacant Lots	16,950	N/A	16,950	16,950
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real (Taxable)	929,477	N/A	929,477	929,477
D2. Real Prop Farm & Ranch	4,144	N/A	4,144	4,144
E. Real Prop NonQual Acres	581,807	N/A	581,807	581,807
F1. Commercial Real	308,392	N/A	308,392	308,392
F2. Industrial Real	0	N/A	0	0
G. Oil, Gas, Minerals	4,143,939	N/A	4,143,939	4,143,939
J. Utilities	4,899,080	N/A	4,899,080	4,899,080
L 1. Commercial Personal	24,237	N/A	24,237	24,237

L2. Industrial Personal	201,940	N/A	201,940	201,940
M. Other Personal	13,943	N/A	13,943	13,943
N. Intangible Personal Prop	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	11,642,245		11,642,245	11,642,245
Less Total Deductions	249,529		249,529	249,529
Total Taxable Value	11,392,716		11,392,716	11,392,716 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M&O Purposes

T1	T2	T3	T4
11,451,146	11,392,716	11,410,244	11,351,814

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
58,430	40,902

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10
11,451,146	11,392,716	11,410,244	11,351,814

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

017-901/Borden County ISD

Category	Local Tax Roll Value	2017 WTD Mean Ratio	2017 PTAD Value Estimate	2017 Value Assigned
A. Single-Family Residences	2,140,790	N/A	2,140,790	2,140,790
B. Multi-Family Residences	2,536	N/A	2,536	2,536
C1. Vacant Lots	471,330	N/A	471,330	471,330
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real (Taxable)	16,159,787	.7948	20,332,693	16,159,787
D2. Real Prop Farm & Ranch	1,576,504	N/A	1,576,504	1,576,504
E. Real Prop NonQual Acres	7,608,917	N/A	7,608,917	7,608,917
F1. Commercial Real	1,354,262	N/A	1,354,262	1,354,262

F2. Industrial Real	253,726,590	N/A	253,726,590	253,726,590
G. Oil, Gas, Minerals	153,479,969	.9981	153,779,240	153,479,969
J. Utilities	152,152,900	.9059	167,952,806	152,152,900
L 1. Commercial Personal	1,405,677	N/A	1,405,677	1,405,677
L2. Industrial Personal	14,457,070	N/A	14,457,070	14,457,070
M. Other Personal	64,423	N/A	64,423	64,423
N. Intangible Personal Prop	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	604,600,755		624,872,838	604,600,755
Less Total Deductions	189,944,591		189,944,591	189,944,591
Total Taxable Value	414,656,164		434,928,247	414,656,164 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Comptroller Of Public Accounts - Property Tax Division

2017 ISD Summary Worksheet

017-901/Borden County ISD

Final Values Worksheet

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M&O Purposes

T1	T2	T3	T4
415,143,174	414,656,164	414,865,067	414,378,057

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
487,010	278,107

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10
601,505,814	601,018,804	601,227,707	600,740,697

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

Attachment F

TEA's Facilities Value

Attachment G

Participation Agreement