

**ON THE APPLICATION
FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY
FINDINGS UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT
TEXAS TAX CODE, CHAPTER 313 *et seq.***

BLUE VALLEY SOLAR, LLC
Comptroller Application # 2027

**BOARD OF TRUSTEES
COMSTOCK INDEPENDENT SCHOOL DISTRICT**

**SPECIAL MEETING
December 19, 2022**

State of Texas §
County of Val Verde §

FINDINGS UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT

PREAMBLE

WHEREAS, at a duly called meeting on the 19th of December, 2022, the Board of Trustees of the Comstock Independent School District (“Board”) considered the Application and proposed Agreement for a Limitation on Appraised Value on Qualified Property from Blue Valley Solar, LLC (“Application,” “Agreement,” and “Applicant,” respectively) pursuant to Texas Economic Development Act, Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Part 1, Chapter 9, Subchapter F;

WHEREAS, the Board acknowledges the following facts:

1. On May 25, 2022, the Comstock Independent School District (“District”) received an application for appraised value limitation on qualified property (“Application”) on the form prescribed by the Comptroller from Applicant pursuant to Chapter 313 of the Texas Tax Code - **Exhibit A**;
2. On May 25, 2022, the Board acknowledged receipt of the Application and application fee and acted to consider the Application pursuant to Texas Tax Code Section 313.025(a)(1) – **Exhibit B**;
3. On May 27, 2022, the District submitted the Application to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to Texas Tax Code Section 313.025(b) – **Exhibit C**;
4. In response to requests from the Comptroller, the Applicant and District submitted Amendment 1 on August 2, 2022 and Supplement 1 on September 9, 2022 – **Exhibit D**;
5. On August 25, 2022, the Comptroller issued a “completeness” letter acknowledging that the Applicant had submitted a complete application for a limitation on appraised value under the provisions of Tax Code Chapter 313 – **Exhibit E**;
6. On August 29, 2022, the District received an independent financial impact report from its financial advisor showing the estimated economic impact of the proposed tax value limitation – **Exhibit F**;
7. On November 10, 2022, the Comptroller issued a Certification for Limitation on Appraised Value letter including an economic impact evaluation pursuant to Texas Tax Code Section 313.025(b) – **Exhibit G**;

8. The District and Applicant negotiated the specific language of the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (“Agreement”), including appropriate supplemental pay of up to the maximum amount permitted by law per year to be paid between 2026-2041 and totaling \$750,000.00 over the life the Agreement and revenue protections pursuant to Chapter 313 of the Texas Tax Code;
9. The Agreement was reviewed and revised by the parties as requested by the Comptroller and subsequently approved via correspondence from the Comptroller dated December 13, 2022 – **Exhibit H**;
10. The Applicant is a corporation in good standing with the State of Texas as noted in its Franchise Tax Account Status – **Exhibit I**.

FINDINGS

WHEREAS, after hearing from interested parties and considering the criteria listed in Section 313.025, Texas Tax Code, and 34, Texas Administrative Code §9.1054, the Board makes the following findings:

1. As required by law, the Application and Agreement have been approved by the Comptroller of Public Accounts for acceptance by the parties, at their discretion;
2. There is a strong and positive relationship between the Applicant’s industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plans of the State;
3. Applicant has represented in the Application that it could locate or relocate the Project to another state or another region of this state;
4. The Project will result in revenue gains by the District and that the economic effects on the local and regional tax base are that the tax base will increase as a result of the Project and additional employment;
5. The parties do not anticipate that the Project will have an impact on enrollment from families relocating to the District during the construction phase, but that any impact during the operation phase can be absorbed by current facilities;
6. The projected market value of the qualified property of the Applicant as determined by the Comptroller is \$170,750,000;
7. The proposed limitation on appraised value for the qualified property of the Applicant is \$20,000,000;
8. The total projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for all years covered by the Agreement, if the

property does not receive a limitation on appraised value is \$7,801,454 as shown on **Exhibit G**, Attachment A, Table 1;


9. The projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for all years covered by the Agreement, if the property receives a limitation on appraised value is \$3,390,460 as shown on **Exhibit G**, Attachment A, Table 1;
10. The total amount of taxes projected to be lost or gained by the District over the life of the Agreement computed by subtracting the projected taxes if the property receives a tax limitation from the projected taxes if the property does not receive a tax limitation is \$4,410,994 as shown on **Exhibit G**, Attachment A, Table 1;
11. The Applicant is eligible for the limitation on the appraised value of the Applicant's qualified property;
12. Applicant's qualified property is eligible for a limitation on appraised value under Texas Tax Code § 313.024 as a renewable energy electric generation project;
13. The Project proposed by the Applicant 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;
14. The limitation of appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in this state;
15. 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 and is therefore waived;
16. Applicant will create one (1) new qualifying job, and Applicant has confirmed that such job will meet all of the requirements of Texas Tax Code § 313.021(3);
17. The Project will be located within the Blue Valley Solar, LLC Reinvestment Zone, which was created by the Comstock Independent School District on December 13, 2022 as evidenced by **Exhibit J**;
18. Upon information and belief, the information in the Application submitted by Applicant is true and correct;
19. The proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), meets all of the requirements set out in Texas Tax Code § 313.027, including adequate and appropriate revenue protection provisions for the District;

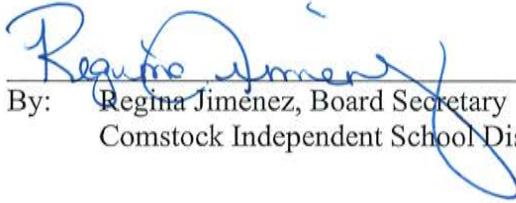
20. The proposed Agreement is in the form adopted by the Comptroller as of October of 2020, and the Comptroller has verified that the agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Chapter 9, Subchapter F;
21. Considering the purpose and effect of the law and the terms of the Agreement, granting the Application and entering the Agreement are in the best interest of the District and the State;
22. The Applicant, Blue Valley Solar, LLC (Texas Taxpayer ID # 32083582513) is an entity subject to Chapter 171, Texas Tax Code and is certified to be in good standing with the Texas Comptroller of Public Accounts. A copy of the Comptroller's Franchise Tax Account Status is attached as **Exhibit I**;
23. There are no conflicts of interest on the Board of Trustees at the time of its consideration of the Agreement; and
24. The posting of notice and conduct of the meeting at which these Findings under the Texas Economic Development Act complies with the Texas Open Meeting Act, Section 551.001 *et seq.*

IT IS THEREFORE DETERMINED THAT:

1. The Findings and the recitals in the Preamble are adopted and approved by the Board of Trustees;
2. The Application of Blue Valley Solar, LLC (No. 2027) for a limitation on the appraised value for school district maintenance and operations ad valorem tax purposes of qualified property is approved;
3. The Board President and Secretary are authorized and designated to sign the Agreement for a limitation on the appraised value for school district maintenance and operations ad valorem taxes on behalf of the District and take any other action necessary to implement the Board's decision; and
4. These Findings and Exhibits shall 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 19th day of December, 2022.


By: Bill Zuberhueler, Board President
Comstock Independent School District


By: Regina Jimenez, Board Secretary
Comstock Independent School District

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT A

Original Application Form for Appraised Value Limitation on Qualified Property

TAB 1

**Pages of the application including the signature and certification page, signed and dated by
Authorized School District Representative and Authorized Company Representative.
Sections 1 – 16**

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 Texas 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 completed application to the Comptroller, separating each section of the documents. 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, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential 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's 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 and issue a certificate for a limitation on appraised value to the school board regarding the application 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 by the Comptroller), 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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number *(optional)*

Email Address

4. On what date did the district determine this application complete?

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

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.

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

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)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

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 the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

- 1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

Payment Amount

Transaction Type

Payor

Payee

Date transaction was processed

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?
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits)
3. Parent Company Name
4. Parent Company Tax ID
5. NAICS code
6. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☐ No
- 6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant *(corporation, limited liability corporation, etc)*
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 the most recently submitted 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.

SECTION 5: Applicant Business Structure *(continued)*

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

2c. Reporting Entity Taxpayer Number

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

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

*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- | | |
|---|--|
| <input type="checkbox"/> Land has no existing improvements | <input type="checkbox"/> Land has existing improvements <i>(complete Section 13)</i> |
| <input type="checkbox"/> Expansion of existing operation on the land <i>(complete Section 13)</i> | <input type="checkbox"/> Relocation within Texas |

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☐ Yes ☐ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ☐ Yes ☐ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☐ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ☐ Yes ☐ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☐ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☐ Yes ☐ No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ☐ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☐ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☐ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☐ Yes ☐ No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

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

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

SECTION 10: The Property

1. County or counties in which the proposed project will be located _____
2. Central Appraisal District (CAD) that will be responsible for appraising the property _____
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☐ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
- | | |
|---|--|
| M&O (ISD): _____
(Name, tax rate and percent of project) | I&S (ISD): _____
(Name, tax rate and percent of project) |
| County: _____
(Name, tax rate and percent of project) | City: _____
(Name, tax rate and percent of project) |
| Hospital District: _____
(Name, tax rate and percent of project) | Water District: _____
(Name, tax rate and percent of project) |
| Other (describe): _____
(Name, tax rate and percent of project) | Other (describe): _____
(Name, tax rate and percent of project) |

SECTION 10: The Property (continued)

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: _____
(Incentive type, percentage, start and end year)City: _____
(Incentive type, percentage, start and end year)Hospital District: _____
(Incentive type, percentage, start and end year)Water District: _____
(Incentive type, percentage, start and end year)Other (describe): _____
(Incentive type, percentage, start and end year)Other (describe): _____
(Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1?
- ☐
- Yes
- ☐
- No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.**SECTION 11: Texas Tax Code 313.021(1) Qualified 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? _____

2. What is the amount of appraised value limitation for which you are applying? _____

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 specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
- 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
- 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: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] 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**);
- a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
- Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? ☐ Yes ☐ No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

SECTION 12: Texas Tax Code 313.021(2) Qualified Property (continued)

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 an 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? _____

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 within the project boundary**. 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 within the project boundary 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 (statement 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 within the project boundary in response to statements 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 within the project boundary (that property described in response to statement 1): \$ _____
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 statement 2): \$ _____

Note: Investment for the property listed in statement 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.

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create?
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14))
3. 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
 - 3a. If yes, attach evidence of industry standard 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.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission 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 available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
 - average weekly wage for all jobs (all industries) in the county is
 - b. Qualifying job wage minimum option §313.021(5)(A)
 - 110% of the average weekly wage for manufacturing jobs in the county is
 - c. Qualifying job wage minimum option §313.021(5)(B)
 - 110% of the average weekly wage for manufacturing jobs in the region is
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property?
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☐ Yes ☐ No
9. 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
 - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, and C 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 an entity 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 attached page, a copy of the check for the \$75,000 application fee paid to Comstock ISD.

CHECK 71026850

VOUCHER NUMBER	INVOICE NUMBER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
	CR05232022	05/20/22	75,000.00	0.00	75,000.00
		Total:	75,000.00	0.00	75,000.00

THE BACK OF CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW.

Black & Veatch Holding Company

11401 Lamar
Overland Park, KS 66211

Commerce Bank
Kansas City

$$\frac{36,1870}{1012}$$

71026850

VOID 6 MONTHS AFTER DATE OF CHECK

CHECK AMOUNT

\$*****75,000.00

PAY Seventy-Five Thousand Dollars And 00 Cents*****

TO THE ORDER OF COMSTOCK INDEPENDENT SCHOOL DISTRICT
PO BOX 905
COMSTOCK, TX 78837

AUTHORIZED SIGNATURE _____

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER.

11007102685011 1:1012187041 43000024511

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)**

Texas Franchise Tax Affiliate Schedule Form 05-166 is provided for Black & Veatch Corporation & Affiliates for 2021. Blue Valley Solar, LLC was formed March 9, 2022 and will be reflected on the 2023 Texas Franchise Tax Affiliate Schedule Form 05-166.

5/19/22, 10:35 AM


Franchise Search Results



Franchise Tax Account Status

As of : 05/19/2022 10:35:45

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

BLUE VALLEY SOLAR, LLC	
Texas Taxpayer Number	32083582513
Mailing Address	11401 LAMAR AVE C/O DIODE VENTURES) OVERLAND PARK, KS 66211-1508
 Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	03/09/2022
Texas SOS File Number	0804466753
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST. SUITE 900 DALLAS, TX 75201

Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

14318330736

2021

Black & Veatch Corporation & Affiliates

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

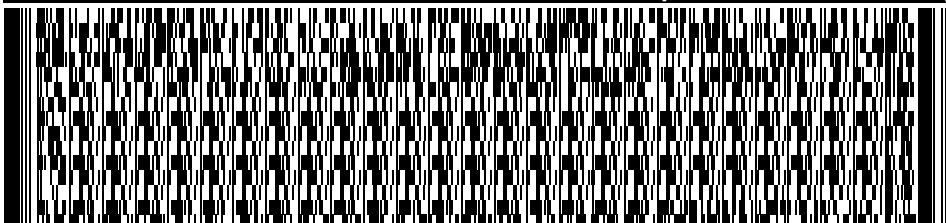
1. Legal name of affiliate Black & Veatch Corporation		2. Affiliate taxpayer number (if none, use FEI number) 14318330736		3. Affiliate NAICS code 541330	
4. Blacken box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Blacken box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 010420		7. Affiliate reporting end date m m d d y y 010121	
8. Gross receipts subject to throwback in other states (before eliminations) 0 .00		9. Gross receipts everywhere (before eliminations) 945332169 .00			
10. Gross receipts in Texas (before eliminations) 68320364 .00		11. Cost of goods sold or compensation (before eliminations) 756736309 .00			

1. Legal name of affiliate BVH, Inc.		2. Affiliate taxpayer number (if none, use FEI number) 471888435		3. Affiliate NAICS code 551112	
4. Blacken box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Blacken box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 010420		7. Affiliate reporting end date m m d d y y 010121	
8. Gross receipts subject to throwback in other states (before eliminations) 0 .00		9. Gross receipts everywhere (before eliminations) 0 .00			
10. Gross receipts in Texas (before eliminations) 0 .00		11. Cost of goods sold or compensation (before eliminations) 0 .00			

1. Legal name of affiliate Black & Veatch Holding Company		2. Affiliate taxpayer number (if none, use FEI number) 431603954		3. Affiliate NAICS code 551112	
4. Blacken box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Blacken box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 010420		7. Affiliate reporting end date m m d d y y 010121	
8. Gross receipts subject to throwback in other states (before eliminations) 0 .00		9. Gross receipts everywhere (before eliminations) 38262684 .00			
10. Gross receipts in Texas (before eliminations) 0 .00		11. Cost of goods sold or compensation (before eliminations) 0 .00			

The reporting entity of a combined group with a temporary credit for business loss carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
-------	--------------------------	----	--------------------------



7002

TAB 4

Detailed Description of the Project

The Blue Valley Solar Project ("Project") is a proposed solar powered electric generating facility to be located on private land entirely in Comstock ISD on approximately 1,500 acres in Val Verde County, Texas. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The installed capacity of the proposed project is expected to be approximately 150 megawatts (MWac). Solar equipment selection is ongoing at this time and has not been finalized. The exact number of PV panels and their capacity will vary depending upon the panels and the inverters selected, manufacturer's availability and prices, ongoing engineering design optimization, and the final megawatt generating capacity of the Project when completed.

Construction of the Project is expected to commence in the first quarter of 2027 and is anticipated to be complete in the fourth quarter of 2027.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to temporarily store electricity generated by the Project for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 5

Documentation to assist in determining if limitation is a determining factor

Blue Valley Solar, LLC has entered into lease agreements with certain landowners. These leases include an option period (or feasibility period) whereby Blue Valley Solar, LLC can terminate the lease agreements, at its discretion, without commencing construction of the project.

The Project applied to ERCOT and was assigned GINR# 23INR0352 on November 4, 2021.

Blue Valley Solar, LLC, the applicant, is 100% owned by Diode Ventures, LLC (“Diode”). Diode is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe, Asia and North America. Diode’s leadership has a proven track record of identifying, developing and managing power generation and related infrastructure projects.

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

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement (“PPA”). Therefore, Diode would be unable to finance and build the Project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, Diode would be forced to halt development of the Project and invest in other projects in other states, where the rate of return is higher. Diode is developing solar projects in, Virginia, Texas, Nevada, and Indiana. Blue Valley Solar, LLC will submit a Chapter 312 application to Val Verde County as just part of the economic incentives package needed to make the Project economically viable and move forward as proposed in this application.

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)

Not Applicable

TAB 7

Description of Qualified Investment

Blue Valley Solar, LLC plans to construct an approximately 150 MWac solar powered electric generating facility in Val Verde County. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The facility may include eligible ancillary and necessary equipment, including the following improvements:

- Collection systems
- Transmission lines
- Electrical interconnections
- Control systems necessary for commercial generation of electricity
- Solar panels
- Foundations
- Racking and mounting structures
- Battery or battery system
- Inverters
- Transformers
- Supervisory control and data acquisition (SCADA)
- Combiner boxes
- Meteorological equipment
- Maintenance and operations building
- Fencing and roads
- Electrical substations
- Generation transmission tie line and associated towers, and interconnection facilities

All of the improvements included in the Qualified Investment will be new and will be made within the Project Boundary depicted in TAB 11.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to temporarily store electricity generated by the Project for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 8

Description of Qualified Property

Blue Valley Solar, LLC plans to construct an approximately 150 MWac solar powered electric generating facility in Val Verde County. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The facility may include eligible ancillary and necessary equipment, including the following improvements:

- Collection systems
- Transmission lines
- Electrical interconnections
- Control systems necessary for commercial generation of electricity
- Solar panels
- Foundations
- Racking and mounting structures
- Battery or battery system
- Inverters
- Transformers
- Supervisory control and data acquisition (SCADA)
- Combiner boxes
- Meteorological equipment
- Maintenance and operations building
- Fencing and roads
- Electrical substations
- Generation transmission tie line and associated towers, and interconnection facilities

All of the improvements included in the Qualified Investment will be new and will be made within the Project Boundary depicted in TAB 11.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to temporarily store electricity generated by the Project for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 9

Description of Land

Not Applicable

TAB 10

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

Not Applicable

TAB 11

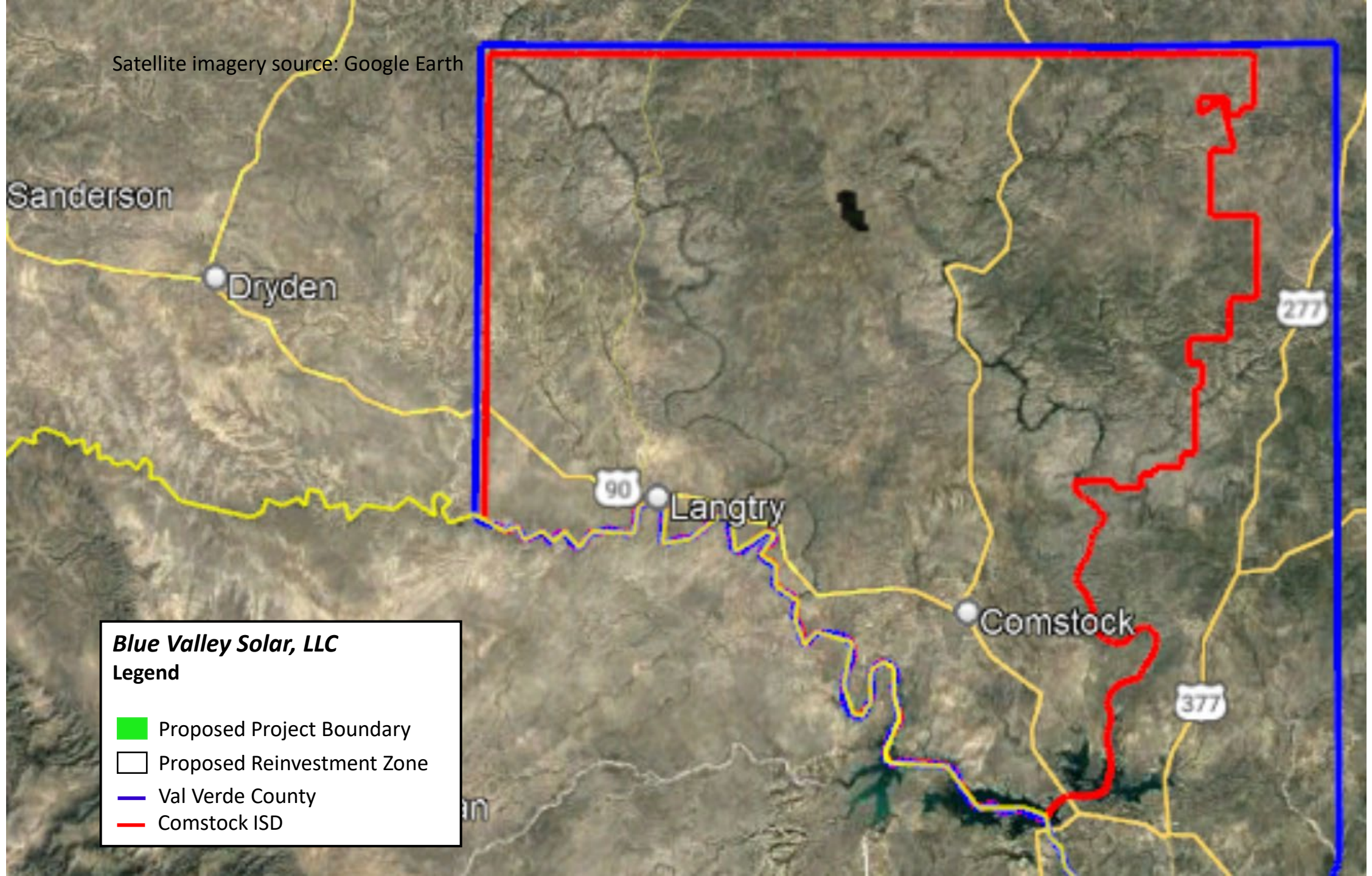
Maps

Maps that clearly show:

- a) Project boundary and project vicinity, including county and school district boundaries
- 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 building or new improvements
- d) Any existing property within the project area
- e) Any facilities owned or operated by the applicant having interconnections to the proposed project
- f) Location of project, and related nearby projects within vicinity map
- g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size





Note: Maps should be high resolution files. Include map legends/markers.

Satellite imagery source: Google Earth

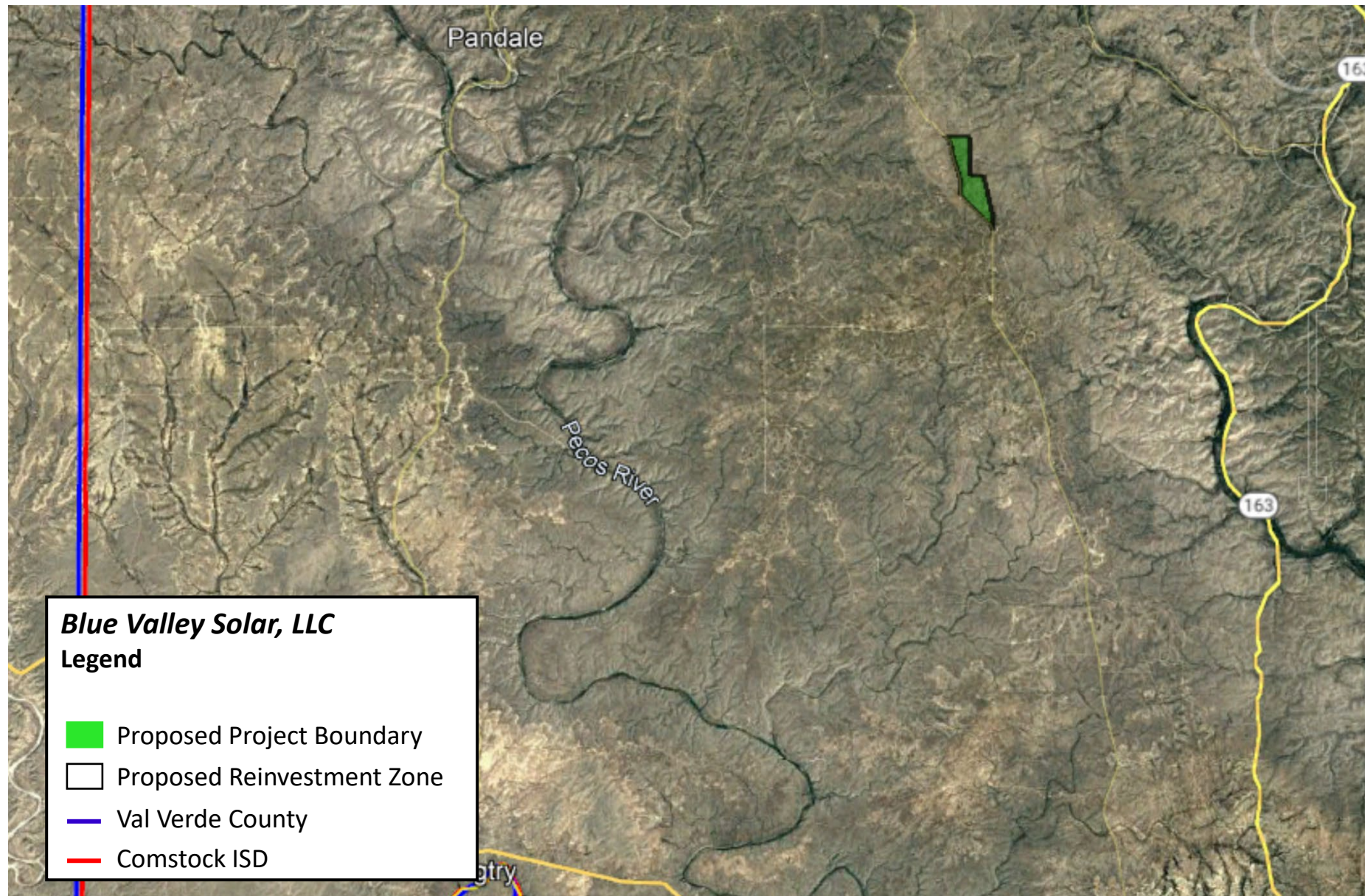


Blue Valley Solar, LLC

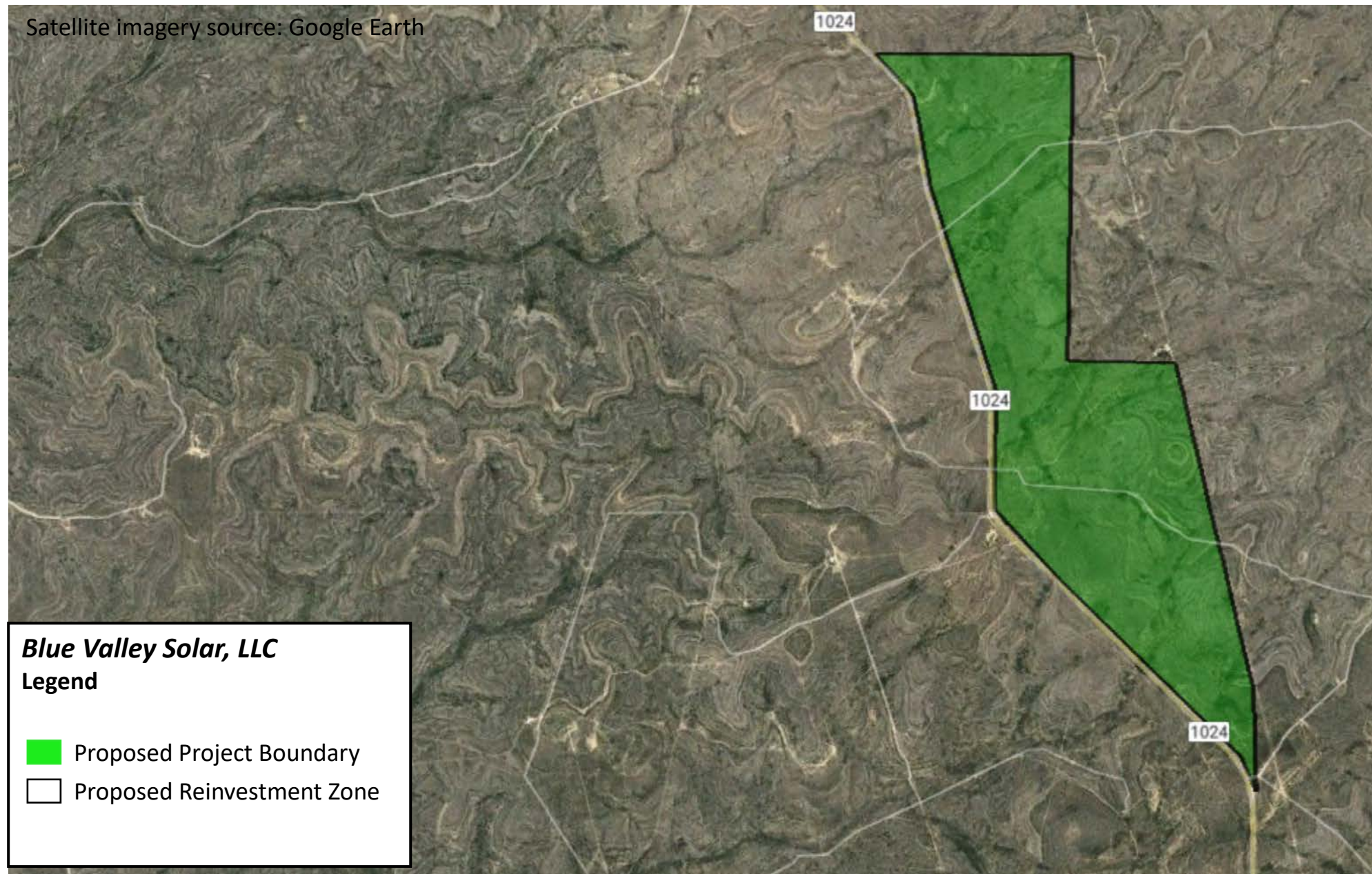
Legend

-  Proposed Project Boundary
-  Proposed Reinvestment Zone
-  Val Verde County
-  Comstock ISD

Satellite imagery source: Google Earth



Satellite imagery source: Google Earth



TAB 12

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

See Attached



DIODE VENTURES

11401 Lamar Avenue, Overland Park, KS 66211

Info@diodeventures.com

May 20, 2022

Mr. Orlie Wolfenbarger
Comstock Independent School District
101 Sanderson Street
Comstock, TX 78837

Re: Blue Valley Solar Project
Chapter 313 Application for Appraised Value Limitation
Job Creation Requirement Waiver Request

Dear Mr. Wolfenbarger,

Blue Valley Solar, LLC is submitting a Texas Tax Code, Chapter 313 application for appraised value limitation on qualified property with a request for a waiver of the jobs creation requirement. Pursuant to Section 313.025(f-1), the governing body of a school district may waive the new jobs creation requirement or approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

For this size of a utility scale solar project, it is expected that approximately 170 temporary construction jobs will be created over an estimated one-year construction period. During commissioning and operations, highly skilled technicians with specific training and experience will provide maintenance of the project components and operate the facility. The current industry standard for solar energy sites is one worker per 250 MW. One employee can operate more than one facility with support and technical assistance provided by the PV manufacturer. In line with these industry standards for solar project's job requirements, Blue Valley Solar, LLC has committed to create one qualified job.

Therefore, Blue Valley Solar, LLC is requesting that Comstock ISD Board of Trustees make a finding that the jobs creation requirement may be waived for this facility.

Sincerely,

DocuSigned by:

Derek Kremser

33810C1FF3D1415...

Derek Kremser
Project Manager
Diode Ventures, LLC
kremserd@diodeventures.com

TAB 13

Calculation of non-qualifying wage target and two possible wage requirements with TWC documentation

Average Weekly Wage for (All Jobs, All Industries)

County: Val Verde
Ownership: Total All
Industry: Total, All Industries

Year	Quarter	Average Weekly Wage
2021	1	734
2021	2	806
2021	3	784
2021	4	860
	Average	\$796.00

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	1	Val Verde	Total All	10	Total, All Industries	734
2021	2	Val Verde	Total All	10	Total, All Industries	806
2021	3	Val Verde	Total All	10	Total, All Industries	784
2021	4	Val Verde	Total All	10	Total, All Industries	860

110% of Average Weekly Wage for (Private, Manufacturing)

County: Val Verde
Ownership: Private
Industry: Manufacturing

Year	Quarter	Average Weekly Wage
2021	1	631
2021	2	696
2021	3	701
2021	4	874
	Average	\$725.50
	110% of Average	\$798.05
	110% of Annual Wages	\$41,498.60

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	1	Val Verde	Private	31-33	Manufacturing	631
2021	2	Val Verde	Private	31-33	Manufacturing	696
2021	3	Val Verde	Private	31-33	Manufacturing	701
2021	4	Val Verde	Private	31-33	Manufacturing	874

Quarterly Employment and Wages (QCEW)

110% of Average Weekly Wage for Manufacturing Jobs in Region

Region:	West Central Texas Council of Governments
Average Annual Wage:	\$47,809
110% of Average Annual Wage:	\$52,589.90
110% of Average Weekly Wage:	\$1,011.34

**2020 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$23.32	\$48,501
South Plains Association of Governments	2	\$20.42	\$42,473
NORTEX Regional Planning Commission	3	\$20.64	\$42,928
North Central Texas Council of Governments	4	\$32.34	\$67,261
Ark-Tex Council of Governments	5	\$21.30	\$44,299
East Texas Council of Governments	6	\$29.28	\$60,904
West Central Texas Council of Governments	7	\$21.54	\$44,797
Rio Grande Council of Governments	8	\$19.02	\$39,552
Permian Basin Regional Planning Commission	9	\$22.57	\$46,945
Concho Valley Council of Governments	10	\$27.28	\$56,739
Heart of Texas Council of Governments	11	\$23.41	\$48,696
Capital Area Council of Governments	12	\$29.96	\$62,326
Brazos Valley Council of Governments	13	\$18.41	\$38,286
Deep East Texas Council of Governments	14	\$21.07	\$43,829
South East Texas Regional Planning Commission	15	\$27.38	\$56,957
Houston-Galveston Area Council	16	\$29.83	\$62,050
Golden Crescent Regional Planning Commission	17	\$22.09	\$45,945
Alamo Area Council of Governments	18	\$27.45	\$57,101
South Texas Development Council	19	\$19.20	\$39,945
Coastal Bend Council of Governments	20	\$35.39	\$73,603
Lower Rio Grande Valley Development Council	21	\$20.70	\$43,056
Texoma Council of Governments	22	\$19.18	\$39,897
Central Texas Council of Governments	23	\$21.34	\$44,390
Middle Rio Grande Development Council	24	\$22.98	\$47,809
Texas		\$28.00	\$58,233

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: August 2021.

Data published annually, next update will likely be July 31, 2022

Annual Wage Figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

Data intended only for use implementing Chapter 313, Texas Tax Code.

TAB 14

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

See attached Schedules A1, A2, B, and C

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 new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)		Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			2025	\$0	\$0	\$0	\$0	\$0
Complete tax years of qualifying time period	QTP1		2026	\$0	\$0	\$0	\$0	\$0
	QTP2		2027	\$170,000,000	\$750,000	\$0	\$0	\$170,750,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$170,000,000	\$750,000	\$0	\$0	\$170,750,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$170,750,000				

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.
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.

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.

Date5/19/2022

Applicant NameBlue Valley Solar, LLC

ISD NameComstock ISD

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Form 50-296A

Revised October 2020

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				
				\$170,000,000	\$750,000	\$0	\$0	\$170,750,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>		2023-2024	2023					
		2024-2025	2024					
		2025-2026	2025					
	QTP1	2026-2027	2026					
	QTP2	2027-2028	2027					
Value limitation period***	1	2028-2029	2028					
	2	2029-2030	2029					
	3	2030-2031	2030					
	4	2031-2032	2031					
	5	2032-2033	2032					
	6	2033-2034	2033					
	7	2034-2035	2034					
	8	2035-2036	2035					
	9	2036-2037	2036					
	10	2037-2038	2037					
Total Investment made through limitation				\$170,000,000	\$750,000			\$170,750,000
Continue to maintain viable presence	11	2038-2039	2038					
	12	2039-2040	2039					
	13	2040-2041	2040					
	14	2041-2042	2041					
	15	2042-2043	2042					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043					
	17	2044-2045	2044					
	18	2045-2046	2045					
	19	2046-2047	2046					
	20	2047-2048	2047					
	21	2048-2049	2048					
	22	2049-2050	2049					
	23	2050-2051	2050					
	24	2051-2052	2051					
	25	2052-2053	2052					

* 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 5/19/2022
 Applicant Name Blue Valley Solar, LLC
 ISD Name Comstock ISD

Form 50-296A

Revised October 2020

	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>		2023-2024	2023	n/a	\$0	\$0	\$0	\$0	\$0
		2024-2025	2024	n/a	\$0	\$0	\$0	\$0	\$0
		2025-2026	2025	n/a	\$0	\$0	\$0	\$0	\$0
	QTP1	2026-2027	2026	n/a	\$0	\$0	\$0	\$0	\$0
	QTP2	2027-2028	2027	n/a	\$0	\$0	\$0	\$0	\$0
Value Limitation Period	1	2028-2029	2028	n/a	\$750,000	\$119,510,000	\$120,260,000	\$120,260,000	\$20,000,000
	2	2029-2030	2029	n/a	\$731,300	\$106,930,000	\$107,661,300	\$107,661,300	\$20,000,000
	3	2030-2031	2030	n/a	\$713,000	\$94,350,000	\$95,063,000	\$95,063,000	\$20,000,000
	4	2031-2032	2031	n/a	\$695,200	\$81,770,000	\$82,465,200	\$82,465,200	\$20,000,000
	5	2032-2033	2032	n/a	\$677,800	\$69,190,000	\$69,867,800	\$69,867,800	\$20,000,000
	6	2033-2034	2033	n/a	\$660,900	\$56,610,000	\$57,270,900	\$57,270,900	\$20,000,000
	7	2034-2035	2034	n/a	\$644,400	\$44,030,000	\$44,674,400	\$44,674,400	\$20,000,000
	8	2035-2036	2035	n/a	\$628,300	\$31,450,000	\$32,078,300	\$32,078,300	\$20,000,000
	9	2036-2037	2036	n/a	\$612,600	\$25,160,000	\$25,772,600	\$25,772,600	\$20,000,000
	10	2037-2038	2037	n/a	\$597,300	\$25,160,000	\$25,757,300	\$25,757,300	\$20,000,000
Continue to maintain viable presence	11	2038-2039	2038	n/a	\$582,400	\$25,160,000	\$25,742,400	\$25,742,400	\$25,742,400
	12	2039-2040	2039	n/a	\$567,800	\$25,160,000	\$25,727,800	\$25,727,800	\$25,727,800
	13	2040-2041	2040	n/a	\$553,600	\$25,160,000	\$25,713,600	\$25,713,600	\$25,713,600
	14	2041-2042	2041	n/a	\$539,800	\$25,160,000	\$25,699,800	\$25,699,800	\$25,699,800
	15	2042-2043	2042	n/a	\$526,300	\$25,160,000	\$25,686,300	\$25,686,300	\$25,686,300
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043	n/a	\$513,100	\$25,160,000	\$25,673,100	\$25,673,100	\$25,673,100
	17	2044-2045	2044	n/a	\$500,300	\$25,160,000	\$25,660,300	\$25,660,300	\$25,660,300
	18	2045-2046	2045	n/a	\$487,800	\$25,160,000	\$25,647,800	\$25,647,800	\$25,647,800
	19	2046-2047	2046	n/a	\$475,600	\$25,160,000	\$25,635,600	\$25,635,600	\$25,635,600
	20	2047-2048	2047	n/a	\$463,700	\$25,160,000	\$25,623,700	\$25,623,700	\$25,623,700
	21	2048-2049	2048	n/a	\$452,100	\$25,160,000	\$25,612,100	\$25,612,100	\$25,612,100
	22	2049-2050	2049	n/a	\$440,800	\$25,160,000	\$25,600,800	\$25,600,800	\$25,600,800
	23	2050-2051	2050	n/a	\$429,800	\$25,160,000	\$25,589,800	\$25,589,800	\$25,589,800
	24	2051-2052	2051	n/a	\$419,100	\$25,160,000	\$25,579,100	\$25,579,100	\$25,579,100
	25	2052-2053	2052	n/a	\$408,600	\$25,160,000	\$25,568,600	\$25,568,600	\$25,568,600

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.

Schedule C: Employment Information

Date 5/19/2022
Applicant Name Blue Valley Solar, LLC
ISD Name Comstock ISD

Form 50-296A

Revised October 2020

				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	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)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>		2023-2024	2023	0	\$0	0	0	n/a
		2024-2025	2024	0	\$0	0	0	n/a
		2025-2026	2025	0	\$0	0	0	n/a
	QTP1	2026-2027	2026	0	\$0	0	0	n/a
	QTP2	2027-2028	2027	170	\$50,000	0	0	n/a
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2028-2029	2028	n/a	n/a	0	1	\$41,498.60
	2	2029-2030	2029	n/a	n/a	0	1	\$41,498.60
	3	2030-2031	2030	n/a	n/a	0	1	\$41,498.60
	4	2031-2032	2031	n/a	n/a	0	1	\$41,498.60
	5	2032-2033	2032	n/a	n/a	0	1	\$41,498.60
	6	2033-2034	2033	n/a	n/a	0	1	\$41,498.60
	7	2034-2035	2034	n/a	n/a	0	1	\$41,498.60
	8	2035-2036	2035	n/a	n/a	0	1	\$41,498.60
	9	2036-2037	2036	n/a	n/a	0	1	\$41,498.60
	10	2037-2038	2037	n/a	n/a	0	1	\$41,498.60
Years Following Value Limitation Period	11 through 25	2038-2053	2038-2052	n/a	n/a	0	1	\$41,498.60

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

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 an enterprise zone as defined by the Governor's office:
Not Applicable

b) Legal description of reinvestment zone:

c) Order, resolution, or ordinance established the reinvestment zone:

d) Guidelines and criteria for creating the zone:

Information will be submitted once the reinvestment zone is created by Comstock ISD.

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

Print Name (Authorized School District Representative)

Title

sign
here

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here

RICHARD J. WINTERMAN
Print Name (Authorized Company Representative (Applicant))

CHIEF FINANCIAL OFFICER
Title

sign
here

Richard J. Winterman
Signature (Authorized Company Representative (Applicant))

5/18/22
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

18 day of May, 2022

Irit Nevat

Notary Public in and for the State of ~~Texas~~ Kansas

My Commission expires: November 24, 2024

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT B

Minutes of the Comstock ISD Board of Trustees dated May 25, 2022

Called School Board Meeting

7:00 P.M.

Board of Education

Comstock Independent School District

Location: Conference Room, Administration Building

May 25, 2022

THIS CALLED MEETING OF THE BOARD OF TRUSTEES, BEING HELD FOR THE REASONS LISTED BELOW, IS AUTHORIZED IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE, SECTION 551.146. VERIFICATION OF NOTICE OF MEETING AND AGENDA ARE ON FILE IN THE OFFICE OF THE SUPERINTENDENT. CLOSED MEETING, IF REQUIRED, IS AUTHORIZED BY THE STATUTE AND WILL BE CONDUCTED PRIOR TO THE CONCLUSION OF THE MEETING. IF, DURING THE COURSE OF THE MEETING, ANY DISCUSSION OF ANY ITEM LISTED ON THE AGENDA SHOULD BE HELD IN CLOSED MEETING, THE BOARD WILL CONVENE IN SUCH CLOSED MEETING IN ACCORDANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 551, SUBCHAPTERS D AND E, SECTIONS 551.071-551.084.

TEXAS GOVERNMENT CODE SECTION

551 SUBCHAPTERS D & E

551.071 Private consultation with the Board's Attorney

551.072 Discussing purchase, exchange, lease, or value of property

551.073 Discussing negotiated contracts for prospective gift or donations

551.074 Discussing personnel or to hear complaints against personnel

551.076 Considering the deployment, specific occasions for, or implementation of security Personnel or devices

551.082 Considering the discipline of a public school child, or complaint or charge against personnel

551.083 Considering the standards, guidelines, terms, or conditions the board will follow or will instruct its representatives to follow, in consultation with representatives to follow, in consultation with representatives of employee groups

551.084 Exclusion of witness from hearing

AT ANY TIME, THE BOARD MAY GO INTO CLOSED MEETING TO RECEIVE LEGAL COUNSEL OR ADVICE WHICH THE SCHOOL DISTRICT'S LEGAL COUNSEL DETERMINES SHOULD BE CONFIDENTIAL IN ACCORDANCE WITH COUNSEL'S DUTY TO THE DISTRICT PURSUANT TO THE CODE OF PROFESSIONAL RESPONSIBILITY OF THE STATE BAR OF TEXAS. THE BOARD OF TRUSTEES MAY TAKE ACTION IN THE OPEN PORTION OF THE MEETING ON ITEMS DISCUSSED IN THE CLOSED MEETING. THE BOARD WILL CONSIDER, DISCUSS, AND TAKE APPROPRIATE ACTION REGARDING THE FOLLOWING ITEMS:

BOARD MEMBERS	Present		Absent
Bill Zuberbueler, President	X		
Miles Gibbs	X		
Billy Foster	X		
Bill Taylor			X
Jimmy Crane	X		
Vicky Roberts	X		
Regina Jimenez, Secretary			X
O.K. Wolfenbarger III, Superintendent	X		
Katie Parker, Principal	X		

AGENDA

1. President calls the meeting to order
President Bill Zuberbueler called the meeting to order at 7:00pm.
2. Invocation
3. Consideration of people who sign in on the designated form located on the table at the entrance of the Library in accordance with Policy BED (Local).

No visitors were present.

Pursuant to Texas Government Code Sections 551.071, 551.129 and 551.087: Consultation with legal counsel regarding the appraised value limitation application submitted by Blue Valley Solar, LLC related to a solar project pursuant to Chapter 313, Texas Tax Code, and related matters.

4. Consideration and possible action to consider Application for Appraised Value Limitation on Qualified Property submitted by Blue Valley Solar, LLC, related to a solar project pursuant to Texas Tax Code Chapter 313, including the request for a waiver of the qualifying job creation requirement.

Jimmy Crane moved and Billy Foster 2nd to approve Application for Appraised Value Limitation on Qualified Property submitted by Blue Valley Solar, LLC, related to a solar project pursuant to Texas Tax Code Chapter 313, including the request for a waiver of the qualifying job creation requirement. Motion carried 5 to 0.

5. Consideration and possible action to consider a financial consulting agreement with Moak, Casey & Associates related to the appraised value limitation application by Blue Valley Solar, LLC.

Billy Foster moved and Vicky Roberts 2nd to approve a financial consulting agreement with Moak, Casey & Associates related to the appraised value limitation application by Blue Valley Solar, LLC. Motion carried 5 to 0.

6. Consideration and possible action to consider the engagement of Walsh, Gallegos, Treviño, Kyle & Robinson, PC as legal counsel related to the appraised value limitation application submitted by Blue Valley Solar, LLC.

Vicky Roberts moved and Billy Foster 2nd to approve the engagement of Walsh, Gallegos, Treviño, Kyle & Robinson, PC as legal counsel related to the appraised value limitation application submitted by Blue Valley Solar, LLC.

7. Consider/Action on matters discussed in closed session.

No action taken

8. Adjournment

Jimmy Crane moved and Vicky Roberts 2nd to adjourn. Motion carried 5 to 0.

Minutes approved: 6 / 21 /2022



Bill Zuberbueler, President



Regina Jimenez, Secretary

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT C

Application Submission to Comptroller

May 27, 2022

via email: Ch313.apps@cpa.texas.gov

Local Government Assistance and Economic Analysis Division
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, TX 78774

Re: Blue Valley Solar, LLC's Application for Appraised Value Limitation on Qualified Property
to the Comstock Independent School District

Dear Madam or Sir:

My law firm represents the Comstock Independent School District ("District") regarding the above-referenced matter. Enclosed please find the Application for Appraised Value Limitation of Qualified Property from Blue Valley Solar, LLC ("Applicant").

On Wednesday, May 25, 2022, the Comstock ISD Board of Trustees received and reviewed the Application. On the same date, the Board of Trustees voted to consider the Application and the Applicant's request for a waiver of the qualifying job creation requirement. The application fee was received by the Board on Wednesday, May 25, 2022. The application was determined to be complete on May 25, 2022.

The Comstock Independent School District respectfully requests that the Comptroller conduct an economic impact evaluation of the investment proposed by the Application. Please confirm with us the date and website link to the Comptroller's publication of the documentation received.

In addition to the Application submitted to you with this letter, a copy of the Application is being submitted to the Val Verde County Appraisal District pursuant to 34 TEX. ADMIN CODE §9.1054.

Please let me know if you have any questions or need anything additional. Thank you.

Sincerely,



Ann Greenberg

Enclosure

cc: *via email: okwolf@comstockisd.net*
O. K. Wolfenbarger III, Superintendent
COMSTOCK INDEPENDENT SCHOOL DISTRICT
101 Sanderson Street
Comstock, Texas 78837

via email: wintermanrj@diodeventures.com
Richard Winterman, CFO
BLUE VALLEY SOLAR, LLC
11401 Lamar Avenue
Overland Park, Kansas 66211

via email: ross@meterskyenergy.com
Ross Metersky, President
METERSKY ENERGY, LLC
5608 Gillum Drive
Plano, Texas 75093

via email: kmathias@moakcasey.com
Kathy Mathias
MOAK CASEY & ASSOCIATES
901 S Mopac Expwy
Bldg. III, Suite 310
Austin, Texas 78746

via certified mail: 9414726699042181358753
Jaqueline Casanova, Chief Appraiser
VAL VERDE COUNTY APPRAISAL DISTRICT
417 W. Cantu Road
Del Rio, Texas 78840

TAB 1

**Pages of the application including the signature and certification page, signed and dated by
Authorized School District Representative and Authorized Company Representative.
Sections 1 – 16**

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 Texas 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 completed application to the Comptroller, separating each section of the documents. 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, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential 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's 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 and issue a certificate for a limitation on appraised value to the school board regarding the application 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 by the Comptroller), 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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number *(optional)*

Email Address

4. On what date did the district determine this application complete?

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

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.

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

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)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

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 the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

- 1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

Payment Amount

Transaction Type

Payor

Payee

Date transaction was processed

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?
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits)
3. Parent Company Name
4. Parent Company Tax ID
5. NAICS code
6. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☐ No
- 6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant *(corporation, limited liability corporation, etc)*
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 the most recently submitted 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.

SECTION 5: Applicant Business Structure *(continued)*

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

2c. Reporting Entity Taxpayer Number

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

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

*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- | | |
|---|--|
| <input type="checkbox"/> Land has no existing improvements | <input type="checkbox"/> Land has existing improvements <i>(complete Section 13)</i> |
| <input type="checkbox"/> Expansion of existing operation on the land <i>(complete Section 13)</i> | <input type="checkbox"/> Relocation within Texas |

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☐ Yes ☐ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ☐ Yes ☐ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☐ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ☐ Yes ☐ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☐ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☐ Yes ☐ No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ☐ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☐ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☐ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☐ Yes ☐ No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

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

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

SECTION 10: The Property

1. County or counties in which the proposed project will be located _____
2. Central Appraisal District (CAD) that will be responsible for appraising the property _____
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☐ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
- | | |
|---|--|
| M&O (ISD): _____
(Name, tax rate and percent of project) | I&S (ISD): _____
(Name, tax rate and percent of project) |
| County: _____
(Name, tax rate and percent of project) | City: _____
(Name, tax rate and percent of project) |
| Hospital District: _____
(Name, tax rate and percent of project) | Water District: _____
(Name, tax rate and percent of project) |
| Other (describe): _____
(Name, tax rate and percent of project) | Other (describe): _____
(Name, tax rate and percent of project) |

SECTION 10: The Property (continued)

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: _____
(Incentive type, percentage, start and end year)City: _____
(Incentive type, percentage, start and end year)Hospital District: _____
(Incentive type, percentage, start and end year)Water District: _____
(Incentive type, percentage, start and end year)Other (describe): _____
(Incentive type, percentage, start and end year)Other (describe): _____
(Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1?
- ☐
- Yes
- ☐
- No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.**SECTION 11: Texas Tax Code 313.021(1) Qualified 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? _____

2. What is the amount of appraised value limitation for which you are applying? _____

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 specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
- 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
- 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: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] 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**);
- a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
- Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? ☐ Yes ☐ No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

SECTION 12: Texas Tax Code 313.021(2) Qualified Property (*continued*)

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 an 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? _____

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 within the project boundary**. 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 within the project boundary 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 (statement 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 within the project boundary in response to statements 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 within the project boundary (that property described in response to statement 1): \$ _____
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 statement 2): \$ _____

Note: Investment for the property listed in statement 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.

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create?
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14))
3. 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
 - 3a. If yes, attach evidence of industry standard 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.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission 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 available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
 - average weekly wage for all jobs (all industries) in the county is
 - b. Qualifying job wage minimum option §313.021(5)(A)
 - 110% of the average weekly wage for manufacturing jobs in the county is
 - c. Qualifying job wage minimum option §313.021(5)(B)
 - 110% of the average weekly wage for manufacturing jobs in the region is
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property?
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☐ Yes ☐ No
9. 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
 - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, and C 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 an entity 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 attached page, a copy of the check for the \$75,000 application fee paid to Comstock ISD.

CHECK 71026850

VOUCHER NUMBER	INVOICE NUMBER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
	CR05232022	05/20/22	75,000.00	0.00	75,000.00
		Total:	75,000.00	0.00	75,000.00

THE BACK OF CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW.

Black & Veatch Holding Company

11401 Lamar
Overland Park, KS 66211

Commerce Bank
Kansas City

$$\frac{36,1870}{1012}$$

71026850

VOID 6 MONTHS AFTER DATE OF CHECK

CHECK AMOUNT

*****75,000.00

PAY Seventy-Five Thousand Dollars And 00 Cents*****

TO THE ORDER OF COMSTOCK INDEPENDENT SCHOOL DISTRICT
PO BOX 905
COMSTOCK, TX 78837

AUTHORIZED SIGNATURE _____

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER.

11007102685011 1:1012187041 43000024511

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)**

Texas Franchise Tax Affiliate Schedule Form 05-166 is provided for Black & Veatch Corporation & Affiliates for 2021. Blue Valley Solar, LLC was formed March 9, 2022 and will be reflected on the 2023 Texas Franchise Tax Affiliate Schedule Form 05-166.

5/19/22, 10:35 AM


Franchise Search Results



Franchise Tax Account Status

As of : 05/19/2022 10:35:45

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

BLUE VALLEY SOLAR, LLC	
Texas Taxpayer Number	32083582513
Mailing Address	11401 LAMAR AVE C/O DIODE VENTURES) OVERLAND PARK, KS 66211-1508
 Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	03/09/2022
Texas SOS File Number	0804466753
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST. SUITE 900 DALLAS, TX 75201

Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

14318330736

2021

Black & Veatch Corporation & Affiliates

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

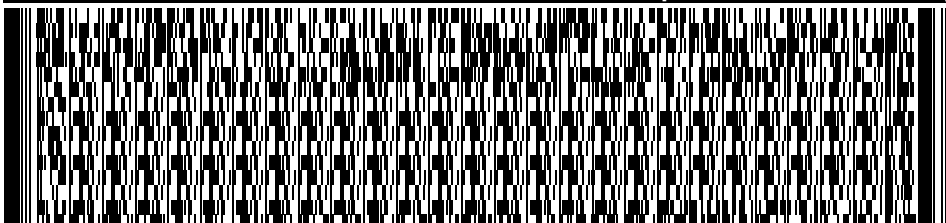
1. Legal name of affiliate Black & Veatch Corporation		2. Affiliate taxpayer number (if none, use FEI number) 14318330736		3. Affiliate NAICS code 541330	
4. Blacken box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Blacken box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 010420		7. Affiliate reporting end date m m d d y y 010121	
8. Gross receipts subject to throwback in other states (before eliminations) 0 .00		9. Gross receipts everywhere (before eliminations) 945332169 .00			
10. Gross receipts in Texas (before eliminations) 68320364 .00		11. Cost of goods sold or compensation (before eliminations) 756736309 .00			

1. Legal name of affiliate BVH, Inc.		2. Affiliate taxpayer number (if none, use FEI number) 471888435		3. Affiliate NAICS code 551112	
4. Blacken box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Blacken box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 010420		7. Affiliate reporting end date m m d d y y 010121	
8. Gross receipts subject to throwback in other states (before eliminations) 0 .00		9. Gross receipts everywhere (before eliminations) 0 .00			
10. Gross receipts in Texas (before eliminations) 0 .00		11. Cost of goods sold or compensation (before eliminations) 0 .00			

1. Legal name of affiliate Black & Veatch Holding Company		2. Affiliate taxpayer number (if none, use FEI number) 431603954		3. Affiliate NAICS code 551112	
4. Blacken box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Blacken box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 010420		7. Affiliate reporting end date m m d d y y 010121	
8. Gross receipts subject to throwback in other states (before eliminations) 0 .00		9. Gross receipts everywhere (before eliminations) 38262684 .00			
10. Gross receipts in Texas (before eliminations) 0 .00		11. Cost of goods sold or compensation (before eliminations) 0 .00			

The reporting entity of a combined group with a temporary credit for business loss carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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7002

TAB 4

Detailed Description of the Project

The Blue Valley Solar Project ("Project") is a proposed solar powered electric generating facility to be located on private land entirely in Comstock ISD on approximately 1,500 acres in Val Verde County, Texas. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The installed capacity of the proposed project is expected to be approximately 150 megawatts (MWac). Solar equipment selection is ongoing at this time and has not been finalized. The exact number of PV panels and their capacity will vary depending upon the panels and the inverters selected, manufacturer's availability and prices, ongoing engineering design optimization, and the final megawatt generating capacity of the Project when completed.

Construction of the Project is expected to commence in the first quarter of 2027 and is anticipated to be complete in the fourth quarter of 2027.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to temporarily store electricity generated by the Project for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 5

Documentation to assist in determining if limitation is a determining factor

Blue Valley Solar, LLC has entered into lease agreements with certain landowners. These leases include an option period (or feasibility period) whereby Blue Valley Solar, LLC can terminate the lease agreements, at its discretion, without commencing construction of the project.

The Project applied to ERCOT and was assigned GINR# 23INR0352 on November 4, 2021.

Blue Valley Solar, LLC, the applicant, is 100% owned by Diode Ventures, LLC (“Diode”). Diode is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe, Asia and North America. Diode’s leadership has a proven track record of identifying, developing and managing power generation and related infrastructure projects.

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

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement (“PPA”). Therefore, Diode would be unable to finance and build the Project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, Diode would be forced to halt development of the Project and invest in other projects in other states, where the rate of return is higher. Diode is developing solar projects in, Virginia, Texas, Nevada, and Indiana. Blue Valley Solar, LLC will submit a Chapter 312 application to Val Verde County as just part of the economic incentives package needed to make the Project economically viable and move forward as proposed in this application.

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)

Not Applicable

TAB 7

Description of Qualified Investment

Blue Valley Solar, LLC plans to construct an approximately 150 MWac solar powered electric generating facility in Val Verde County. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The facility may include eligible ancillary and necessary equipment, including the following improvements:

- Collection systems
- Transmission lines
- Electrical interconnections
- Control systems necessary for commercial generation of electricity
- Solar panels
- Foundations
- Racking and mounting structures
- Battery or battery system
- Inverters
- Transformers
- Supervisory control and data acquisition (SCADA)
- Combiner boxes
- Meteorological equipment
- Maintenance and operations building
- Fencing and roads
- Electrical substations
- Generation transmission tie line and associated towers, and interconnection facilities

All of the improvements included in the Qualified Investment will be new and will be made within the Project Boundary depicted in TAB 11.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to temporarily store electricity generated by the Project for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 8

Description of Qualified Property

Blue Valley Solar, LLC plans to construct an approximately 150 MWac solar powered electric generating facility in Val Verde County. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The facility may include eligible ancillary and necessary equipment, including the following improvements:

- Collection systems
- Transmission lines
- Electrical interconnections
- Control systems necessary for commercial generation of electricity
- Solar panels
- Foundations
- Racking and mounting structures
- Battery or battery system
- Inverters
- Transformers
- Supervisory control and data acquisition (SCADA)
- Combiner boxes
- Meteorological equipment
- Maintenance and operations building
- Fencing and roads
- Electrical substations
- Generation transmission tie line and associated towers, and interconnection facilities

All of the improvements included in the Qualified Investment will be new and will be made within the Project Boundary depicted in TAB 11.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to temporarily store electricity generated by the Project for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 9

Description of Land

Not Applicable

TAB 10

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

Not Applicable

TAB 11

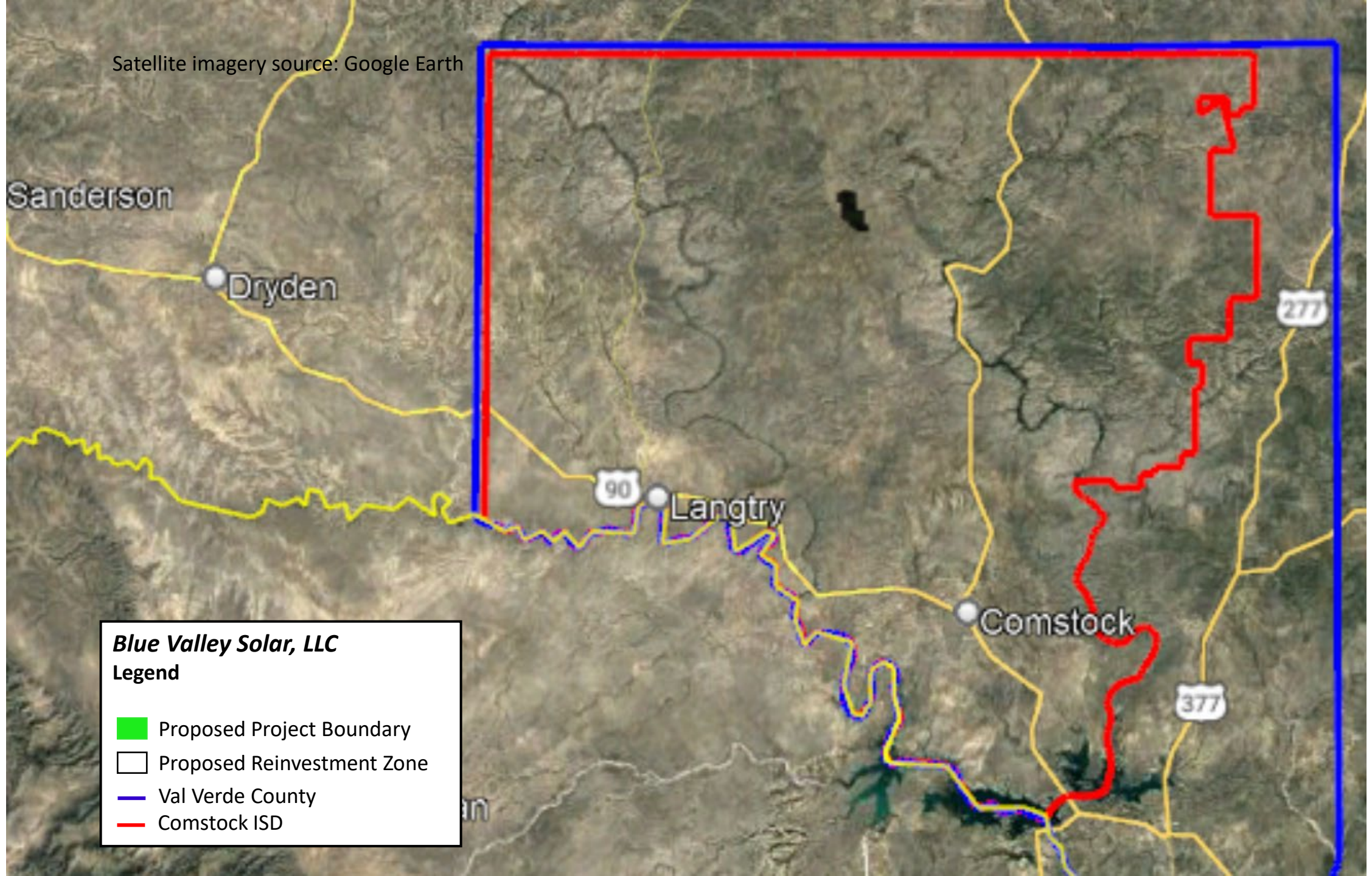
Maps

Maps that clearly show:

- a) Project boundary and project vicinity, including county and school district boundaries
- 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 building or new improvements
- d) Any existing property within the project area
- e) Any facilities owned or operated by the applicant having interconnections to the proposed project
- f) Location of project, and related nearby projects within vicinity map
- g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

Note: Maps should be high resolution files. Include map legends/markers.

Satellite imagery source: Google Earth

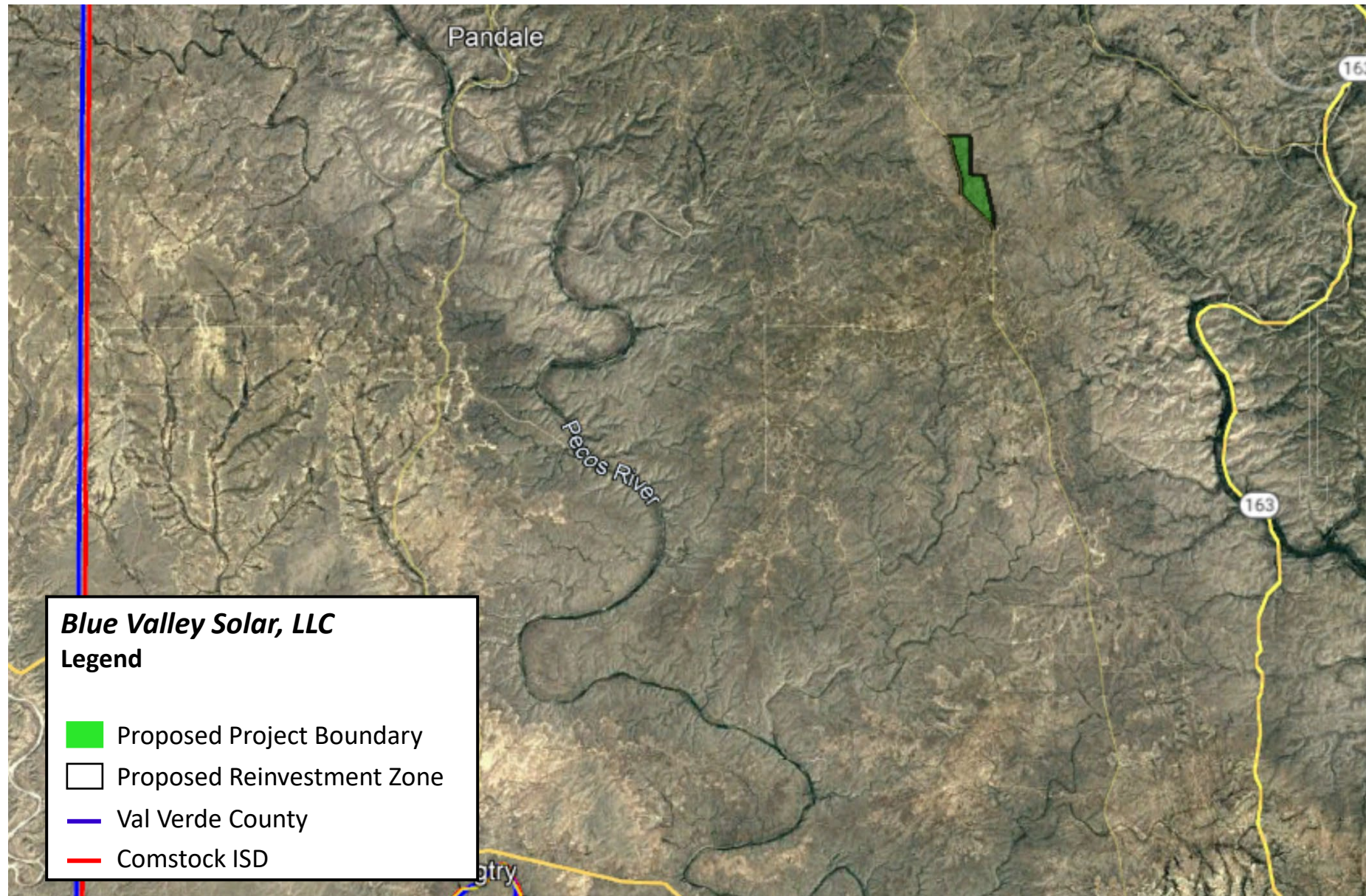


Blue Valley Solar, LLC

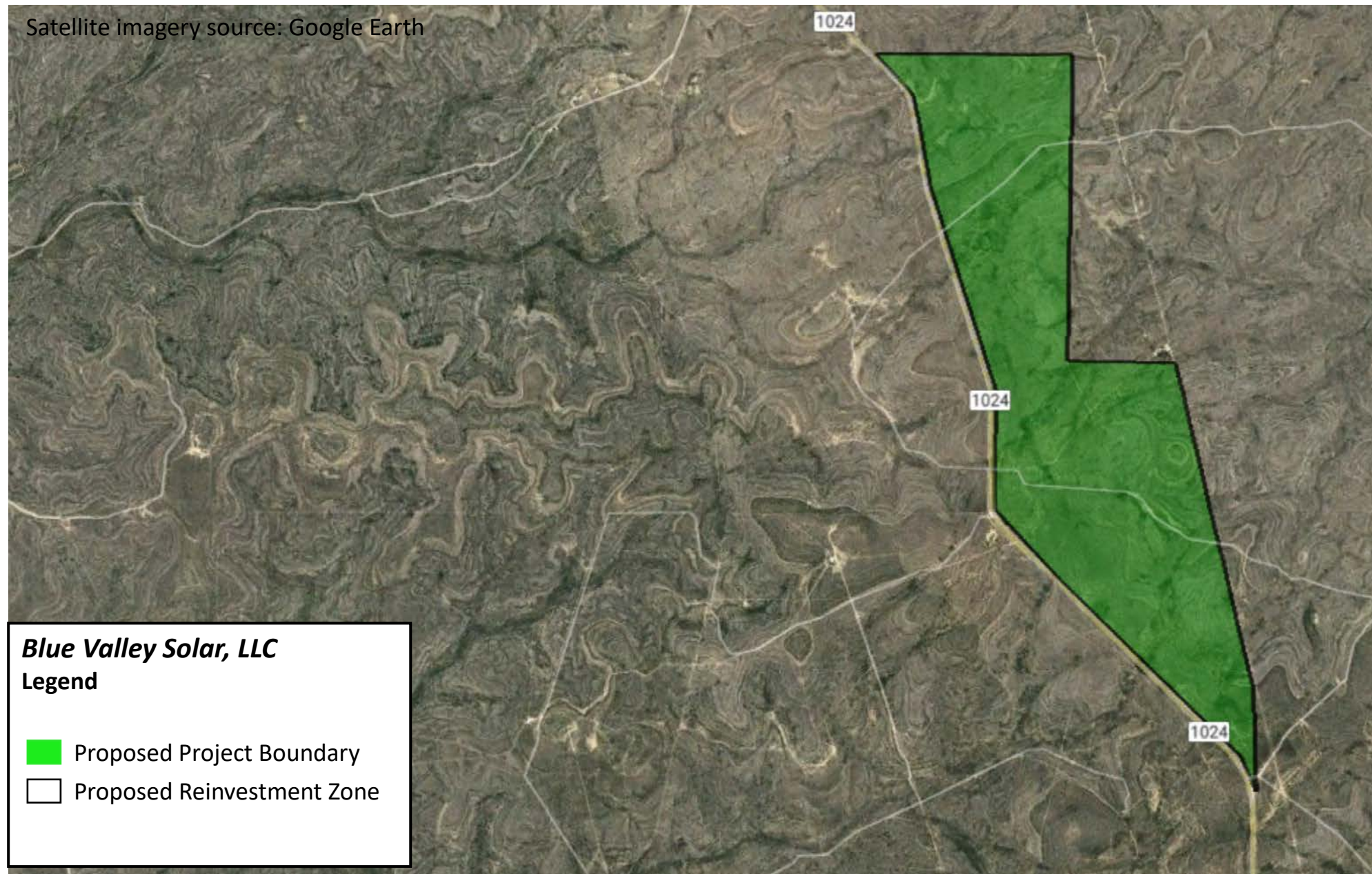
Legend

- Proposed Project Boundary
- Proposed Reinvestment Zone
- Val Verde County
- Comstock ISD

Satellite imagery source: Google Earth



Satellite imagery source: Google Earth



TAB 12

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

See Attached



DIODE VENTURES

11401 Lamar Avenue, Overland Park, KS 66211

Info@diodeventures.com

May 20, 2022

Mr. Orlie Wolfenbarger
Comstock Independent School District
101 Sanderson Street
Comstock, TX 78837

Re: Blue Valley Solar Project
Chapter 313 Application for Appraised Value Limitation
Job Creation Requirement Waiver Request

Dear Mr. Wolfenbarger,

Blue Valley Solar, LLC is submitting a Texas Tax Code, Chapter 313 application for appraised value limitation on qualified property with a request for a waiver of the jobs creation requirement. Pursuant to Section 313.025(f-1), the governing body of a school district may waive the new jobs creation requirement or approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

For this size of a utility scale solar project, it is expected that approximately 170 temporary construction jobs will be created over an estimated one-year construction period. During commissioning and operations, highly skilled technicians with specific training and experience will provide maintenance of the project components and operate the facility. The current industry standard for solar energy sites is one worker per 250 MW. One employee can operate more than one facility with support and technical assistance provided by the PV manufacturer. In line with these industry standards for solar project's job requirements, Blue Valley Solar, LLC has committed to create one qualified job.

Therefore, Blue Valley Solar, LLC is requesting that Comstock ISD Board of Trustees make a finding that the jobs creation requirement may be waived for this facility.

Sincerely,

DocuSigned by:

Derek Kremser

33810C1FF3D1415...

Derek Kremser
Project Manager
Diode Ventures, LLC
kremserd@diodeventures.com

TAB 13

Calculation of non-qualifying wage target and two possible wage requirements with TWC documentation

Average Weekly Wage for (All Jobs, All Industries)

County: Val Verde
Ownership: Total All
Industry: Total, All Industries

Year	Quarter	Average Weekly Wage
2021	1	734
2021	2	806
2021	3	784
2021	4	860
	Average	\$796.00

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	1	Val Verde	Total All	10	Total, All Industries	734
2021	2	Val Verde	Total All	10	Total, All Industries	806
2021	3	Val Verde	Total All	10	Total, All Industries	784
2021	4	Val Verde	Total All	10	Total, All Industries	860

110% of Average Weekly Wage for (Private, Manufacturing)

County: Val Verde
Ownership: Private
Industry: Manufacturing

Year	Quarter	Average Weekly Wage
2021	1	631
2021	2	696
2021	3	701
2021	4	874
	Average	\$725.50
	110% of Average	\$798.05
	110% of Annual Wages	\$41,498.60

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	1	Val Verde	Private	31-33	Manufacturing	631
2021	2	Val Verde	Private	31-33	Manufacturing	696
2021	3	Val Verde	Private	31-33	Manufacturing	701
2021	4	Val Verde	Private	31-33	Manufacturing	874

Quarterly Employment and Wages (QCEW)

110% of Average Weekly Wage for Manufacturing Jobs in Region

Region: West Central Texas Council of Governments
Average Annual Wage: \$47,809
110% of Average Annual Wage: \$52,589.90
110% of Average Weekly Wage: \$1,011.34

**2020 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$23.32	\$48,501
South Plains Association of Governments	2	\$20.42	\$42,473
NORTEX Regional Planning Commission	3	\$20.64	\$42,928
North Central Texas Council of Governments	4	\$32.34	\$67,261
Ark-Tex Council of Governments	5	\$21.30	\$44,299
East Texas Council of Governments	6	\$29.28	\$60,904
West Central Texas Council of Governments	7	\$21.54	\$44,797
Rio Grande Council of Governments	8	\$19.02	\$39,552
Permian Basin Regional Planning Commission	9	\$22.57	\$46,945
Concho Valley Council of Governments	10	\$27.28	\$56,739
Heart of Texas Council of Governments	11	\$23.41	\$48,696
Capital Area Council of Governments	12	\$29.96	\$62,326
Brazos Valley Council of Governments	13	\$18.41	\$38,286
Deep East Texas Council of Governments	14	\$21.07	\$43,829
South East Texas Regional Planning Commission	15	\$27.38	\$56,957
Houston-Galveston Area Council	16	\$29.83	\$62,050
Golden Crescent Regional Planning Commission	17	\$22.09	\$45,945
Alamo Area Council of Governments	18	\$27.45	\$57,101
South Texas Development Council	19	\$19.20	\$39,945
Coastal Bend Council of Governments	20	\$35.39	\$73,603
Lower Rio Grande Valley Development Council	21	\$20.70	\$43,056
Texoma Council of Governments	22	\$19.18	\$39,897
Central Texas Council of Governments	23	\$21.34	\$44,390
Middle Rio Grande Development Council	24	\$22.98	\$47,809
Texas		\$28.00	\$58,233

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: August 2021.

Data published annually, next update will likely be July 31, 2022

Annual Wage Figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

Data intended only for use implementing Chapter 313, Texas Tax Code.

TAB 14

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

See attached Schedules A1, A2, B, and C

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 new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)		Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			2025	\$0	\$0	\$0	\$0	\$0
Complete tax years of qualifying time period	QTP1		2026	\$0	\$0	\$0	\$0	\$0
	QTP2		2027	\$170,000,000	\$750,000	\$0	\$0	\$170,750,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$170,000,000	\$750,000	\$0	\$0	\$170,750,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$170,750,000				

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.
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.

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.

Date5/19/2022

Applicant NameBlue Valley Solar, LLC

ISD NameComstock ISD

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Form 50-296A

Revised October 2020

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				
				\$170,000,000	\$750,000	\$0	\$0	\$170,750,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>		2023-2024	2023					
		2024-2025	2024					
		2025-2026	2025					
	QTP1	2026-2027	2026					
	QTP2	2027-2028	2027					
Value limitation period***	1	2028-2029	2028					
	2	2029-2030	2029					
	3	2030-2031	2030					
	4	2031-2032	2031					
	5	2032-2033	2032					
	6	2033-2034	2033					
	7	2034-2035	2034					
	8	2035-2036	2035					
	9	2036-2037	2036					
	10	2037-2038	2037					
Total Investment made through limitation				\$170,000,000	\$750,000			\$170,750,000
Continue to maintain viable presence	11	2038-2039	2038					
	12	2039-2040	2039					
	13	2040-2041	2040					
	14	2041-2042	2041					
	15	2042-2043	2042					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043					
	17	2044-2045	2044					
	18	2045-2046	2045					
	19	2046-2047	2046					
	20	2047-2048	2047					
	21	2048-2049	2048					
	22	2049-2050	2049					
	23	2050-2051	2050					
	24	2051-2052	2051					
	25	2052-2053	2052					

* 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 5/19/2022
 Applicant Name Blue Valley Solar, LLC
 ISD Name Comstock ISD

Form 50-296A

Revised October 2020

	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>		2023-2024	2023	n/a	\$0	\$0	\$0	\$0	\$0
		2024-2025	2024	n/a	\$0	\$0	\$0	\$0	\$0
		2025-2026	2025	n/a	\$0	\$0	\$0	\$0	\$0
	QTP1	2026-2027	2026	n/a	\$0	\$0	\$0	\$0	\$0
	QTP2	2027-2028	2027	n/a	\$0	\$0	\$0	\$0	\$0
Value Limitation Period	1	2028-2029	2028	n/a	\$750,000	\$119,510,000	\$120,260,000	\$120,260,000	\$20,000,000
	2	2029-2030	2029	n/a	\$731,300	\$106,930,000	\$107,661,300	\$107,661,300	\$20,000,000
	3	2030-2031	2030	n/a	\$713,000	\$94,350,000	\$95,063,000	\$95,063,000	\$20,000,000
	4	2031-2032	2031	n/a	\$695,200	\$81,770,000	\$82,465,200	\$82,465,200	\$20,000,000
	5	2032-2033	2032	n/a	\$677,800	\$69,190,000	\$69,867,800	\$69,867,800	\$20,000,000
	6	2033-2034	2033	n/a	\$660,900	\$56,610,000	\$57,270,900	\$57,270,900	\$20,000,000
	7	2034-2035	2034	n/a	\$644,400	\$44,030,000	\$44,674,400	\$44,674,400	\$20,000,000
	8	2035-2036	2035	n/a	\$628,300	\$31,450,000	\$32,078,300	\$32,078,300	\$20,000,000
	9	2036-2037	2036	n/a	\$612,600	\$25,160,000	\$25,772,600	\$25,772,600	\$20,000,000
	10	2037-2038	2037	n/a	\$597,300	\$25,160,000	\$25,757,300	\$25,757,300	\$20,000,000
Continue to maintain viable presence	11	2038-2039	2038	n/a	\$582,400	\$25,160,000	\$25,742,400	\$25,742,400	\$25,742,400
	12	2039-2040	2039	n/a	\$567,800	\$25,160,000	\$25,727,800	\$25,727,800	\$25,727,800
	13	2040-2041	2040	n/a	\$553,600	\$25,160,000	\$25,713,600	\$25,713,600	\$25,713,600
	14	2041-2042	2041	n/a	\$539,800	\$25,160,000	\$25,699,800	\$25,699,800	\$25,699,800
	15	2042-2043	2042	n/a	\$526,300	\$25,160,000	\$25,686,300	\$25,686,300	\$25,686,300
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043	n/a	\$513,100	\$25,160,000	\$25,673,100	\$25,673,100	\$25,673,100
	17	2044-2045	2044	n/a	\$500,300	\$25,160,000	\$25,660,300	\$25,660,300	\$25,660,300
	18	2045-2046	2045	n/a	\$487,800	\$25,160,000	\$25,647,800	\$25,647,800	\$25,647,800
	19	2046-2047	2046	n/a	\$475,600	\$25,160,000	\$25,635,600	\$25,635,600	\$25,635,600
	20	2047-2048	2047	n/a	\$463,700	\$25,160,000	\$25,623,700	\$25,623,700	\$25,623,700
	21	2048-2049	2048	n/a	\$452,100	\$25,160,000	\$25,612,100	\$25,612,100	\$25,612,100
	22	2049-2050	2049	n/a	\$440,800	\$25,160,000	\$25,600,800	\$25,600,800	\$25,600,800
	23	2050-2051	2050	n/a	\$429,800	\$25,160,000	\$25,589,800	\$25,589,800	\$25,589,800
	24	2051-2052	2051	n/a	\$419,100	\$25,160,000	\$25,579,100	\$25,579,100	\$25,579,100
	25	2052-2053	2052	n/a	\$408,600	\$25,160,000	\$25,568,600	\$25,568,600	\$25,568,600

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.

Schedule C: Employment Information

Date 5/19/2022
Applicant Name Blue Valley Solar, LLC
ISD Name Comstock ISD

Form 50-296A

Revised October 2020

				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	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)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>		2023-2024	2023	0	\$0	0	0	n/a
		2024-2025	2024	0	\$0	0	0	n/a
		2025-2026	2025	0	\$0	0	0	n/a
	QTP1	2026-2027	2026	0	\$0	0	0	n/a
	QTP2	2027-2028	2027	170	\$50,000	0	0	n/a
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2028-2029	2028	n/a	n/a	0	1	\$41,498.60
	2	2029-2030	2029	n/a	n/a	0	1	\$41,498.60
	3	2030-2031	2030	n/a	n/a	0	1	\$41,498.60
	4	2031-2032	2031	n/a	n/a	0	1	\$41,498.60
	5	2032-2033	2032	n/a	n/a	0	1	\$41,498.60
	6	2033-2034	2033	n/a	n/a	0	1	\$41,498.60
	7	2034-2035	2034	n/a	n/a	0	1	\$41,498.60
	8	2035-2036	2035	n/a	n/a	0	1	\$41,498.60
	9	2036-2037	2036	n/a	n/a	0	1	\$41,498.60
	10	2037-2038	2037	n/a	n/a	0	1	\$41,498.60
Years Following Value Limitation Period	11 through 25	2038-2053	2038-2052	n/a	n/a	0	1	\$41,498.60

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

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 an enterprise zone as defined by the Governor's office:
Not Applicable

b) Legal description of reinvestment zone:

c) Order, resolution, or ordinance established the reinvestment zone:

d) Guidelines and criteria for creating the zone:

Information will be submitted once the reinvestment zone is created by Comstock ISD.

Comstock Independent School District
101 Sanderson St. ♦ P.O. Box 905
Comstock, Texas 78837-0905
Telephone: 432-292-4444 ♦ Fax: 432-292-4436 ♦ www.comstockisd.net

May 25, 2022

via email: Ch313.apps@cpa.texas.gov

Local Government Assistance and Economic Analysis Division
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

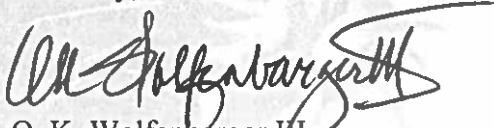
Re: Blue Valley Solar, LLC's Application for Appraised Value Limitation on Qualified Property
to the Comstock Independent School District

Dear Madam or Sir:

As Superintendent of Schools for the Comstock Independent School District (the "District"), I am writing this letter to confirm the District's intent to consider establishing a Reinvestment Zone in connection with the Application for Appraised Value Limitation on Qualified Property submitted by Blue Valley Solar, LLC. In the event Val Verde County does not designate a Reinvestment Zone for this project, which currently appears to be the case, the Board of Trustees plans to hold a hearing regarding creation of a Reinvestment Zone prior to considering final approval of the above-referenced Chapter 313 Application and Agreement with Blue Valley Solar, LLC. All Board meetings and hearings on the matter will be conducted in accordance with the Texas Open Meetings Act, Chapters 312 and 313 of the Texas Tax Code, and all other applicable statutes and regulations.

If you have any questions about this letter or any other part of the Application and Agreement process, please contact the District's legal counsel, Ann Greenberg, of Walsh Gallegos Treviño Kyle & Robinson P.C.

Sincerely,



O. K. Wolfenbarger III
Superintendent of Schools

cc: *via email: agreenberg@wabsa.com*
Ann Greenberg
Legal Counsel for Comstock ISD
WALSH GALLEGOS TREVIÑO KYLE & ROBINSON P.C.
P O Box 2156
Austin, Texas 78768

Local Government Assistance and Economic Analysis Division
Texas Comptroller of Public Accounts
May 25, 2022
Page 2

via email: wintermanrj@diodeventures.com
Richard Winterman, CFO
BLUE VALLEY SOLAR, LLC
11401 Lamar Avenue
Overland Park, Kansas 66211

via email: ross@meterskyenergy.com
Ross Metersky, President
METERSKY ENERGY, LLC
5608 Gillum Drive
Plano, Texas 75093

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 ▶

O.K. WOLFENBARGER III

Print Name (Authorized School District Representative)

sign
here ▶

[Signature]

Signature (Authorized School District Representative)

SUPERINTENDENT

Title

5/25/2022

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here ▶

RICHARD J. WINTERMAN

Print Name (Authorized Company Representative (Applicant))

sign
here ▶

[Signature]

Signature (Authorized Company Representative (Applicant))

CHIEF FINANCIAL OFFICER

Title

5/18/22

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

18 day of May, 2022

Irit Nevat

Notary Public in and for the State of Texas-Kansas

My Commission expires: November 24, 2024

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT D

Amendments and Supplements to Application

August 2, 2022

via email: Ch313.apps@cpa.texas.gov

Local Government Assistance and Economic Analysis Division
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, TX 78774

Re: Blue Valley Solar, LLC's Amendment No. 1 to the Application for Appraised Value
Limitation on Qualified Property to the Comstock Independent School District
Application # 2027

Dear Madam or Sir:

My law firm represents the Comstock Independent School District ("District") regarding the above-referenced matter. Enclosed please find the Amendment No. 1 to the Application for Appraised Value Limitation of Qualified Property from Blue Valley Solar, LLC ("Application").

The Applicant has submitted the enclosed Amendment No. 1. The Amendment No. 1 also includes the Schedules in Excel format.

Please let me know if you have any questions or need any additional information. Thank you.

With thanks,


Ann Greenberg

Enclosure

cc: *via email: okwolf@comstockisd.net*
O. K. Wolfenbarger III, Superintendent
COMSTOCK INDEPENDENT SCHOOL DISTRICT
101 Sanderson Street
Comstock, Texas 78837

via email: wintermanrj@diodeventures.com
Richard Winterman, CFO
BLUE VALLEY SOLAR, LLC
11401 Lamar Avenue
Overland Park, Kansas 66211

via email: ross@meterskyenergy.com
Ross Metersky, President
METERSKY ENERGY, LLC
5608 Gillum Drive
Plano, Texas 75093

via email: kmathias@moakcasey.com
Kathy Mathias
MOAK CASEY & ASSOCIATES
901 S Mopac Expwy
Bldg. III, Suite 310
Austin, Texas 78746

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-ASECTION 2: Applicant Information (*continued*)4. Authorized Company Consultant (*If Applicable*)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

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 the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

- 1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

Payment Amount

Transaction Type

Payor

Payee

Date transaction was processed

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?
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits)
3. Parent Company Name
4. Parent Company Tax ID
5. NAICS code
6. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☐ No
- 6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (*corporation, limited liability corporation, etc*)
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 the most recently submitted 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.

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 1
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 0
3. 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
- 3a. If yes, attach evidence of industry standard 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.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission 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 available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
- a. Non-qualified job wages
- average weekly wage for all jobs (all industries) in the county is \$ 796.00
- b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is \$ 798.05
- c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is \$ 987.31
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? \$ 41,498.60
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? \$ 41,498.60
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
9. 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
- 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
- 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, and C 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 an entity 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 5**Documentation to assist in determining if limitation is a determining factor**

Blue Valley Solar, LLC has entered into lease agreements with certain landowners. These leases include an option period (or feasibility period) whereby Blue Valley Solar, LLC can terminate the lease agreements, at its discretion, without commencing construction of the project.

The Project applied to ERCOT and was assigned GINR# 23INR0352 on November 4, 2021. The Project is not known by any other names.

Blue Valley Solar, LLC, the applicant, is 100% owned by Diode Ventures, LLC (“Diode”). Diode is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe, Asia and North America. Diode’s leadership has a proven track record of identifying, developing and managing power generation and related infrastructure projects.

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

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement (“PPA”). Therefore, Diode would be unable to finance and build the Project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, Diode would be forced to halt development of the Project and invest in other projects in other states, where the rate of return is higher. Diode is developing solar projects in, Virginia, Texas, Nevada, and Indiana. Blue Valley Solar, LLC will submit a Chapter 312 application to Val Verde County as just part of the economic incentives package needed to make the Project economically viable and move forward as proposed in this application.

TAB 7**Description of Qualified Investment**

Blue Valley Solar, LLC plans to construct an approximately 150 MWac solar powered electric generating facility in Val Verde County. This application covers all qualified investment and qualified property in the proposed reinvestment zone and project boundary within Comstock ISD necessary for the commercial operations of the Project. 100% of the Project will be located in Comstock ISD.

The facility includes all necessary and ancillary equipment, including the following:

- DC and AC collection wires, cables and equipment
- Transmission lines
- Electrical interconnections
- Control systems necessary for commercial generation of electricity
- Solar panels
- Foundations
- Racking and mounting structures
- Battery or battery system
- Inverters
- Transformers
- Supervisory control and data acquisition (SCADA)
- Combiner boxes
- Meteorological equipment
- Maintenance and operations building
- Fencing and roads
- Electrical substations
- Generation transmission tie line and associated towers, and interconnection facilities

All of the equipment included in the Qualified Investment will be new and will be made within the Project Boundary depicted in TAB 11.

Batteries or battery system included in the Qualified Investment will be integrated into the solar energy generation Project and will only be used, at certain times, to store energy generated by the Qualified Property in this Application within Comstock ISD for the purpose of providing energy arbitrage and ancillary services for the ERCOT wholesale energy market, shifting the Project's energy production to delivery times and reliability services where the grid needs it most.

TAB 8**Description of Qualified Property**

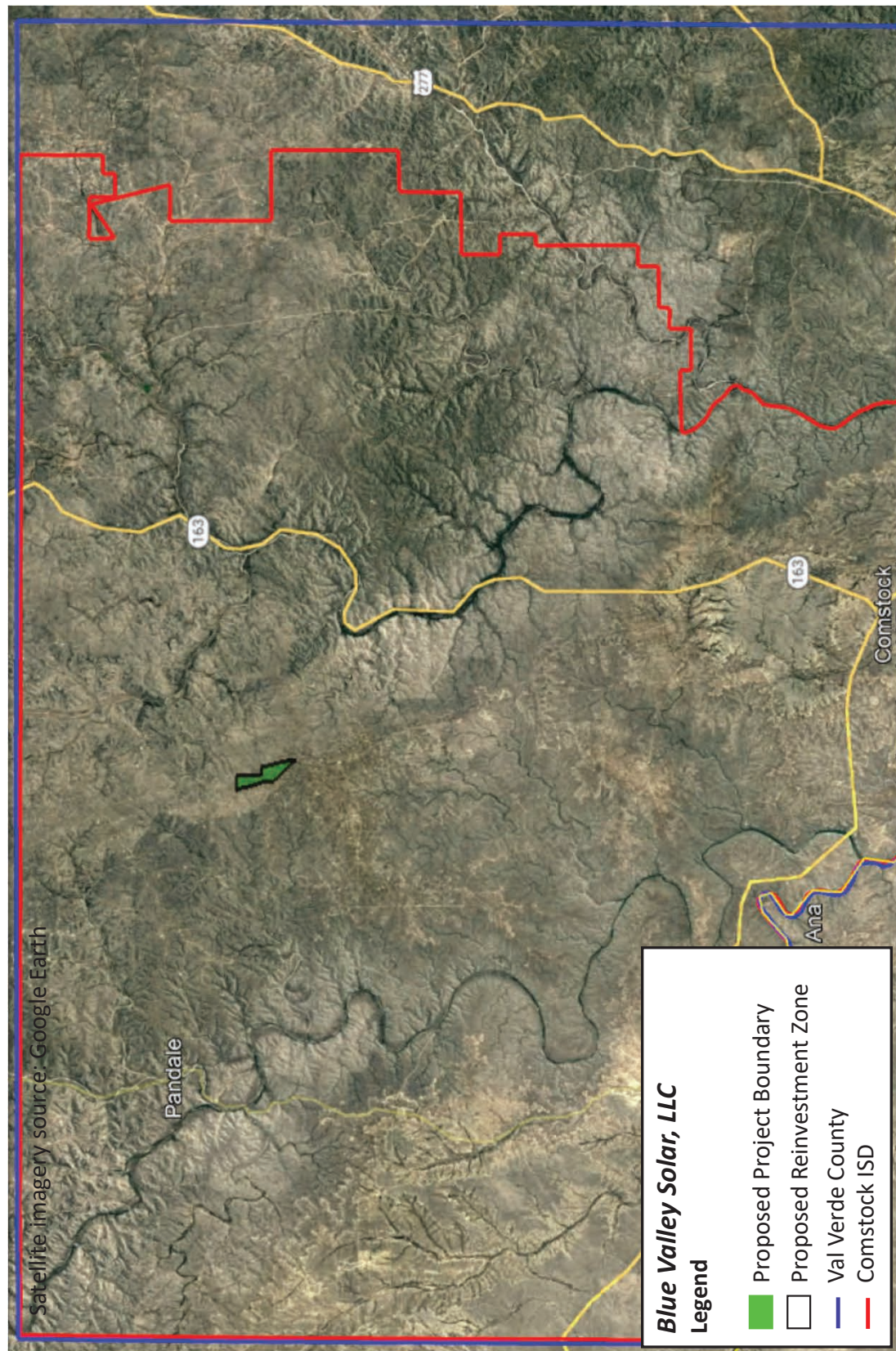
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Quarterly Employment and Wages (QCEW)

110% of Average Weekly Wage for Manufacturing Jobs in Region

Region:	West Central Texas Council of Governments
Average Annual Wages:	\$46,673
110% of Average Annual Wages:	\$51,340.30
110% of Average Weekly Rate:	\$987.31

2021 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$24.32	\$50,587
South Plains Association of Governments	2	\$22.03	\$45,816
NORTEX Regional Planning Commission	3	\$20.95	\$43,566
North Central Texas Council of Governments	4	\$34.32	\$71,384
Ark-Tex Council of Governments	5	\$21.58	\$44,877
East Texas Council of Governments	6	\$32.27	\$67,113
West Central Texas Council of Governments	7	\$20.59	\$42,826
Rio Grande Council of Governments	8	\$22.10	\$45,974
Permian Basin Regional Planning Commission	9	\$23.37	\$48,620
Concho Valley Council of Governments	10	\$29.52	\$61,399
Heart of Texas Council of Governments	11	\$24.29	\$50,533
Capital Area Council of Governments	12	\$31.10	\$64,698
Brazos Valley Council of Governments	13	\$20.21	\$42,038
Deep East Texas Council of Governments	14	\$18.22	\$37,906
South East Texas Regional Planning Commission	15	\$22.03	\$45,824
Houston-Galveston Area Council	16	\$29.40	\$61,144
Golden Crescent Regional Planning Commission	17	\$24.06	\$50,039
Alamo Area Council of Governments	18	\$27.82	\$57,874
South Texas Development Council	19	\$20.68	\$43,021
Coastal Bend Council of Governments	20	\$34.62	\$72,003
Lower Rio Grande Valley Development Council	21	\$21.88	\$45,517
Texoma Council of Governments	22	\$18.21	\$37,880
Central Texas Council of Governments	23	\$22.73	\$47,288
Middle Rio Grande Development Council	24	\$22.44	\$46,673
Texas		\$28.48	\$59,228

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: July 2022.

Annual Wage Figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

Data intended only for use implementing Chapter 313, Texas Tax Code.

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

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.

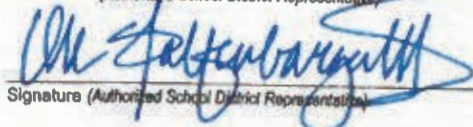
1. Authorized School District Representative Signature

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

D.K. WOLFENBARGER III

Print Name (Authorized School District Representative)

sign
here

Signature (Authorized School District Representative)

SUPERINTENDENT

Title

8/2/2022

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

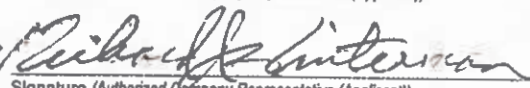
I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best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

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

print
here

Richard J Winterman

Print Name (Authorized Company Representative (Applicant))

sign
here

Signature (Authorized Company Representative (Applicant))

Chief Financial Officer

Title

July 29, 2022

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

29 day of July 2022

Notary Public in and for the State of Texas S.C.

My Commission expires:

06/01/2024

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.

September 9, 2022

via certified mail, return receipt requested: 9414 7266 9904 2181 3609 47

Jaqueline Casanova
Chief Appraiser
VAL VERDE COUNTY APPRAISAL DISTRICT
417 W. Cantu Road
Del Rio, Texas 78840

Re: Blue Valley Solar, LLC's Supplement 1 – 2027 to the Application for Appraised Value
Limitation on Qualified Property to the Comstock Independent School District
Application # 2027

Dear Ms. Casanova:

My law firm represents the Comstock Independent School District ("District") regarding the above-referenced matter. Enclosed please find the Applicant's Supplement 1-2027 to the Application for Appraised Value Limitation of Qualified Property from Blue Valley Solar, LLC.

Please let me know if you have any questions or need any additional information. Thank you.

With thanks,

 / MARK C GOULET
FOR ANN GREENBERG
Ann Greenberg

Enclosure

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-ASECTION 10: The Property *(continued)*

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: _____
(Incentive type, percentage, start and end year)City: _____
(Incentive type, percentage, start and end year)Hospital District: _____
(Incentive type, percentage, start and end year)Water District: _____
(Incentive type, percentage, start and end year)Other (describe): _____
(Incentive type, percentage, start and end year)Other (describe): _____
(Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1?
- ☐
- Yes
- ☐
- No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Texas Tax Code 313.021(1) Qualified 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? _____

2. What is the amount of appraised value limitation for which you are applying? _____

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 specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
- 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
- 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: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] 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**);
- a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
- Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? ☐ Yes ☐ No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY, LLC

EXHIBIT E

Comptroller's "Completeness" Letter



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

August 25, 2022

Orlie Wolfenbarger
Superintendent
Comstock Independent School District
101 Sanderson Street
Comstock, TX 78837

Re: Application for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Comstock Independent School District and Blue Valley Solar, LLC, Application 2027

Dear Superintendent Wolfenbarger:

On May 25, 2022, the Comptroller's office received Blue Valley Solar, LLC's (applicant) application for a limitation on appraised value (Application 2027) from Comstock Independent School District (school district).

The purpose of this letter is to inform you that the Comptroller's office has reviewed the submitted application and determined that it includes the information necessary to be determined as complete on **August 16, 2022**.

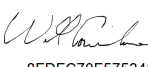
Texas Tax Code §313.025(d) directs the Comptroller's office to issue a certificate for a limitation on the appraised value of the property, or provide the governing body of the school district with a written explanation of the Comptroller's decision to not issue a certificate no later than the 90th day after receiving the completed application. The requirements to determine eligibility and to issue a certificate for a limitation do not begin until an application is complete as determined by this agency. The Comptroller's office will move forward with our economic impact evaluation and will send a letter of determination to the school district and the applicant.

This letter does not constitute a review of the application under Section 313.025(h) to determine if the project meets the requirements of Section 313.024 for eligibility for a limitation on appraised value. Likewise, this letter does not address the determinations required under Section 313.026(c).

Should you have any questions, please contact Annette Holmes with our office. She can be reached by email at annette.holmes@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 5-3792 or at 512-475-3792.

Sincerely,

DocuSigned by:


8FDFC70F5753487...
Will Counihan

Director
Data Analysis & Transparency Division

cc: Ann Greenberg, Walsh Gallegos Trevino Russo & Kyle, P.C.
Richard Winterman, Blue Valley Solar, LLC
Derek Kremser, Diode Ventures, LLC
Ross Metersky, Metersky Energy LLC

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT F

Independent Economic Impact Report

**CHAPTER 313 PROPERTY VALUE LIMITATION FINANCIAL
IMPACT OF THE PROPOSED
BLUE VALLEY SOLAR, LLC PROJECT IN THE
COMSTOCK INDEPENDENT SCHOOL DISTRICT
(PROJECT # 2027)**

PREPARED BY



MOAKCASEY
PROVEN LEADERS ADVANCING TEXAS SCHOOLS

AUGUST 29, 2022

Executive Summary

Blue Valley Solar, LLC (Company) has requested that the Comstock Independent School District (CISD) 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 CISD on May 25, 2022 the Company plans to invest \$120.3 million at its peak taxable value to construct a renewable solar energy electric generation facility. MoakCasey, LLC (MoakCasey) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Blue Valley Solar 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, although few of these other types of projects have been the basis for Chapter 313 applications.

Under the provisions of Chapter 313, CISD may offer a minimum value limitation of \$20 million. This value limitation, under the proposed application, will begin in the 2028-29 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.

MoakCasey's initial school finance analysis is detailed in this report. This analysis incorporates to the fullest extent possible the changes approved in House Bill 3 as approved in 2019, and House Bill 1525, as passed in 2021. 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 CISD	\$1.09 million
---	----------------

Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$3.3 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. A Completeness Letter was issued for this application on August 16, 2022.

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, although extensions may be requested by the Company and granted by the District.

After the Comptroller's certificate is received, Walsh Gallegos (Ms. Ann Greenberg) 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, Ms. Greenberg 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. In some instances, the school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting.

How the 313 Agreement Interacts with Texas School Finance

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).

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). Recapture costs are primarily a Tier I issue, although Tier II also can involve recapture costs for some school districts.

The basic allotment is now set at \$6,160 per weighted ADA (WADA) and is the basis for Tier I calculations. In the case of Tier II, the first eight cents of additional tax effort can be used to generate state aid of up to \$98.56 per WADA for what are known as "golden" pennies. Tax effort for golden pennies is not subject to recapture. Up to an additional nine cents may be levied to generate \$49.28 per WADA for what are known as "copper" pennies (generating half the revenue per WADA of the golden pennies).

Changes in the recapture calculation are an important part of HB 3 and HB 1525, for those districts subject to recapture. Rather than being tied to property wealth exceeding an equalized wealth level per WADA, recapture is now defined as the amount of revenue collected in excess of a district's Tier I allotment, or for Tier II the amount of collections in excess of the entitlement provided for tax effort generating copper-penny level state aid. (Golden pennies are not subject to recapture.) The changes in the recapture methodology may affect the results of revenue protection payments relative to what was calculated when the equalized wealth level was used to determine the amount of recapture owed the state by school districts subject to recapture. It does not appear to be an issue for CISD, based on the calculations shown below.

Another significant school funding change is establishing current-year property values to determine state funding and recapture under the Foundation School Program. The traditional approach for the last 30 years has been to rely upon prior-year state property values as determined annually under the Comptroller's State Property Value Study (Section 403 of the



Government Code). The change in House Bill 3 calls for using current-year property values as determined by the Comptroller's Property Value Study, without an explanation as to how the property value study is to be completed on a real-time basis.

While school district funding will now be determined based on current-year property values, House Bill 3 included language that addressed the property values to be used in determining calculating revenue protection payments under Chapter 313 agreements. This information is contained in Section 48.256(d), Education Code, as shown below:

- d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. **A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year [emphasis added].**

Given the directive regarding the use of preceding-tax-year values to calculate revenue protection payments required under Chapter 313 agreements, the amounts collected are expected to be consistent with the patterns shown since these calculations were first calculated under the standard Chapter 313 agreement language, dating back to 2004. The most significant impact is typically in the first limitation year, although major value increases in project values in later limitation years may also trigger a revenue protection payment. The additional factor that may generate a variance with the traditional pattern of revenue protection amounts is the new methodology in the calculation of recapture, as noted previously.

The calculations shown below are based on the Section 48.256(d), Education Code directive to use preceding-tax-year property values to determine the revenue protection payment, if any, owed to the school district under the terms of the Chapter 313 Agreement between the Applicant and the School District. These calculations are to be made for each of the ten limitation years under the terms of the Agreement. Chapter 313 is set to expire on December 31, 2022, but its expiration is not expected to affect the eligibility of the current application for a Chapter 313 agreement.

For more detailed information on the school finance funding system, please review the Texas Education Agency's (TEA) website. [The current information is expected to be updated as TEA determines the details of House Bill 1525 implementation.](#)

Legislative action on school funding in HB 3 in 2019 and the HB 1525 update in 2021 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 is now set to \$6,160, the Tier II golden penny yield is set to \$98.56 per WADA for up to eight cents, while the copper penny yield is \$49.28 per WADA for up to nine cents of local tax effort. These are maintained for future years at this time.

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.

ADA:	210
Local M&O Tax Base:	\$347 million
2021-22 M&O Tax Rate:	\$0.9571 per \$100 of Taxable Value
2022-23 Projected M&O Tax Rate:	\$0.9571 per \$100 of Taxable Value
I&S Tax Rate:	\$0.1200 per \$100 of Taxable Value

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 Blue Valley Solar Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP1	2026-27	210.00	397.31	\$0.9571	\$0.1200	\$347,247,199	\$347,247,199	\$873,991	\$873,991
QTP2	2027-28	210.00	397.31	\$0.9571	\$0.1200	\$347,247,199	\$347,247,199	\$873,991	\$873,991
VL1	2028-29	210.00	397.31	\$0.9571	\$0.1200	\$347,247,199	\$347,247,199	\$873,991	\$873,991
VL2	2029-30	210.00	397.31	\$0.9571	\$0.1200	\$467,507,199	\$367,247,199	\$1,176,675	\$924,329
VL3	2030-31	210.00	397.31	\$0.9571	\$0.1200	\$454,908,499	\$367,247,199	\$1,144,965	\$924,329
VL4	2031-32	210.00	397.31	\$0.9571	\$0.1200	\$442,310,199	\$367,247,199	\$1,113,257	\$924,329
VL5	2032-33	210.00	397.31	\$0.9571	\$0.1200	\$429,712,399	\$367,247,199	\$1,081,549	\$924,329
VL6	2033-34	210.00	397.31	\$0.9571	\$0.1200	\$417,114,999	\$367,247,199	\$1,049,842	\$924,329
VL7	2034-35	210.00	397.31	\$0.9571	\$0.1200	\$404,518,099	\$367,247,199	\$1,018,137	\$924,329
VL8	2035-36	210.00	397.31	\$0.9571	\$0.1200	\$391,921,599	\$367,247,199	\$986,433	\$924,329
VL9	2036-37	210.00	397.31	\$0.9571	\$0.1200	\$379,325,499	\$367,247,199	\$954,730	\$924,329
VL10	2037-38	210.00	397.31	\$0.9571	\$0.1200	\$373,019,799	\$367,247,199	\$938,859	\$924,329
VP1	2038-39	210.00	397.31	\$0.9571	\$0.1200	\$373,004,499	\$367,247,199	\$938,820	\$924,329
VP2	2039-40	210.00	397.31	\$0.9571	\$0.1200	\$372,989,599	\$372,989,599	\$938,783	\$938,783
VP3	2040-41	210.00	397.31	\$0.9571	\$0.1200	\$372,974,999	\$372,974,999	\$938,746	\$938,746
VP4	2041-42	210.00	397.31	\$0.9571	\$0.1200	\$372,960,799	\$372,960,799	\$938,710	\$938,710
VP5	2042-43	210.00	397.31	\$0.9571	\$0.1200	\$372,946,999	\$372,946,999	\$938,675	\$938,675

*Basic Allotment: \$6,160; Golden Penny Yield: \$98.56; Copper Penny Yield: \$49.28

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



M&O Impact of the Blue Valley Solar Project on CISD

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 \$20 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$1.09 million over the course of the Agreement, with most of the loss reflected in the first limitation year (2028-29). This information is summarized in Table 5.

Table 2– “Baseline Revenue Model” --Project Value Added to DPV 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	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2026-27	\$2,805,385	\$94,500	-\$412,446	\$450,385	\$34,765	-\$77,695	\$0	\$2,894,894
QTP2	2027-28	\$2,805,385	\$51,993	-\$369,939	\$450,385	\$34,765	-\$77,695	\$0	\$2,894,894
VL1	2028-29	\$3,793,871	\$94,500	-\$470,808	\$609,080	\$47,004	-\$105,108	\$0	\$3,968,539
VL2	2029-30	\$3,689,969	\$51,993	-\$1,254,523	\$592,399	\$0	-\$136,128	\$0	\$2,943,711
VL3	2030-31	\$3,586,071	\$94,500	-\$1,193,132	\$575,720	\$0	-\$129,760	\$0	\$2,933,400
VL4	2031-32	\$3,482,177	\$51,993	-\$1,046,731	\$559,039	\$0	-\$123,257	\$0	\$2,923,221
VL5	2032-33	\$3,378,286	\$94,500	-\$985,347	\$542,361	\$0	-\$116,752	\$0	\$2,913,048
VL6	2033-34	\$3,274,400	\$51,993	-\$838,954	\$525,683	\$0	-\$110,348	\$0	\$2,902,774
VL7	2034-35	\$3,170,516	\$94,500	-\$777,577	\$509,005	\$0	-\$103,943	\$0	\$2,892,502
VL8	2035-36	\$3,066,636	\$51,993	-\$631,190	\$492,328	\$0	-\$97,475	\$0	\$2,882,293
VL9	2036-37	\$3,014,633	\$94,500	-\$621,694	\$483,979	\$9,456	-\$92,668	\$0	\$2,888,206
VL10	2037-38	\$3,014,507	\$51,993	-\$579,061	\$483,959	\$14,559	-\$90,916	\$0	\$2,895,041
VP1	2038-39	\$3,013,437	\$94,500	-\$620,498	\$483,787	\$14,571	-\$90,908	\$0	\$2,894,889
VP2	2039-40	\$3,013,319	\$51,993	-\$577,873	\$483,768	\$14,583	-\$90,901	\$0	\$2,894,889
VP3	2040-41	\$3,013,204	\$94,500	-\$620,265	\$483,750	\$14,595	-\$90,893	\$0	\$2,894,891
VP4	2041-42	\$3,013,093	\$94,500	-\$620,154	\$483,732	\$14,606	-\$90,886	\$0	\$2,894,891
VP5	2042-43	\$3,012,983	\$94,500	-\$620,044	\$483,714	\$14,617	-\$90,879	\$0	\$2,894,891
		\$54,147,872	\$1,308,951	-\$12,240,229	\$8,693,074	\$213,521	-\$1,716,212	\$0	\$50,406,977

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 \$4.4 million over the life of the agreement. The CISD revenue losses are expected to total approximately \$1.09 million. The total potential net tax benefits (after hold-harmless payments are made) are estimated to reach \$3.3 million, prior to any negotiations with Blue Valley Solar on supplemental payments.

It should be noted that a key element in the revenue-loss calculation appears to be linked to the retention of prior-year property values in the calculation of the revenue protection amount for the 2028-29 school year. Under the standard agreement, these calculations are based on whatever school finance and property tax laws are in effect each year. Future legislative action in 2023 or later years on school funding formulas could affect these calculations.



Table 3– “Value Limitation Revenue Model” --Project Value Added to DPV with Value Limitation in Effect

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	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2026-27	\$2,805,385	\$94,500	-\$412,446	\$450,385	\$34,765	-\$77,695	\$0	\$2,894,894
QTP2	2027-28	\$2,805,385	\$51,993	-\$369,939	\$450,385	\$34,765	-\$77,695	\$0	\$2,894,894
VL1	2028-29	\$2,967,026	\$94,500	-\$470,808	\$476,336	\$36,761	-\$82,203	\$0	\$3,021,612
VL2	2029-30	\$2,967,026	\$51,993	-\$531,580	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL3	2030-31	\$2,967,026	\$94,500	-\$574,087	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL4	2031-32	\$2,967,026	\$51,993	-\$531,580	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL5	2032-33	\$2,967,026	\$94,500	-\$574,087	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL6	2033-34	\$2,967,026	\$51,993	-\$531,580	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL7	2034-35	\$2,967,026	\$94,500	-\$574,087	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL8	2035-36	\$2,967,026	\$51,993	-\$531,580	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL9	2036-37	\$2,967,026	\$94,500	-\$574,087	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VL10	2037-38	\$2,967,026	\$51,993	-\$531,580	\$476,336	\$19,085	-\$87,955	\$0	\$2,894,905
VP1	2038-39	\$3,013,437	\$94,500	-\$620,498	\$483,787	\$19,377	-\$89,327	\$0	\$2,901,277
VP2	2039-40	\$3,013,319	\$51,993	-\$577,873	\$483,768	\$14,583	-\$90,901	\$0	\$2,894,889
VP3	2040-41	\$3,013,204	\$94,500	-\$620,265	\$483,750	\$14,595	-\$90,893	\$0	\$2,894,891
VP4	2041-42	\$3,013,093	\$94,500	-\$620,154	\$483,732	\$14,606	-\$90,886	\$0	\$2,894,891
VP5	2042-43	\$3,012,983	\$94,500	-\$620,044	\$483,714	\$14,617	-\$90,879	\$0	\$2,894,891
		\$50,347,066	\$1,308,951	-\$9,266,268	\$8,082,881	\$355,834	-\$1,482,073	\$0	\$49,346,391

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

Table 4 – Value Limitation Revenue Model Less Baseline Revenue Model with No 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	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2026-27	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2	2027-28	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VL1	2028-29	-\$826,845	\$0	\$0	-\$132,744	-\$10,243	\$22,905	\$0	-\$946,927
VL2	2029-30	-\$722,943	\$0	\$722,943	-\$116,063	\$19,085	\$48,173	\$0	-\$48,805
VL3	2030-31	-\$619,045	\$0	\$619,045	-\$99,384	\$19,085	\$41,805	\$0	-\$38,494
VL4	2031-32	-\$515,151	\$0	\$515,151	-\$82,703	\$19,085	\$35,302	\$0	-\$28,316
VL5	2032-33	-\$411,260	\$0	\$411,260	-\$66,025	\$19,085	\$28,797	\$0	-\$18,143
VL6	2033-34	-\$307,374	\$0	\$307,374	-\$49,347	\$19,085	\$22,393	\$0	-\$7,869
VL7	2034-35	-\$203,490	\$0	\$203,490	-\$32,669	\$19,085	\$15,988	\$0	\$2,404
VL8	2035-36	-\$99,610	\$0	\$99,610	-\$15,992	\$19,085	\$9,520	\$0	\$12,613
VL9	2036-37	-\$47,607	\$0	\$47,607	-\$7,643	\$9,629	\$4,713	\$0	\$6,699
VL10	2037-38	-\$47,481	\$0	\$47,481	-\$7,623	\$4,526	\$2,961	\$0	-\$136
VP1	2038-39	\$0	\$0	\$0	\$0	\$4,806	\$1,581	\$0	\$6,387
VP2	2039-40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2040-41	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2041-42	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2042-43	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		-\$3,800,806	\$0	\$2,973,961	-\$610,193	\$142,313	\$234,138	\$0	-\$1,060,587

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



Table 5 - Estimated Financial Impact of the Blue Valley Solar Project Property Value Limitation Request Submitted to CISD at \$0.95710 per \$100 M&O Tax Rate

Year of Agreement	School Year	Project Taxable Value for M&O If No Limitation	Project Taxable Value for M&O with Limitation	Assumed M&O Tax Rate	Tax Savings to Company	School District Revenue Protection	Estimated Net Tax Benefits
QTP1	2026-27	\$0	\$0	\$0.9571	\$0	\$0	\$0
QTP2	2027-28	\$0	\$0	\$0.9571	\$0	\$0	\$0
VL1	2028-29	\$120,260,000	\$20,000,000	\$0.9571	\$959,588	-\$946,927	\$12,661
VL2	2029-30	\$107,661,300	\$20,000,000	\$0.9571	\$839,006	-\$48,805	\$790,201
VL3	2030-31	\$95,063,000	\$20,000,000	\$0.9571	\$718,428	-\$38,494	\$679,934
VL4	2031-32	\$82,465,200	\$20,000,000	\$0.9571	\$597,854	-\$28,316	\$569,539
VL5	2032-33	\$69,867,800	\$20,000,000	\$0.9571	\$477,285	-\$18,143	\$459,142
VL6	2033-34	\$57,270,900	\$20,000,000	\$0.9571	\$356,720	-\$7,869	\$348,851
VL7	2034-35	\$44,674,400	\$20,000,000	\$0.9571	\$236,159	\$0	\$236,159
VL8	2035-36	\$32,078,300	\$20,000,000	\$0.9571	\$115,601	\$0	\$115,601
VL9	2036-37	\$25,772,600	\$20,000,000	\$0.9571	\$55,250	\$0	\$55,250
VL10	2037-38	\$25,757,300	\$20,000,000	\$0.9571	\$55,103	-\$136	\$54,967
VP1	2038-39	\$25,742,400	\$25,742,400	\$0.9571	\$0	\$0	\$0
VP2	2039-40	\$25,727,800	\$25,727,800	\$0.9571	\$0	\$0	\$0
VP3	2040-41	\$25,713,600	\$25,713,600	\$0.9571	\$0	\$0	\$0
VP4	2041-42	\$25,699,800	\$25,699,800	\$0.9571	\$0	\$0	\$0
VP5	2042-43	\$25,686,300	\$25,686,300	\$0.9571	\$0	\$0	\$0
					\$4,410,994	-\$1,088,690	\$3,322,304

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, which could be significant under HB 3 and HB 1525.
- 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.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with CISD currently levying a \$0.1200 per \$100 I&S rate. As shown in the Table 6 below, local taxpayers could benefit from the addition of the Blue Valley Solar project to the local I&S tax roll, especially in the early years of the project. CISD does not receive state support from the Existing Debt Allotment (EDA) and the Instructional Facilities Allotment (IFA).

The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. 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 6 - Estimated Impact of the Blue Valley Solar Project Property Value Limitation Request on CISD I&S Tax Rate

Year of Agreement	School Year	I&S Rate w/out Project	Local Value w/out Project	I&S Taxes w/out Project	Project Full Taxable Value	I&S Rate with Project Value	Change in I&S Rate
QTP1	2026-27	\$0.1200	\$347,008,335	\$416,410	\$0	\$0.120000	\$0.0000
QTP2	2027-28	\$0.1200	\$347,008,335	\$416,410	\$0	\$0.120000	\$0.0000
VL1	2028-29	\$0.1200	\$347,008,335	\$416,410	\$120,260,000	\$0.089116	-\$0.0309
VL2	2029-30	\$0.1200	\$347,008,335	\$416,410	\$107,661,300	\$0.091585	-\$0.0284
VL3	2030-31	\$0.1200	\$347,008,335	\$416,410	\$95,063,000	\$0.094195	-\$0.0258
VL4	2031-32	\$0.1200	\$347,008,335	\$416,410	\$82,465,200	\$0.096958	-\$0.0230
VL5	2032-33	\$0.1200	\$347,008,335	\$416,410	\$69,867,800	\$0.099888	-\$0.0201
VL6	2033-34	\$0.1200	\$347,008,335	\$416,410	\$57,270,900	\$0.103001	-\$0.0170
VL7	2034-35	\$0.1200	\$347,008,335	\$416,410	\$44,674,400	\$0.106313	-\$0.0137
VL8	2035-36	\$0.1200	\$347,008,335	\$416,410	\$32,078,300	\$0.109846	-\$0.0102
VL9	2036-37	\$0.1200	\$347,008,335	\$416,410	\$25,772,600	\$0.111704	-\$0.0083
VL10	2037-38	\$0.1200	\$347,008,335	\$416,410	\$25,757,300	\$0.111708	-\$0.0083
VP1	2038-39	\$0.1200	\$347,008,335	\$416,410	\$25,742,400	\$0.111713	-\$0.0083
VP2	2039-40	\$0.1200	\$347,008,335	\$416,410	\$25,727,800	\$0.111717	-\$0.0083
VP3	2040-41	\$0.1200	\$347,008,335	\$416,410	\$25,713,600	\$0.111721	-\$0.0083
VP4	2041-42	\$0.1200	\$347,008,335	\$416,410	\$25,699,800	\$0.111725	-\$0.0083
VP5	2042-43	\$0.1200	\$347,008,335	\$416,410	\$25,686,300	\$0.111730	-\$0.0083

IFA and EDA state aid are now based on current-year values, which could affect the tax rate needed for bond payments in districts eligible for these funds.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT G

Comptroller's Certification and Economic Impact Analysis



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

November 10, 2022

Orlie Wolfenbarger
Superintendent
Comstock Independent School District
101 Sanderson Street
Comstock, TX 78837

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Comstock Independent School
District and Blue Valley Solar, LLC, Application 2027

Dear Superintendent Wolfenbarger:

On August 25, 2022, the Comptroller issued written notice that Blue Valley Solar, LLC (applicant) submitted a completed application (Application 2027) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on May 25, 2022, to the Comstock 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 2027.

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, 2022**.

Note that any building or improvement existing as of the application review start date of **August 16, 2022**, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

DocuSigned by:

11EA6DEF0EC441E...

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Blue Valley Solar, LLC (project) applying to Comstock 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 Blue Valley Solar, LLC.

Applicant	Blue Valley Solar, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	Comstock ISD
2020-2021 Average Daily Attendance	221
County	Val Verde
Proposed Total Investment in District	\$170,750,000
Proposed Qualified Investment	\$170,750,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2026-2027
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$798
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$798
Minimum annual wage committed to by applicant for qualified jobs	\$41,499
Minimum weekly wage required for non-qualifying jobs	\$797.00
Minimum annual wage required for non-qualifying jobs	\$41,444
Investment per Qualifying Job	\$170,750,000
Estimated M&O levy without any limit (15 years)	\$7,801,454
Estimated M&O levy with Limitation (15 years)	\$3,390,460
Estimated gross M&O tax benefit (15 years)	\$4,410,994

* 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 Blue Valley Solar, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2027	170	180	350	\$8,500,000	\$22,150,000	\$30,650,000
2028	1	14	14.942	\$41,499	\$3,657,501	\$3,699,000
2029	1	10	11	\$41,499	\$2,724,501	\$2,766,000
2030	1	3	4	\$41,499	\$1,638,501	\$1,680,000
2031	1	(1)	0	\$41,499	\$962,501	\$1,004,000
2032	1	(3)	-2	\$41,499	\$576,501	\$618,000
2033	1	(3)	-2	\$41,499	\$386,501	\$428,000
2034	1	(2)	-1	\$41,499	\$333,501	\$375,000
2035	1	(1)	0	\$41,499	\$357,501	\$399,000
2036	1	0	1	\$41,499	\$419,501	\$461,000
2037	1	1	2	\$41,499	\$512,501	\$554,000
2038	1	2	3	\$41,499	\$616,501	\$658,000
2039	1	3	4	\$41,499	\$721,501	\$763,000
2040	1	3	4	\$41,499	\$811,501	\$853,000
2041	1	3	4	\$41,499	\$881,501	\$923,000
2042	1	3	4	\$41,499	\$933,501	\$975,000

Source: CPA REMI, Blue Valley Solar, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Comstock ISD I&S Tax Levy	Comstock ISD M&O Tax Levy	Comstock ISD M&O and I&S Tax Levies	Val Verde County Tax Levy	Val Verde Regional Medical Center District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1200	0.9571		0.5342	0.0960	
2028	\$120,260,000	\$120,260,000		\$144,312	\$1,151,008	\$1,295,320	\$642,429	\$115,450	\$2,053,199
2029	\$107,661,300	\$107,661,300		\$129,194	\$1,030,426	\$1,159,620	\$575,127	\$103,355	\$1,838,101
2030	\$95,063,000	\$95,063,000		\$114,076	\$909,848	\$1,023,924	\$507,827	\$91,260	\$1,623,011
2031	\$82,465,200	\$82,465,200		\$98,958	\$789,274	\$888,233	\$440,529	\$79,167	\$1,407,928
2032	\$69,867,800	\$69,867,800		\$83,841	\$668,705	\$752,546	\$373,234	\$67,073	\$1,192,853
2033	\$57,270,900	\$57,270,900		\$68,725	\$548,140	\$616,865	\$305,941	\$54,980	\$977,786
2034	\$44,674,400	\$44,674,400		\$53,609	\$427,579	\$481,188	\$238,651	\$42,887	\$762,726
2035	\$32,078,300	\$32,078,300		\$38,494	\$307,021	\$345,515	\$171,362	\$30,795	\$547,673
2036	\$25,772,600	\$25,772,600		\$30,927	\$246,670	\$277,597	\$137,677	\$24,742	\$440,016
2037	\$25,757,300	\$25,757,300		\$30,909	\$246,523	\$277,432	\$137,595	\$24,727	\$439,754
2038	\$25,742,400	\$25,742,400		\$30,891	\$246,381	\$277,271	\$137,516	\$24,713	\$439,500
2039	\$25,727,800	\$25,727,800		\$30,873	\$246,241	\$277,114	\$137,438	\$24,699	\$439,251
2040	\$25,713,600	\$25,713,600		\$30,856	\$246,105	\$276,961	\$137,362	\$24,685	\$439,008
2041	\$25,699,800	\$25,699,800		\$30,840	\$245,973	\$276,813	\$137,288	\$24,672	\$438,773
2042	\$25,686,300	\$25,686,300		\$30,824	\$245,844	\$276,667	\$137,216	\$24,659	\$438,542
2043	\$25,673,100	\$25,673,100		\$30,808	\$245,717	\$276,525	\$137,146	\$24,646	\$438,317
			Total	\$978,137	\$7,801,454	\$8,779,591	\$4,354,338	\$782,509	\$13,916,438

Source: CPA, Blue Valley Solar, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Val Verde 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 and Val Verde Regional Medical Center.

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		Comstock ISD I&S Tax Levy	Comstock ISD M&O Tax Levy	Comstock ISD M&O and I&S Tax Levies	Val Verde County Tax Levy	Val Verde Regional Medical Center District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1200	0.9571		0.5342	0.0960	
2028	\$120,260,000	\$20,000,000		\$144,312	\$191,420	\$335,732	\$321,214	\$57,725	\$714,671
2029	\$107,661,300	\$20,000,000		\$129,194	\$191,420	\$320,614	\$287,563	\$51,677	\$659,854
2030	\$95,063,000	\$20,000,000		\$114,076	\$191,420	\$305,496	\$253,913	\$45,630	\$605,039
2031	\$82,465,200	\$20,000,000		\$98,958	\$191,420	\$290,378	\$220,265	\$39,583	\$550,226
2032	\$69,867,800	\$20,000,000		\$83,841	\$191,420	\$275,261	\$186,617	\$33,537	\$495,415
2033	\$57,270,900	\$20,000,000		\$68,725	\$191,420	\$260,145	\$152,971	\$27,490	\$440,606
2034	\$44,674,400	\$20,000,000		\$53,609	\$191,420	\$245,029	\$119,325	\$21,444	\$385,798
2035	\$32,078,300	\$20,000,000		\$38,494	\$191,420	\$229,914	\$85,681	\$15,398	\$330,993
2036	\$25,772,600	\$20,000,000		\$30,927	\$191,420	\$222,347	\$68,839	\$12,371	\$303,557
2037	\$25,757,300	\$20,000,000		\$30,909	\$191,420	\$222,329	\$68,798	\$12,364	\$303,490
2038	\$25,742,400	\$25,742,400		\$30,891	\$246,381	\$277,271	\$137,516	\$24,713	\$439,500
2039	\$25,727,800	\$25,727,800		\$30,873	\$246,241	\$277,114	\$137,438	\$24,699	\$439,251
2040	\$25,713,600	\$25,713,600		\$30,856	\$246,105	\$276,961	\$137,362	\$24,685	\$439,008
2041	\$25,699,800	\$25,699,800		\$30,840	\$245,973	\$276,813	\$137,288	\$24,672	\$438,773
2042	\$25,686,300	\$25,686,300		\$30,824	\$245,844	\$276,667	\$137,216	\$24,659	\$438,542
2043	\$25,673,100	\$25,673,100		\$30,808	\$245,717	\$276,525	\$137,146	\$24,646	\$438,317
			Total	\$978,137	\$3,390,460	\$4,368,596	\$2,589,152	\$465,291	\$7,423,040
			Diff	\$0	\$4,410,994	\$4,410,994	\$1,765,186	\$317,218	\$6,493,398
Assumes School Value Limitation and Tax Abatements with the County and Val Verde Regional Medical Center.									

Source: CPA, Blue Valley Solar, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller's determination that Blue Valley Solar, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2022	\$0	\$0	\$0	\$0
	2023	\$0	\$0	\$0	\$0
	2024	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2028	\$191,420	\$191,420	\$959,588	\$959,588
	2029	\$191,420	\$382,840	\$839,006	\$1,798,595
	2030	\$191,420	\$574,260	\$718,428	\$2,517,023
	2031	\$191,420	\$765,680	\$597,854	\$3,114,877
	2032	\$191,420	\$957,100	\$477,285	\$3,592,162
	2033	\$191,420	\$1,148,520	\$356,720	\$3,948,882
	2034	\$191,420	\$1,339,940	\$236,159	\$4,185,040
	2035	\$191,420	\$1,531,360	\$115,601	\$4,300,642
	2036	\$191,420	\$1,722,780	\$55,250	\$4,355,891
	2037	\$191,420	\$1,914,200	\$55,103	\$4,410,994
Maintain Viable Presence (5 Years)	2038	\$246,381	\$2,160,581	\$0	\$4,410,994
	2039	\$246,241	\$2,406,821	\$0	\$4,410,994
	2040	\$246,105	\$2,652,926	\$0	\$4,410,994
	2041	\$245,973	\$2,898,899	\$0	\$4,410,994
	2042	\$245,844	\$3,144,743	\$0	\$4,410,994
Additional Years as Required by 313.026(c)(1) (10 Years)	2043	\$245,717	\$3,390,460	\$0	\$4,410,994
	2044	\$245,595	\$3,636,054	\$0	\$4,410,994
	2045	\$245,475	\$3,881,530	\$0	\$4,410,994
	2046	\$245,358	\$4,126,888	\$0	\$4,410,994
	2047	\$245,244	\$4,372,132	\$0	\$4,410,994
	2048	\$245,133	\$4,617,266	\$0	\$4,410,994
	2049	\$245,025	\$4,862,291	\$0	\$4,410,994
	2050	\$244,920	\$5,107,211	\$0	\$4,410,994
	2051	\$244,818	\$5,352,029	\$0	\$4,410,994
	2052	\$244,717	\$5,596,746	\$0	\$4,410,994
		\$5,596,746	is greater than	\$4,410,994	
Analysis Summary					
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?					Yes

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, Blue Valley Solar, LLC

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Blue Valley Solar, LLC’s (parent company Diode Ventures, LLC) 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 Blue Valley Solar, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Blue Valley Solar, LLC the applicant, is 100% owned by Diode Ventures, LLC (“Diode”). Diode is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe, Asia and North America.”
 - B. “As a developer with international scope and capabilities, Diode has the ability to locate projects of this type in other countries as well as in states within the United States and other regions within Texas with favorable project characteristics. Diode is exploring projects outside of Texas. In addition, Diode is actively assessing and developing other projects that are competing for limited investment funds. With Texas wholesale electricity prices already below the international average, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at a competitive rates.”
 - C. “The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement (“PPA”). Therefore, Diode would be unable to finance and build the Project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, Diode would be forced to halt development of the Project and invest in other projects in other states, where the rate of return is higher. Diode is developing solar projects in, Virginia, Texas, Nevada, and Indiana.”

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☐ Yes ☒ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ☒ Yes ☐ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☒ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ☐ Yes ☒ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☒ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☐ Yes ☒ No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ☒ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☒ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☒ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☒ Yes ☐ No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

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

1. Estimated school board ratification of final agreement 4Q 2022
2. Estimated commencement of construction 1Q 2027
3. Beginning of qualifying time period (MM/DD/YYYY) 1/1/2026
4. First year of limitation (YYYY) 2028
 - 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):

☐ A. January 1 following the application date

☒ B. January 1 following the end of QTP

☐ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations 12/31/27

SECTION 10: The Property

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

M&O (ISD): <u>Comstock ISD 0.9571, 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Comstock ISD 0.1200, 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Val Verde County, 0.5342, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>n/a</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Val Verde RMC 0.0960</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>n/a</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>n/a</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>n/a</u> <small>(Name, tax rate and percent of project)</small>

Supporting Information

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

TAB 5

Documentation to assist in determining if limitation is a determining factor

Blue Valley Solar, LLC has entered into lease agreements with certain landowners. These leases include an option period (or feasibility period) whereby Blue Valley Solar, LLC can terminate the lease agreements, at its discretion, without commencing construction of the project.

The Project applied to ERCOT and was assigned GINR# 23INR0352 on November 4, 2021. The Project is not known by any other names.

Blue Valley Solar, LLC, the applicant, is 100% owned by Diode Ventures, LLC (“Diode”). Diode is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe, Asia and North America. Diode’s leadership has a proven track record of identifying, developing and managing power generation and related infrastructure projects.

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

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement (“PPA”). Therefore, Diode would be unable to finance and build the Project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, Diode would be forced to halt development of the Project and invest in other projects in other states, where the rate of return is higher. Diode is developing solar projects in, Virginia, Texas, Nevada, and Indiana. Blue Valley Solar, LLC will submit a Chapter 312 application to Val Verde County as just part of the economic incentives package needed to make the Project economically viable and move forward as proposed in this application.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
Cornstock ISD–Blue Valley Solar, LLC App. #2027

Comptroller Questions (Application Tap 4 and Via email on October 31, 2022):

1. *Is Blue Valley Solar, LLC currently known by any other project names?*
2. *Has this project applied to ERCOT at this time? If so, please provide the project's IGNR number and when was it assigned.*
3. *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.*
4. *Please advise if you will be sharing qualified property with other applicants pending or active 313 agreement.*

Applicant Response (Application Tap 4 and Via email on October 31, 2022):

1. *This project is not known by any other name.*
2. *Yes, GINR Number is #23INR0352 - 8/21/2018.*
3. *This project is not now and has never been known by any other name.*
4. *Qualified property will not be shared with other applicants pending or active 313 agreement. The applicant is not a party to any other pending or active Chapter 313 agreements.*

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT H

Comptroller's Approval



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

December 13, 2022

Orlie Wolfenbarger
Superintendent
Comstock Independent School District
101 Sanderson Street
Comstock, TX 78837

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Comstock Independent School District and Blue Valley Solar, LLC, Application 2027

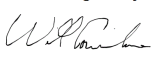
Dear Superintendent Wolfenbarger:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Comstock Independent School District and Blue Valley Solar, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the Agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Annette Holmes with our office. She can be reached by email at annette.holmes@cpa.texas.gov or by phone at 1-800-531-5441, ext. 5-3792, or at 512-475-3792.

Sincerely,

DocuSigned by:

8FDFC70F5753487...
Will Counihan
Director
Data Analysis & Transparency Division

cc: Ann Greenberg, Walsh Gallegos Trevino Russo & Kyle, P.C.
Richard Winterman, Blue Valley Solar, LLC
Derek Kremser, Diode Ventures, LLC
Ross Metersky, Metersky Energy LLC

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT I


Applicant's Taxable Entity Status



Franchise Tax Account Status

As of : 12/12/2022 14:48:44

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

BLUE VALLEY SOLAR, LLC	
Texas Taxpayer Number	32083582513
Mailing Address	11401 LAMAR AVE C/O DIODE VENTURES) OVERLAND PARK, KS 66211-1508
 Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	03/09/2022
Texas SOS File Number	0804466753
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST. SUITE 900 DALLAS, TX 75201

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between COMSTOCK INDEPENDENT SCHOOL
DISTRICT and BLUE VALLEY SOLAR, LLC

EXHIBIT J

Reinvestment Zone

COMSTOCK INDEPENDENT SCHOOL DISTRICT REINVESTMENT ZONE CRITERIA AND GUIDELINES

WHEREAS, the Comstock Independent School District (“District”) is a taxing unit for purposes of Chapter 313, Texas Tax Code, as that term is defined by Texas Tax Code § 1.04(12), and is considering one application for an appraised tax value limitation and desires to consider future applications;

WHEREAS, a qualified investment, as that term is defined in Texas Tax Code § 313.021(a) must be located within a designated reinvestment or enterprise zone to qualify under Texas Tax Code § 313.021(2);

WHEREAS, under Texas Tax Code Chapter 312, the District may designate a reinvestment or enterprise zone within its boundaries to allow a qualifying project to be built within District boundaries; and

WHEREAS, the District seeks to enjoy the benefits of appraised value limitation agreements with eligible businesses.

NOW, THEREFORE, the Board of Trustees adopts the following Reinvestment Zone Criteria and Guidelines that govern pending and future requests for designation of reinvestment or enterprise zones pursuant to Texas Tax Code Chapter 312.

I. PURPOSE

The District adopts these reinvestment zone criteria and guidelines to allow for the creation/designation of a reinvestment zone to accommodate a Qualified Investment pursuant to an approved application for appraised value limitation under Chapter 313, Texas Tax Code.

II. CRITERIA

- A. The following non-exclusive criteria will be considered in determining whether to designate a Reinvestment Zone in conjunction with an application for appraised value limitation that has not been rejected by the Board:
- (1) Number and types of new jobs to be created by proposed improvements;
 - (2) The wages and benefits to be paid to all new employees as compared to average wages in Val Verde County;
 - (3) The anticipated increase in taxable values generated by the proposed improvements;

- (4) The student population growth of the District projected to occur directly as a result of new improvements;
 - (5) The attraction of other new businesses to the area as a result of the project.
- B. After review, the Board of Trustees reserves the right to grant or deny, in whole or in part, each application for designating a reinvestment zone, on a case-by-case basis and in its sole discretion.

III. GUIDELINES

- A. An entity may apply for a reinvestment zone designation from the District by declaring its intention in the completed application for appraised value limitation submitted to the Board of Trustees for initial consideration.
- B. Prior to the adoption of a resolution designating a reinvestment or enterprise zone, the District shall:
 - (1) Give written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located not later than the seventh (7th) day before the public hearing; and
 - (2) Publish notice of a public hearing in a newspaper of general circulation within such taxing jurisdiction not later than the seventh (7th) day before the public hearing.
- C. Before acting upon the request at a public hearing, the Board of Trustees may provide the applicant with an opportunity, orally and/or in writing, to present reasons as to why the area should be designated as a reinvestment or enterprise zone.
- D. The Board of Trustees may approve or disapprove the request for designation at the conclusion of the hearing. If the Board does not vote on the request at the conclusion of the hearing, the Board will take action at its next regularly scheduled meeting. If the Board does not vote on the request within thirty (30) days of the public hearing, the request is denied.
- E. The adoption of these Criteria and Guidelines by the Board does not:
 - (1) Limit the discretion of the District to decide whether to enter into a specific appraised value limitation agreement or to designate a reinvestment or enterprise zone;
 - (2) Create a property, contract, or other legal rights in any person to have the District consider or grant a specific application for appraised value limitation or request to designate a reinvestment or enterprise zone.

- F. These Criteria and Guidelines are effective upon the date of their adoption and will remain in force for two years subject to further amendment, renewal, or discontinuation by action of the Board of Trustees.

IV. TERM

- A. These Criteria and Guidelines are effective upon the date of their adoption and will remain in force for two years subject to further amendment, renewal, or discontinuation by action of the Board of Trustees.

ADOPTED this 15th day of November, 2022.

By: William J. Zuberke
President, Board of Trustees

ATTEST:

Regina Dime
Secretary, Board of Trustees

CERTIFICATION

I hereby certify that the foregoing resolution was presented to the Board of Trustees of the Comstock Independent School District during a properly scheduled and noticed meeting on November 15, 2022. A quorum of the Board of Trustees being then present, it was then duly moved and seconded that the resolution be adopted according to the following votes,

Ayes: 7
Nays: 0
Abstentions: _____

To certify which, witness my hand this 13th December day of ~~November~~, 2022.

By: William J. Zuberke
President, Board of Trustees

**RESOLUTION OF THE
COMSTOCK INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES**

RESOLUTION DESIGNATING BLUE VALLEY SOLAR, LLC REINVESTMENT ZONE

WHEREAS, the Board of Trustees of the Comstock Independent School District (“District”) seeks to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone;

WHEREAS, the District is authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Tax Code § 312.0025), for the purpose of authorizing an Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, as authorized by Chapter 313 of the Texas Tax Code;

WHEREAS, on November 15, 2022 and on December 13, 2022, hearings were held before the Board of Trustees of the District pursuant to Texas Tax Code § 312.201(d), a newspaper notice was published and written notice was delivered to the respective taxing entities within this jurisdiction at least seven (7) days prior to each public hearing on the designation of the reinvestment zone;

WHEREAS, the Board of Trustees at such public hearings invited any interested person to appear and speak for or against the creation of the reinvestment zone, and whether all or part of the territory described should be included in the proposed reinvestment zone;

WHEREAS, on December 13, 2022, the Board of Trustees considered information provided by proponents and opponents of the creation of the reinvestment zone if any, and in accordance with previously adopted Criteria and Guidelines; and

WHEREAS, the Board of Trustees considered the creation of a reinvestment zone related to a tax limitation agreement submitted by Blue Valley Solar, LLC for property within the District’s boundaries and depicted in the attached **Exhibits A and B**.

**BE IT RESOLVED BY THE BOARD OF TRUSTEES
OF THE COMSTOCK INDEPENDENT SCHOOL DISTRICT:**

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Board of Trustees of the Comstock Independent School District, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That there were two properly called, held and conducted public hearings on the adoption of the *Blue Valley Solar, LLC Reinvestment Zone*, and that notices of such hearing have been published as required by law and mailed to the respective presiding officers of the governing bodies/governing bodies of each taxing unit which includes within its boundaries real property that is to be included in the proposed reinvestment zone; and,
- (b) That the boundaries of the *Blue Valley Solar, LLC Reinvestment Zone* are within the boundaries of the District and by the adoption of this Resolution is declared and certified to be the area described in the attached Exhibits A and B; and,
- (c) That creation of the *Blue Valley Solar, LLC Reinvestment Zone* with boundaries as described in Exhibits A and B will result in economic benefits to the District and that the improvements sought are feasible and practical; and,
- (d) The *Blue Valley Solar, LLC Reinvestment Zone* described in Exhibits A and B meets the criteria set forth in Texas Tax Code § 312.0025 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it is reasonably likely that the designation will contribute to the retention or expansion of primary employment, and/or will attract investment in the zone that will be a benefit to the property, and would contribute to economic development within the District.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the District, hereby creates a reinvestment zone under the provisions of Texas Tax Code § 312.0025, encompassing the area described by the descriptions in Exhibits A and B, and such reinvestment zone is hereby designated and shall hereafter be referred to as *Blue Valley Solar, LLC Reinvestment Zone*.

SECTION 4. That the *Blue Valley Solar, LLC Reinvestment Zone* shall take immediate effect upon adoption by the Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of such designation.

SECTION 5. That if any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place, and subject of the meeting of the District Board of Trustees, at which this Resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended; and that two public hearings were held prior to the designation of such reinvestment zone, and that proper notice of the hearings was published in newspapers of general circulation in Val Verde County, and furthermore, such notice of the meeting was, in fact, delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED, AND ADOPTED on this 13th day of December, 2022.

Comstock Independent School District

By: William J. Zuberbuhler
President, Board of Trustees

Attest:

By: Regina Dimer
Secretary, Board of Trustees

CERTIFICATION

I hereby certify that the foregoing resolution was presented to the Board of Trustees of the Comstock Independent School District during a regular meeting on December 13, 2022. A quorum of the Board of Trustees being then present, it was then duly moved and seconded that the resolution be adopted according to the following votes,

Ayes: 5
Nays: 1
Abstentions: _____

To certify which, witness my hand this 19th day of December, 2022.

By: William J. Zuberbuhler
President, Board of Trustees

EXHIBIT A
PROPERTY INCLUDED IN THE REINVESTMENT ZONE

The Reinvestment Zone includes all the areas in the Val Verde County Appraisal District tax parcels listed below that lie within the boundaries of Comstock ISD. Maps of the Reinvestment Zone are attached as Exhibit B. In the event of a discrepancy between Exhibit A and the attached maps on Exhibit B, Exhibit A shall control.

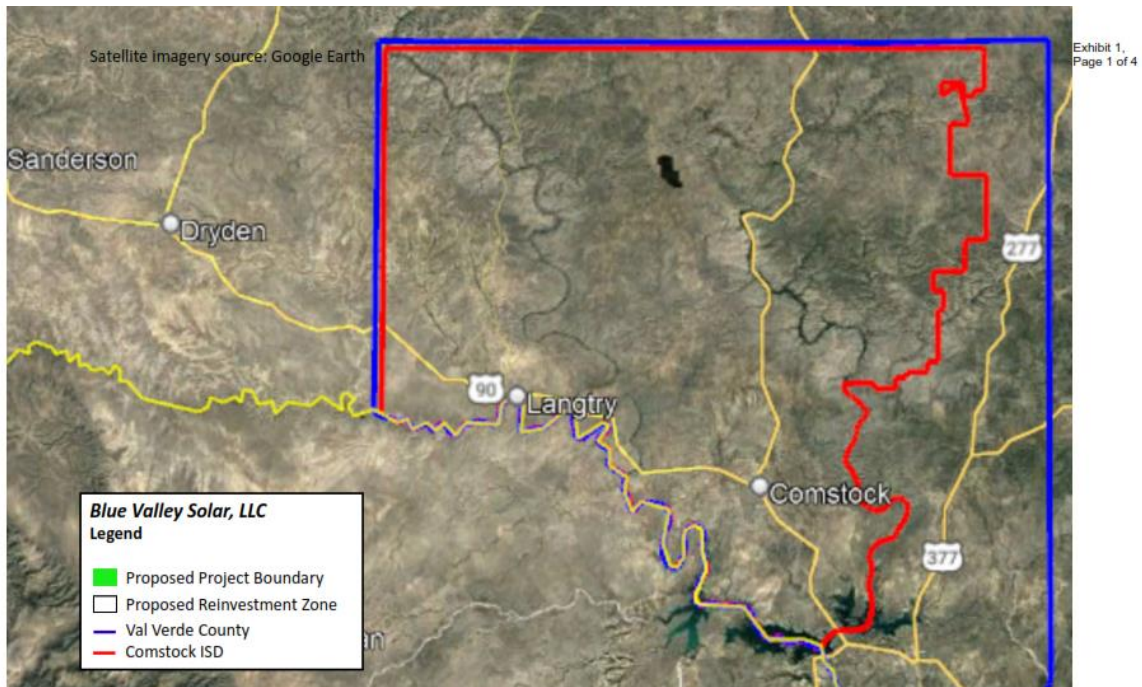
The total area of the Reinvestment Zone is approximately 978.27 acres.

Property ID	Owner	Legal Description
12645	BRAZOS HIGHLAND PROPERTIES LP	ABST 0140 SUR 1 BS & F, 241 ACRES OUT OF 324.931 ACRES
12751	BRAZOS HIGHLAND PROPERTIES LP	ABST 0162 SUR 43 BLK DB CCSD & RGNG RR CO, 61 ACRES OUT OF 406.821 ACRES
18993	BRAZOS HIGHLAND PROPERTIES LP	ABST 3457 SUR 44 1/2 DICKSON J, 119 ACRES OUT OF 307.083 ACRES
19014	BRAZOS HIGHLAND PROPERTIES LP	ABST 3472 SUR 4 BS & F, 103.270 ACRES
19015	BRAZOS HIGHLAND PROPERTIES LP	ABST 3473 SUR 44 BLK DB CCSD & RGNG RR CO, 54 ACRES OUT OF 667.219 ACRES
19017	BRAZOS HIGHLAND PROPERTIES LP	ABST 3475 SUR 2 BS & F, 400 ACRES OUT OF 658.485 ACRES

EXHIBIT B

MAPS OF BLUE VALLEY SOLAR, LLC REINVESTMENT ZONE

The boundaries of the Blue Valley Solar, LLC Reinvestment Zone will be entirely within Comstock ISD's boundaries and more particularly described in the following maps:



Satellite imagery source: Google Earth

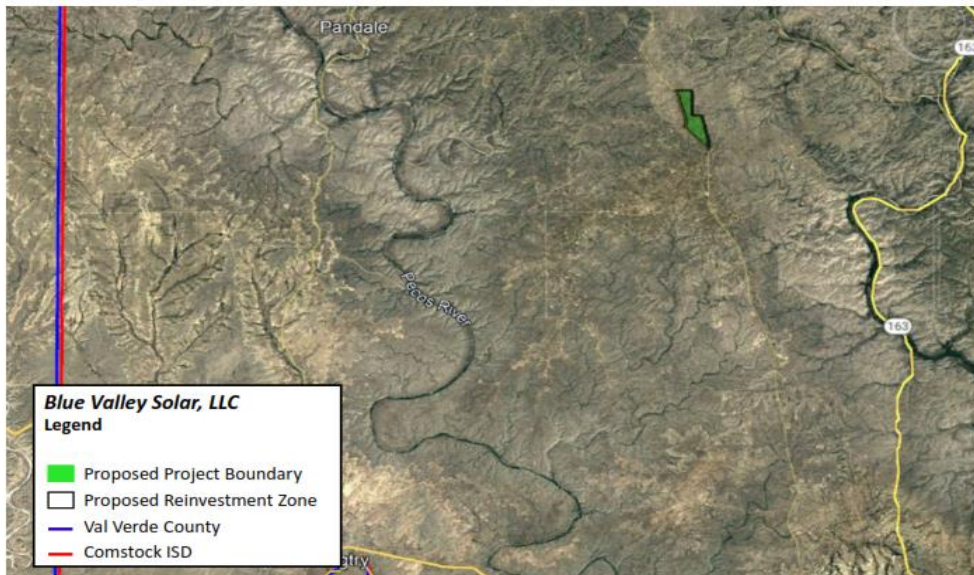
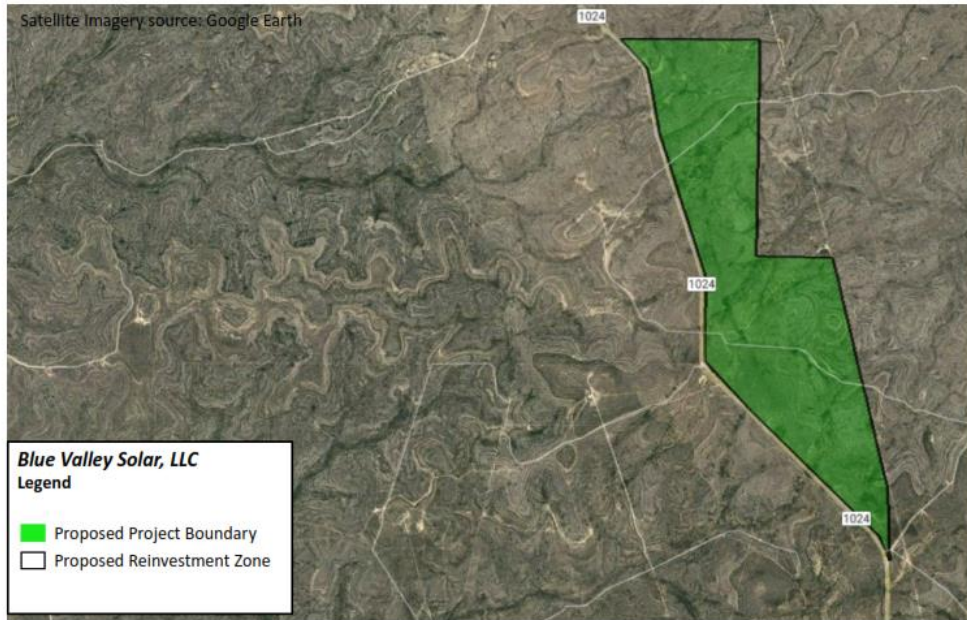


Exhibit 1, Page 2 of 4



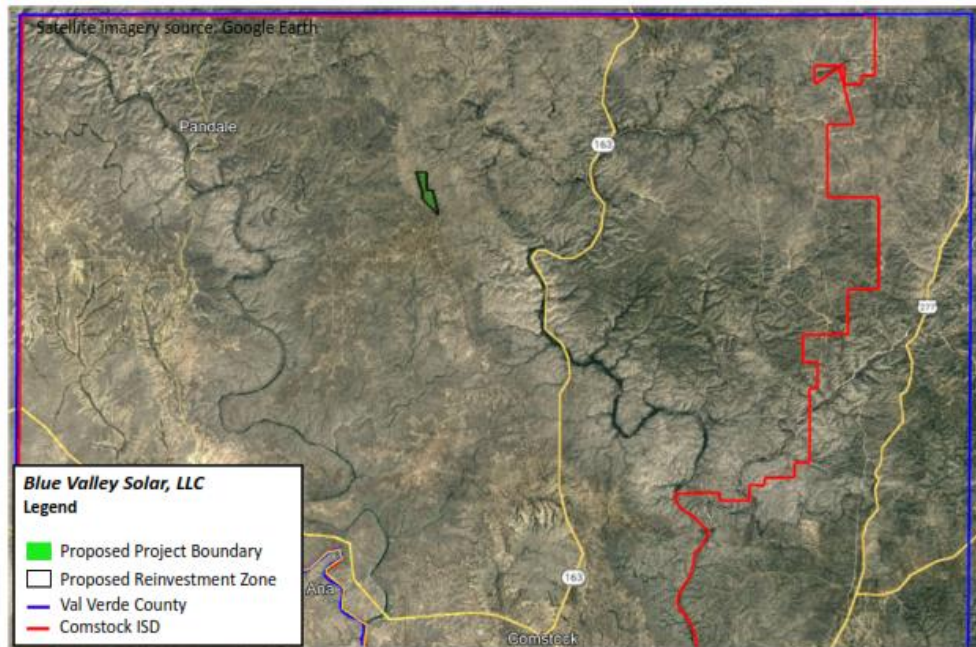


Exhibit 1,
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