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GOVERNOR'S OFFICE OF ENERGY

MINUTES Of the Renewable Energy Tax Abatement Hearing of the GOVERNOR'S OFFICE OF ENERGY

AFN 13-0315SPV Copper Mountain Solar 3, LLC

December 30, 2013

The Governor's Office of Energy held a public meeting on December 30, 2013, beginning at 1:00 P.M.. at the following location:

Governor's Office of Energy, 755 North Roop Street, Suite 202, Carson City, Nevada

Present at the hearing:
Paul Thomsen, Director of the Governor's Office of Energy
Suzanne Linfante, Governor's Office of Energy
Bryce Alsted, Holland & Hart
Christopher Ward, Copper Mountain Solar 33, LLC
J. Matt Tapp, AMEC

- **1.** Call to order: The meeting was called to order at 1:00 P.M. by Director Paul Thomsen.
- **2. Director's comment:** Director Thomsen stated that this was a hearing on the merits of the application for Copper Mountain Solar 3, LLC. The application for partial abatement of taxes is for the operation of a 255 gross MW solar facility located on 1,374 acres of land in Clark County.
- **3. Public comment and discussion** (1st period): Director Thomsen asked if anyone from the public sought to make a comment on the matter. There was no public comment.
- **4. Presentation of Evidence and Testimony**: The Director submitted Exhibit 1, a packet of documents consisting of the pre-application of Copper Mountain Solar 3, LLC, the application, the fiscal note from the Nevada Department of Administration, the property tax fiscal note from the Nevada State Department of Taxation, the sales and use tax fiscal note from the Nevada State Department of Taxation, letters waiving the 15-day notice period per LCB file no. R094-10, and the pre-filed testimony of Christopher Ward and John Matt Tapp, into evidence and asked if Copper

Mountain Solar 3, LLC intended to call a witness to testify. Copper Mountain Solar 3 called Christopher Ward and John Matt Tapp to testify in regards to the application.

The Director asked for witnesses to provide testimony in regards to the matter. Bryce Alsted asked the witnesses if the written testimony supplied was correct and based on the best of their knowledge in which they said it was and stated there were no changes.

Director Thomsen asked if there was any additional evidence to be submitted as evidence in the matter to which there was none.

The Director asked if any other person wanted to be heard in regards to the matter to which he received no response. The Director asked if any person wished to add any closing remarks. Bryce Alsted thanked the office of energy for expediting the application.

5. The Director stated his findings and conclusions based upon the substantial, reliable, and credible evidence presented in the exhibits and testimony.

As to NRS 701A.360 (1), the Director found that the applicant intends to locate within this State a facility for the generation of solar renewable energy, thus meeting the intent of the statute. As to NRS 701A.360(2), the Director found that the facility is not owned, operated, leased, or controlled by a government agency, thus meeting the requirement of the statute. The Director found that NRS 701A.365(1)(a)(1) has been met by this renewable energy project, as the facility is expected to continue in operation in this State for a period of at least 10 years and is expected to continue to meet the eligibility requirements for the abatement. As to NRS 701A.365(1)(b), the applicant has provided information supporting testimony that all the necessary state and local permits and licenses to construct and operate will be received, thus meeting the requirement of the statute. As to NRS 701A.365(1)(c), the applicant has provided testimony that no funding for facility is or will be provided by any governmental entity in this State for the acquisition, design or construction of the facility or for the acquisition of any land therefore, thus meeting the requirement of the statute. As to NRS 701A.365(1)(d)(1), the application states that the construction of the facility will employ 130 full-time employees during the second quarter of construction of which at least 50% will be Nevada residents. As to NRS 701A.365(1)(d)(2), the Director found that the total capital investment in the facility is estimated to be \$657,500,000, thus exceeding the \$10,000,000 capital investment required by the statute. As to NRS 701A.365(1)(d)(3), the Director found that this statute is met as the application states that the average hourly wage that will be paid by the facility to its employees in this State, excluding management and administrative employees, is approximately \$32.80, which is at least 110% of the average statewide hourly wage set by DETR. As to NRS 701A.365 (1)(d)(4), the Director found that this statute is met as the application states that the average hourly wage that will be paid by the facility to all of its construction employees working on the facility, excluding management and administrative employees, will be approximately \$60.58, which is at least 175% of the average statewide hourly wage set by DETR. As to NRS 701A.365(1)(d)(4)(I) and (II), the application states that the health insurance provided to the construction employees on the facility allows for the coverage of the dependents of the employees and will meet or exceed the standards established by the Director, thus meeting the requirement of the statute. As to NRS 701A.365(1)(f), the Director found that the benefits that will result to this State from the employment by the facility of the residents of this State and from capital

investments by the facility in this State exceeds the loss of tax revenue that will result from the abatement, thus meeting the requirement of the statute.

The Director found that the financial benefits to the state exceeded the abated amounts and provided each figure. The total benefits to the state of Nevada are \$732,363,046.07 and the total abatement is \$66,442,419.65.

The Director found that the partial abatement of sales and use tax and property tax did not apply during a time in which the facility was receiving an abatement for the same.

6. Approval of Application.

- **7. Explanation of Process:** The Director explained that the applicant could meet with a representatives of the Governor's Office of Energy and the state department of taxation should there be any questions.
- **8. Public comment and discussion (2nd period):** The Director asked if anyone had any public comment to which there was no response.
- 7. Adjournment: 1:25 A.M.