



**GOVERNOR'S OFFICE OF ENERGY**

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

**AFN 15-0218SPV**  
**Copper Mountain Solar 4, LLC**

June 12, 2015

The Governor's Office of Energy held a public meeting on June 12, 2015, beginning at 10:00 AM. at the following location:

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

Present at the hearing:

Angela Dykema, Deputy Director of the Governor's Office of Energy

Suzanne Linfante, Governor's Office of Energy

Scott Scherer, Law Firm of Holland & Hart, Counsel for Copper Mountain Solar 4, LLC

Brandon Sendall, Law Firm of Holland & Hart

John Matt Tapp, Amec Foster Wheeler

Kevin David Wilson, Sempra Energy

Travis Jones, Project Manager, Sempra Global Services

Jeff Mitchell, Nevada Department of Taxation

Sorin Popa, Nevada Department of Taxation

**1. Call to order:** The meeting was called to order at 10:00 AM by Deputy Director Angela Dykema.

**2. Deputy Director's comment:** Deputy Director Dykema stated that this was a hearing on the merits of Copper Mountain Solar 4, LLC. The application for partial abatement of property taxes and sales and use taxes is for the operation of a 93.6 MW solar facility located in Boulder City, Clark County Nevada.

**3. Public comment and discussion (1<sup>st</sup> period):** Deputy Director Dykema 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:** Deputy Director Dykema stated that as a preliminary matter, a packet of documents were marked as Exhibit 1 in this matter. Exhibit 1 consists of several subparts: Exhibit A – Notice of Public Hearing, dated May 19, 2015; Exhibit B – A redacted Application as filed with the Governor’s Office of Energy on February 18, 2015; Exhibit C – Fiscal Impact of the partial abatement of Property Taxes as required by NRS 701A.375-1(b) by the Nevada Department of Taxation, received on May 18, 2015; Exhibit D – Fiscal Impact of the partial abatement of Sales and Use Tax as required by NRS 701A.375-1(b) by the Nevada Department of Taxation, Received on March 3, 2015; Exhibit E – Fiscal Impact of the partial abatement as provided by the Department of Administration, required by NRS 701A.375-1(b), received on March 3, 2015; Exhibit F – Pre-Filed Testimony of John Matt Tapp of Copper Mountain Solar 4, LLC; Exhibit G – Pre-Filed Testimony of Travis Jones of Copper Mountain Solar 4, LLC. Deputy Director Dykema admitted Exhibit 1 into evidence in this matter.

The parties present introduced themselves and Scott Scherer stated that Mr. Tapp and Amec were also involved in Copper Mountain Solar 3. Mr. Scherer also provided a copy of the current Nevada Business License for Copper Mountain Solar 4 and asked that it be admitted. Deputy Director Dykema asked if Copper Mountain Solar 4, LLC intended to call a witness to testify. Copper Mountain Solar 4, LLC called John Matt Tapp and Travis Jones to testify in regards to their written testimony. Mr. Jones testified that his pre-filed written testimony was unchanged and true and correct to the best of his knowledge. Mr. Tapp testified that his pre-filed written testimony was unchanged and true and correct to the best of his knowledge. Kevin David Wilson testified that his pre-filed written testimony was unchanged and true and correct to the best of his knowledge. Deputy Director Dykema asked whether total capital investment in Nevada is \$236,000,000.00 or just 28%. Mr. Wilson stated a percentage is used knowing the panels will be produced outside of Nevada.

Deputy Director Dykema asked if any other person wanted to be heard in regards to the matter to which he received no response. Deputy Director Dykema asked if any person wished to add any closing remarks. Mr. Scherer stated that as established by the Application, Fiscal Note and Testimony Copper Mountain Solar 4, LLC meets all the criteria to qualify for the partial tax abatement it is seeking. They will have 85 employees by the second quarter; at least 68% of them will be residents of Nevada.

Deputy Director Dykema admitted Copper Mountain Solar 4, LLC’s renewed Nevada Business License into evidence as Exhibit 2.

Deputy Director Dykema asked if there was anyone else who would like to be heard, there was no response.

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

As to NRS 701A.360 (1), the Deputy 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 Deputy Director found that the facility is not owned, operated, leased, or controlled by a government agency, thus meeting the requirement of the statute. The Deputy

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 this 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 during the construction of the facility it will employ 82 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 Deputy Director found that the total capital investment in the facility is estimated to be \$236,000,000, thus exceeding the \$10,000,000 capital investment required by the statute. As to NRS 701A.365(1)(d)(3), the Deputy 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 \$31.00/hour, which is at least 110% of the average statewide hourly wage set by DETR. As to NRS 701A.365(1)(d)(4), the Deputy 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 \$64.62/hour, 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 Deputy 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 Deputy Director found that the evidence presented in this matter shows that the financial benefits to the state of Nevada include the following amounts: Capital Investment - \$236,112,000.00; Construction Payroll - \$18,279,705.00; Operational Payroll - \$3,675,360.00. The total benefits to the state of Nevada are \$258,067,065.00. 20-year Property Tax Abatement - \$13,990,294.00; 3-Year Sales and Use Tax Abatement - \$8,155,899.79; Total amount abated is \$22,146,193.79.

As to NRS 701A.371(a)(3) The Deputy Director finds that the abatement will not apply during any period during which the facility is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS other than any partial abatement provided pursuant to NRS 361.472(2). As to NRS 701A.371(b)(1)(3) the Deputy Director finds that the abatement will not apply during any period during which the facility is receiving another abatement or exemption from local sales or use taxes thus meeting the requirements of the statute.

Based upon the previously mentioned findings, Deputy Director Dykema concluded that the Copper Mountain Solar 4 facility satisfies or exceeds all of the applicable statutory requirements. Deputy

Director Dykema granted Copper Mountain Solar 4, LLC a partial abatement of property taxes and sales and use taxes pursuant to the authority granted in her in NRS 701A.300 through 701A.390.

**6. Approval of Application.**

**7. Explanation of Process:** The Deputy Director explained that after today's hearing, she will produce a written Findings of Fact, Conclusions of Law, and Order. Once the Order is issued, the Deputy Director or her representative, representatives from the Nevada Department of Taxation, and appropriate representatives of Copper Mountain Solar 4, LLC may meet face-to-face to go over the terms and conditions of the Abatement Agreement and after that meeting, she will execute the Abatement Agreement.

The Deputy Director stated as a reminder, pursuant to NRS 701A.380, a partial abatement approved by the Deputy Director will terminate upon any determination by the Deputy Director that the facility has ceased to meet any eligibility requirements for the abatement.

**8. Public comment and discussion (2nd period):** The Deputy Director asked if anyone had any public comment to which there was no response.

**7. Adjournment:** 10:20 A.M.