



**GOVERNOR'S OFFICE OF ENERGY**

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

**AFN 15-0810SPV  
Playa Solar 2, LLC  
Solar Project  
October 8, 2015**

The Governor's Office of Energy held a public meeting on October 8, 2015, beginning at 1:31 PM. at the following location:

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

Present at the hearing:

Angie Dykema, Director of the Governor's Office of Energy

Suzanne Linfante, Governor's Office of Energy

Michael Argentine, Director of Project Development for First Solar

Melanie Falls, Project Development Consultant for First Solar

- 1. Call to order:** The meeting was called to order at 1:31 PM by Director Angie Dykema.
- 2. Director's comment:** Director Dykema stated that this was a hearing on the merits of Playa Solar 2, LLC. The application for partial abatement of taxes is for the operation of a 100 MW solar facility located near Apex, Clark County, Nevada.
- 3. Public comment and discussion (1st period):** 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:** Director Dykema submitted Exhibit 1 which consisted of several sub-parts: Exhibit A – A Notice of Public Hearing, dated September 16, 2015; Exhibit B – Redacted Application as filed with the Governor's Office of Energy on August 10, 2015; Exhibit C – Fiscal Impact of the partial abatement of Property Tax as required by NRS 701A.375- by the Nevada Department of Taxation, received on September 14, 2015; Exhibit D – Fiscal Impact of the partial abatement of Sales and Use Tax as required by NRS 701A.375-1 by the Nevada Department of Taxation, received on September 2, 2015; Exhibit E – Fiscal Impact of the partial abatement as provided by the Department of Administration, required by NRS 701A.375-1,

received on September 9, 2015; Exhibit F – Pre Filed Testimony of Michael Argentine. Exhibit 1 was entered into evidence.

The parties present introduced themselves. Director Dykema asked if Playa Solar 2, LLC intended to call a witness to testify. The Applicant did not call a witness.

Director Dykema asked if there was any additional information that the applicant wanted to admit as evidence in this matter. The Applicant submitted a signed letter as evidence; Director Dykema marked it as Exhibit 2. Director Dykema asked why the annual net capacity was marked confidential on the Application component. To this Michael Argentine responded that he was not sure why this was marked confidential, because the power purchase agreement with NV Energy is now public information. Director Dykema asked if any other person wanted to be heard in regards to the matter to which she received no response. Director Dykema asked if any person wished to add any closing remarks to which she received no response.

**5. The 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 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 the 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 335 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 \$177,036,800, 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 \$22.68, which is at least 110% of the average statewide hourly wage for the Green Industry Abatements 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 \$36.09, which is at least 175% of the average statewide hourly wage for the Green Industry Abatements 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 \$190,976,835.20 and the total abatement is \$23,954,671.00.

As to NRS 701A.370(1)(a)(3), I find that the abatement will not apply during any period in 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 631.4722. As to NRS 701A.370(1)(b)(1)(III), I find that the abatement will not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes, thus meeting the requirement of the statute.

**6. Approval of Application.** Director Dykema granted a partial abatement of property and sales and use taxes to Playa Solar 2, LLC.

**7. Explanation of Process:** The 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 Director or her representative, representatives from the Nevada Department of Taxation, and appropriate representatives of your company may meet to go over the terms and conditions of the Abatement Agreement and after that meeting, we will execute the Abatement Agreement.

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

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

**7. Adjournment:** 1:45 PM