

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

Facility Information
Date of Submittal to GOE:
Type of Incentives (Please check all that the company is applying for on this application)
<input checked="" type="checkbox"/> Sales & Use Tax Abatement <input checked="" type="checkbox"/> Property Tax Abatement
Company Information (Legal name of company under which business will be transacted in
Company Name: Turquoise Liberty ProjectCo LLC
Department of Taxation's Tax Payer ID number: 1034930940
Federal Employer ID number (FEIN, EIN or FID): 82-4893892
NAICS Code: 221114
Description of Company's Nevada Operations: <i>The Company will develop and construct a 10 MW solar energy project in Washoe County, Nevada. At completion of construction, the Company will be sold to Liberty Utilities (Calpeco Electric) LLC ("Liberty") pursuant to a Purchase and Sale Agreement which was executed in October 2016 and approved by the California Public Utilities Commission in December 2017. The project is part of a 60 MW total solar energy facility at the site. The remaining 50 MW (which is not part of this application and is not owned by the applicant) is being developed and constructed by an affiliate and will supply Sierra Pacific Power Company d/b/a NV Energy under a 25 year Power Purchase Agreement which was executed in on October 2017.</i>
Percentage of Company's Market Inside Nevada: 100%
Mailing Address: <i>c/o Sumitomo Corporation of Americas, 300 Madison Avenue</i>
City: <i>New York, NY 10017</i>
Phone: <i>(415) 254-3419</i>
APN: <i>084-110-31, 084-110-32, and 084-110-33</i>
Taxation District where facility is located: <i>Washoe County 4000</i>
Nevada Facility
Type of Facility (please check all that are relevant to the facility)
<input type="checkbox"/> Geothermal <input type="checkbox"/> Process Heat from Solar Energy <input checked="" type="checkbox"/> Solar PV <input type="checkbox"/> Solar Thermal <input type="checkbox"/> Wind <input type="checkbox"/> Biomass <input type="checkbox"/> Waterpower <input type="checkbox"/> Fuel Cells <input type="checkbox"/> Transmission that is interconnected to a renewable energy or geothermal <input type="checkbox"/> Transmission that contributes to the capability of the electrical grid to accommodate and transmit electricity produced from Nevada renewable
Name Plate Production Capacity of the Facility: <i>10 MW</i>

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

Net Output Production Capacity of the Facility in MW: <i>10 MW</i>
Annual Net Production Capacity of the Facility in MWh (or other appropriate unit): <i>27,529 MWh</i>
Percent of total estimated capital investment expended in Nevada: <i>90%</i>
Anticipated date or time range for the start of construction: <i>June 2018</i>
Anticipated date for the Commercial Operation Date (COD) of the facility: <i>January 2019</i>
Construction period (in months). Note: time period must match payroll calculations <i>8 months</i>
Address of the Real Property for the Generation Facility: <i>21905, 21575, and 21775 Reno Technology Pkwy E, Washoe County, 89510</i>
City: <i>Unincorporated Washoe County</i>

Size of the total Facility Land (acre): <i>Approximately 100 acres.</i>

Are you required to file any paper work with the PUC and/or FERC?		
If yes,	Purpose of the Filing with PUC: <i>Liberty filed an Application with the California PUC for Approval to Acquire, Own, and Operate the Turquoise Solar Project.</i>	Filing Date OR Anticipated filing Date: <i>Application was filed December 14, 2016 and received final approval December 19, 2017. See Attachment 4 for more detail.</i>
If yes,	Purpose of the Filing with FERC: <i>(1) The Company anticipates self-certifying the project as a Qualifying Facility. (2) The Company will share certain infrastructure with its affiliate Turquoise Nevada LLC pursuant to a Shared Facilities Agreement. It is anticipated that the Shared Facilities Agreement will be filed with FERC pursuant to section 205 of the Federal Power Act under FERC's regulations Part 35.</i>	Filing Date OR Anticipated filing Date: <i>Both filings are anticipated in April 2018. See Attachment 4 for more detail.</i>

List All the county(s), Cities, and Towns where the facility will be	
1	<i>Unincorporated Washoe County.</i>
2	
3	
4	
5	
6	

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

7	
8	
9	

CHECKLIST - PLEASE ATTACH:	
1	Description of the Technology and Complete Facility including generation, transmission or distribution, the physical point at which the ownership of energy is transferred and nature of the connection to the transmission grid - See <i>Attachment 1</i>
2	Complete and legal description of the location of the proposed facility, including a regional facility map that identifies the location, county boundaries and state boundaries of the proposed facility or a reference to any such map of appropriate scale - See <i>Attachment 2</i>
3	Description of any natural or nonrenewable resources that will be affected by or required to be used in the construction or operation of the proposed facility, including statement of any areas of mitigation, controversy, issue or concern - See <i>Attachment 3</i>
4	Summary of the PUC and FERC Dockets if any PUC and FERC filing have started - See <i>Attachment 4</i>
5	Copy of the Business Plan for the Nevada Facility - See <i>Attachment 5</i>
6	For Expansion Applications, Copy of the most recent assessment schedule and tax bill from the County Assessor's Office or the Department of Taxation - <i>Not Applicable</i>
7	Website link to company profile - www.turquoisesolar.com
8	Copy of the Current Nevada State Business License - See <i>Attachment 8</i>
9	Facility Information Form
10	Employment Information, construction, and permanent employee salary schedules
11	Supplemental Information Form
12	Taxation Reporting Forms (Summary Sheet and Schedules 1 through 8)
13	Names and contact information for construction company, contractors, subcontractors
14	Letter from the utility or company describing the highlights of PPA, LOI, or MOU - See <i>Attachment 14</i>
15	Confidential Information Identification Form

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

List of Required Permits or Authorizations for the Proposed Facility

	Permit or Authorization Title	Issuing Agency	Project Circumstance Requiring Permit or Authorization	Steps to Obtain Permit	Application Date	Approval Date or Expected Approval Date
I. Federal Permits or Authorizations						
	None.		The project is located solely on private lands.			
II. State of Nevada Permits or Authorizations						
	Stormwater General Permit	NDEP Bureau of Water Pollution Control	Construction activities will require the disturbance of more than one acre of land.	File a Notice of Intent with NDEP-BWPC		
	Site Survey	Nevada Division of Wildlife	NDOW Site Surveys are required for all utility-scale renewable energy projects.	Obtained.		
III. County Permits or Authorizations						
	Special Use Permit	Washoe County Planning Commission	A Special Use Permit is required for renewable energy generation facilities in Washoe County	Obtained.		
	Dust Control Permit	Washoe County Air Quality Management Division	Construction activities will disturb more than five acres of land.	File an application with the Washoe County Air Quality Management Division		
	Project of Regional Significance Approval	Truckee Meadows Regional Planning Authority	The project required approval by the TMRPA pursuant to NRS 278.0278	Obtained.		
	Grading Permit	Washoe County Building Department	Mass Grading	File an application with the Washoe County Building Department		
	Building Permit	Washoe County Building Department	Installation of the generating improvements	File an application with the Washoe County Building Department		
IV. City Permits or Authorizations						
	None.		The project is located solely in unincorporated Washoe County.			

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

NOTE: Project contractors, subcontractors, and other entities including owner that will be purchasing goods and equipment for the construction of the Facility are entitled to claim or receive the sales and use tax abatement

Contractors and Subcontractors List

Vendor 1	
Tax ID	
Contact	
Mailing Address	
E-Mail	
Vendor 2	
Tax ID	
Contact	
Mailing Address	
E-Mail	
Vendor 3	
Tax ID	
Contact	
Mailing Address	
E-Mail	
Vendor 4	
Tax ID	
Contact	
Mailing Address	
E-Mail	
Vendor 5	
Tax ID	
Contact	
Mailing Address	
E-Mail	
Vendor 6	
Tax ID	
Contact	
Mailing Address	
E-Mail	
Vendor 7	
Tax ID	
Contact	
Mailing Address	
E-Mail	

State of Nevada
Renewable Energy Tax Abatement Application

AFN:

Employment Information

Employment

New Operations or Expansion

CONSTRUCTION EMPLOYEES	Full Time	Part Time
Number of anticipated construction employees who will be employed during the entire construction phase?	130	
Number of anticipated construction employees who will be employed during the entire construction phase that will be Nevada Residents?	85	
Average anticipated hourly wage of construction employees, excluding management and administrative employees:		
Number of anticipated construction employees who will be employed during the second-quarter of construction?	110	
Percentage of anticipated second-quarter construction employees who will be Nevada Residents?	65%	
Number of anticipated second-quarter construction employees who will be Nevada Residents?	72	
PERMANENT EMPLOYEES		
Number of anticipated permanent employees who will be employed as of the end of its first fourth-quarter of new operations or expansion?	None	
Average anticipated hourly wage of permanent employees, excluding management and administrative employees:	N/A	
Number of permanent employees who were employed prior to the expansion?	N/A	
Average hourly wage of current permanent employees, excluding managements and administrative employees	N/A	

Note that the project will be operated remotely and will have no permanent on-site employees.

Employee Benefit Program for Construction Employees

Health insurance for construction employees and an option for dependents must be offered upon employment

List Benefits Included (medical, dental, vision, flex spending account, etc): The agreement is not finalized at this time. However, a health plan meeting the requirements of NRS 701A.365(1) will be provided.	
Name of Insurer: TBD	
Cost of Total Benefit Package: TBD	Cost of Health Insurance for Construction Employees: TBD

Construction Employee Schedule

List all anticipated construction employees and associated wages for all persons who will be working on the construction of the facility during the **entire construction period**.

FULL TIME EMPLOYEES

		(a)	(b)	(c) = (a)+(b)	(e) = (c) x (d)	(f) = $\frac{(e)}{(c)}$
#	Job Title	# of Nevada Employees	# of Non-Nevada Employees	Total # of Employees	Total Hourly Wage per category (\$)	Average Hourly Wage (\$)
Construction Employees, excluding						
	Management and Administrative Employees	85	45	130		
	TOTAL	85	45	130		
TOTAL CONSTRUCTION PAYROLL						

Second Quarter Construction Employee Schedule

List all anticipated construction employees and associated wages for all persons who will be working on the construction of the facility during the **second quarter of construction**.

FULL TIME EMPLOYEES

		(a)	(b)	(c) = (a)+(b)	(e) = (c) x (d)	(f) = L(e) / L(c)
#	Job Title	# of Nevada Employees	# of Non-Nevada Employees	Total # of Employees	Total Hourly Wage per job title (\$)	Average Hourly Wage (\$)
	Construction Employees, excluding					
	Management and Administrative Employees	72	38	110		
	TOTAL	72	38	110		

TOTAL CONSTRUCTION PAYROLL

Permanent Employee Schedule

List all anticipated permanent employees who will be employed by the Nevada Facility as of the end of its first fourth-quarter of new operations or expansion and the employment per job title will continue next 20 years

FULL TIME EMPLOYEES

(c) (f) = ~~L(e)~~ / L(c)

#	Job Title	# of Employees	Average Hourly Wage (\$)
---	-----------	----------------	--------------------------

1	Management and Administrative Employees	0	
2	Permanent Employees, excluding Management and Administrative Employees	0	
TOTAL			\$0.00

TOTAL ANNUAL PAYROLL	0
-----------------------------	----------

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

Supplemental Information

Please respond to each question. Answers to the questions will assist Department of Taxation staff in determining whether the facility should be locally or centrally assessed. Other questions will assist staff in understanding whether the reported replacement costs capture all aspects of taxable value.

1) Will you have a possessory interest in any governmentally owned property for this facility? Please describe if yes.

No.

2) Will the facility, including generation, transmission, or distribution cross state or county boundaries? If yes, please describe.

No.

3) Is the facility owned by a subsidiary of a company that is interstate or intercounty in nature? Name and location of the subsidiary company, if yes.

Yes. The facility is owned by *Turquoise Liberty ProjectCo LLC*, which is an indirect wholly-owned subsidiary of *Sumitomo Corporation of Americas*. Please see Attachment 1 for further information regarding the organizational structure. *Sumitomo Corporation of Americas* is headquartered in New York, NY and is ultimately owned by *Sumitomo Corporation of Tokyo, Japan*. Upon the start of operation, *Turquoise Liberty ProjectCo LLC* will be owned by *Liberty Utilities (CalPeco Electric) LLC*, a California utility based in Tahoe Vista, CA and South Lake Tahoe, CA

4) At what physical point is the ownership of energy transferred? Describe the location and nature of the connection to the transmission grid.

The physical point at which the ownership of energy is transferred will be NV Energy's Pah Rah substation. The Pah Rah substation is located in unincorporated Washoe County approximately one mile from the generating facility

5) Will the facility be eligible for other abatements or exemptions such as pollution control exemptions? Please describe if yes

No.

6) Has your company applied and/or been approved for any abatements or exemptions for this facility or any other facility by the State of Nevada and/or local governments? If yes, list the abatements awarded, name and location of the project, name of the awardee, date of approval, amounts and status of the accounts.

No.

7) Has your company applied for, or planning to apply for, an exempt wholesale generator designation as defined in 15 U.S.C 79z-5A?

No.

8) If an EIS or EA has been performed, please supply the ROD number.

No EIS or EA has been performed, as the project is located solely on federal lands.

9) Has an appraisal been performed on any portion of this land or project?

No appraisal has been performed.

10) Has a Power Purchase Agreement been executed?

No. In October 2016, *Turquoise Liberty Sellco LLC* (the "Seller") and *Liberty Utilities (Calpeco Electric) LLC* ("Liberty") signed a *Purchase and Sale Agreement ("PSA")*. The Seller is the direct parent company of the Applicant. Under the PSA, the Seller agreed to direct the Applicant to develop and construct the generating facility and to sell the Applicant to Liberty once the generating facility reached completion. Liberty intends to own and operate the generating facility and use the energy produced by it to serve its retail electric demand. This PSA has been entered in lieu of a PPA for this generating facility.

**State of Nevada
Renewable Energy Tax Abatements Application
AFN:**

**Summary Report
Schedules 1 through 8**

Company:

Division:

Line No.	Schedule	Total Estimated RCNLD or Transaction Cost	Department Use Only
1	Sch. 1 Personal Property - Property Tax - Total from Col. J. *		
2	Sch. 2 Real Property - Improvements - Total from Col. F. *		
3	Sch. 3 Real Property - Land - Total from Col. I		
4	Sch. 4 Operating Leases - Total from Col. F *		
5	Sch. 5 Contributions in Aid of Construction - Total from Col. F		
6	Sch. 6 First Year Estimated Sales & Use Tax - Total from Col. J		
7	Sch. 7 Second Year Estimated Sales & Use Tax - Total from Col. J		
8	Sch. 8 Third Year Estimated Sales & Use Tax - Total from Col. J		

** The final determination of the classification of property as real or personal is made by the county assessor for locally-assessed property or by the Department of Taxation for centrally-assessed property. Placement of property on these sheets of the application is made for purposes of this fiscal note only and is not determinative of the final classification of property by the appropriate taxing official.*

**State of Nevada
Renewable Energy Tax Abatements Application
AFN:**

**Property Tax: Real Property Land
Schedule 3**

Company: Turquoise Liberty ProjectCo LLC

Division: NA

Show the requested data for all land, owned or leased, in Nevada.

A	B	C	D	E	F	G	H	I	
Where Situated				Brief Description, Size of the Land (acre), Date Acquired	Assessor's Parcel Number (APN)	Owned (O) Leased (L) Rented (Rtd)	G/L Account Number (if applicable)	Purchase Price (if applicable)	Assessor's Taxable Value
Line #	County	City or Town	Tax District						
1	Washoe	Unincorporated	4000	Private Property, 447.32 acres. The substation will be located on approximately 5 acres of this parcel. Therefore, we have included (5/447.32) of the parcel purchase price and taxable value on this page. The purchase price for the entire parcel was \$800,000 and Assessor's taxable value is \$435,000.	084-110-31	O	NA		
2	Washoe	Unincorporated	4000	Private Property, 109.60 acres. The solar array will be located on approximately 70 acres of this parcel. Therefore, we have included (70/109.6) of the parcel purchase price and taxable value on this page. The purchase price for the entire parcel was \$673,000 and the Assessor's taxable value is \$995,000.	084-110-32	O	NA		
3	Washoe	Unincorporated	4000	Private Property, 115.20 acres. Applicant's parent company, Turquoise Solar LLC, currently has an option to purchase 34.33 acres of the 115.20 acre parcel. The entire purchased acreage will be used for the project. The purchase price for the 34.33 acres is shown. (34.33/115.20) of Assessor's taxable value shown on this form.	084-110-33	O	NA		
4									
5									
6									
7									
8									
9									
10									
11									
12	Grand Total								

**State of Nevada
Renewable Energy Tax Abatements Application
AFN:**

Company Name: Turquoise Liberty ProjectCo LLC
 Division: NA

**Property Tax: Contributions in Aid of Construction
Schedule 5**

Instructions:

- (1) List all contributions in aid of construction (CIAC). CIAC is defined in NAC 361.260 as property which has been contributed to a utility by a prospective customer or which has been constructed by the utility and paid for by the prospective customer for which no reimbursement is required to be made by the utility to the prospective customer as a prerequisite to obtaining service.
- (2) For each item in Col. A, complete the requested information in Col. B (if applicable), and Col. C through Col. F.
- (3) The total estimated cost reported in Col. E and Col. F should contain the costs appropriate to real or personal property. For definitions, please refer to Schedule 1 for personal property and Schedule 2 for Improvements.
- (4) Attach additional sheets as necessary.

A	B	C	D	E	F
Contributions in Aid of Construction (CIAC) Itemized Description	G/L Account No. (if applicable)	Real or Personal Property?	Number of Units	Replacement Cost Per Unit	Estimated Total Replacement Cost
Communications (RTU) at generator site, protection coordination with the Generator Relays, and ADSS on the Transmission Lead line from the Point of Change of Ownership dead-end structure to the Point of Interconnection Pah Rah Substation	NA	Personal	1		
High side metering at Generator site	NA	Personal	1		
Dead end, switch structure, customer accessible 120 kV switch and transmission lead line and associated poles between the Point of Change of Ownership dead-end structure to the Point of Interconnection Pah Rah Substation	NA	Personal	1		
Lands and permitting review and support	NA	Personal	1		
Transmission lead line from Point of Change of Ownership to Turquoise Solar Substation	NA	Personal	1		
Grand Total					

State of Nevada
Renewable Energy Tax Abatements Application
AFN:

Attestation and Signature

I, Jill Daniel, by signing this Application, I do hereby attest and affirm under penalty of perjury the following:

- (1) I have the legal capacity to submit this Application on behalf of the applicant;
- (2) I have prepared and personally knowledgeable regarding the contents of this Application; and
- (3) The content of this Application are true, correct, and complete.

Jill Daniel

Name of person authorized for signature:

Project Manager

Title:

Jill Daniel

Signature:

March 21, 2018

Date:

State of Nevada
Renewable Energy Tax Abatement Application
AFN:

This Application contains confidential information: Yes No

If yes, please identify any information in the within Application or documents submitted herewith, which Applicant considers confidential or trade secret information. Further, identify: (1) the applicable statutory authority or agreement preventing public disclosure of the information; and (2) Applicant's rationale underlying non-disclosure of the information or document(s).

Applicant acknowledges that the burden of demonstrating confidentiality or trade secret status lies with the Applicant, and Applicant agrees to defend and indemnify the State and its agencies for honoring such designation. Notwithstanding, Applicant understands that the over-inclusive designation of information or documents as confidential or trade secret may cause the Nevada State Office of Energy to conduct further inquiry of the Applicant into the confidentiality of the information, potentially delaying submission of the Application to the Nevada Energy Director.

Material for which confidentiality is claimed:

Annual Net Production Capacity
Permit application date and approval date or expected approval date
Contractors and subcontractors
Cost of personal property, improvements, and lands and total capital investment

Basis for claims of confidentiality:

This application includes confidential and proprietary trade secret and economic information as defined by Nevada law. Prohibitions on the public disclosure of such information is provided in the Uniform Trade Secrets Act (NRS Chapter 600A), NRS 49.325, NRS 360.247, NRS 360.250, NRS 361.044, NRS 372.750, NRS 703.190, NRS 793.196, NRS 239.010, et. seq., NRS 241.020, and NAC 701A.565; NAC 239.699 and NAC 360.182. The confidential and proprietary trade secret and economic information has been obscured in the redacted version of this application.