

Prefiled Testimony of Rob Stephens. At the hearing, all of the subparts of Exhibit 1 were admitted into evidence. Based upon the testimony of the witness and the evidence presented, the Director finds the following to be the facts in this matter.

2. Mountain View is a subsidiary of Nextera Energy. Mountain View is a limited liability company with a current Nevada State Business License from the Nevada Secretary of State.

3. Mountain View submitted its Pre-application in this matter on February 2, 2011.

4. On January 2, 2013, Mountain View submitted its Application seeking partial abatement of sales and use taxes and property taxes for the construction and operation of a facility for the generation of solar renewable energy ("Facility") that would be located on approximately 155 acres of land in Clark County, Nevada, Clark County Assessor's Parcel Number 103-16-010-009 et al, (Application Filing Number (AFN) 12-0315S). The Application described a solar photovoltaic electric generating facility that would generate 20 AC Nameplate megawatts (MW) that would be sold to Nevada Power Company for a period of 25 years pursuant to a power purchase agreement.

5. Pre-filed testimony from Mr. Stephens supported that Mountain View was properly licensed and qualified to do business in Nevada; that Mountain View had obtained all required discretionary state and local licenses and permits, with the remaining permits to be obtained prior to start of construction, expected June, 2013, and intended to maintain all of the required licenses and permits for the Facility; that Mountain View had all necessary approvals for the Facility; that the Facility would have an AC nameplate rating of 20 MW and was anticipated to produce 20 MW net; that Mountain View had entered into a 25-year power purchase agreement with Nevada Power Company; that the Facility was anticipated to be at least partially operational sometime during the second quarter, 2014; that the total capital investment of the Facility will be

approximately \$65,000,000; that the Facility would create approximately two full-time operational jobs which would pay an average of approximately \$28.62; and that the Facility would create approximately 120 full-time construction jobs over the course of construction which would pay an average hourly wage of \$35.42 per hour.

6. The Director took notice that the statewide average hourly rate as determined by the Department of Employment, Training, and Rehabilitation (hereinafter "DETR") for fiscal year 2012 was \$20.13. Thus 110% of the wage for fiscal year 2012 was \$22.14, and 150% of the wage for fiscal year 2012 was \$30.20.

7. The Fiscal Impact statement produced by the Department of Taxation shows the following estimated figures regarding the sales and uses taxes related to the Facility:

Total Amount Abated (Year 1)	\$2,006,988.75
Total Amount Abated (Year 2)	\$0
Total Amount Abated (Years 3)	\$0
TOTAL AMOUNT ABATED	\$2,006,988.75
Total Amount Abated by Local Government (Year 1)	\$1,320,838.75
Total Amount Abated by Local Government (Year 2)	\$0
Total Amount Abated by Local Government (Year 3)	\$0
TOTAL AMOUNT ABATED BY LOCAL GOVERNMENT	\$1,320,838.75
TOTAL LOCAL SCHOOL SUPPORT TAX GAIN	\$771,918.75

8. The Fiscal Impact statement produced by the Department of Taxation shows the following estimated figures regarding the property taxes related to the Facility over the abatement period of 20 years:

Total Property Taxes Due Before Abatement	\$9,665,894
Total Property Taxes Abated Over Abatement Period	\$5,316,242
Total Taxes to Local Government Over Abatement Period	\$3,262,793
Total Taxes to Renewable Energy Fund Over Abatement Period	\$1,086,859
Total Taxes to Local Government and Renewable Energy Fund Over Abatement Period	\$4,349,652

9. The Fiscal Note produced by the Budget Division shows that the State General Fund will be impacted for a total of approximately \$686,150 abated over the period of the abatement (2013 through 2016).

10. Synthesizing the figures in evidence in this matter, the total estimated benefit pursuant to NRS 701A.365(1)(f) to the state and local governments in Nevada is \$74,160,410.75 and the total estimated amount of property taxes and sales and use taxes abated in this matter is \$7,323,231. Thus, the benefits to the state and local governments in Nevada exceed the total amount of abated taxes. The estimated benefits and amounts abated over the applicable periods of abatement are calculated as follows:

Financial Benefits

Capital Investment in Nevada	\$65,000,000
Total School Support Tax Over Abatement Period (3 years)	\$771,918.75
Total Property Taxes to Local Government and Renewable Energy Fund Over Abatement Period	\$4,349,652
Construction Payroll in Nevada Residents	\$1,657,656
Operational Payroll in Nevada:	\$2,381,184
TOTAL BENEFITS OVER ABATEMENT PERIODS	\$74,160,410.75

Amounts Abated

Total Sales and Use Taxes Abated (3 Years)	\$2,006,989
Total Property Taxes Abated (20 Years)	\$5,316,242
TOTAL TAXES ABATED	\$7,323,231

11. That all of the evidence discussed in the preceding paragraphs was supported by the substantial, reliable, and probative evidence taken from the record as a whole produced at the hearing of this matter.

CONCLUSIONS OF LAW

1. The Director has the jurisdiction and authority to adjudicate this matter because the Application is within the scope of NRS 701A.300 through 701A.390 and the Director is required by law to hold the hearing in this matter pursuant to NRS 701A.360(5).

2. The substantial, reliable, and probative evidence in the record of this matter shows that Mountain View Application for the construction and operation of the Facility satisfies the following statutory requisites:

(a) NRS 701A.320(1)(a) – The primary source of energy to operate the Facility will be the Facility itself, thus meeting the statutory standard.

(b) NRS 701A.320(1)(b) – The Facility will generate 20 MW AC Nameplate, thus exceeding the statutory standard.

(c) NRS 701A.320(2) – The Facility is not located on residential property, thus meeting the statutory standard.

(d) NRS 701A.360(2) – The Facility is not owned, operated, leased, or controlled by a government agency, thus meeting the statutory standard.

(e) NRS 701A.365(1)(a)(1) – The Facility is anticipated to be operational for at least 25 years, thus exceeding the statutory standard.

(f) NRS 701A.365(1)(b) – The Facility has all the necessary state and local permits and licenses to operate, thus meeting the statutory standard.

(g) NRS 701A.365(1)(c) - 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, except any private activity bonds as defined in 26 U.S.C. §141, thus meeting the statutory standard.

(h) NRS 701A.365(1)(e)(1) – The construction of the Facility will employ at least 120 full-time employees during the second quarter of construction. Mountain View anticipates that at least 30% of those employees will be Nevada residents, thus meeting the statutory standard.

(i) NRS 701A.365(1)(e)(2) – The capital investment in Nevada for the Facility is estimated to be at least \$65,000,000, thus exceeding the statutory standard.

(j) NRS 701A.365(1)(e)(3) – The average hourly wage paid to the operational employees of the Facility will be approximately \$28.62, which is more than 110% of the average hourly wage set by DETR of \$22.14, thus exceeding the statutory standard.

(k) NRS 701A.365(1)(e)(4) – The average hourly wage paid to the construction employees on the Facility will be approximately \$35.42, which is more than 150% of the average hourly wage set by DETR of \$30.20 thus exceeding the statutory standard.

(l) NRS 701A.365(1)(e)(4)(I) and (II) – The health insurance provided to the construction employees on the Facility was represented to allow for the coverage of the dependents of the employees and will meet or exceed the standards established by the Director, thus meeting the statutory standard.

(m) NRS 701A.365(1)(f) – 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 statutory standard.

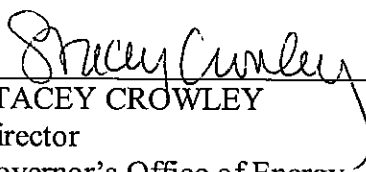
(n) NRS 701A.370(1)(a)(3) – The abatement granted by this Order will not apply during any period in which the Facility is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS, other than any partial abatement provided pursuant to NRS 361.4722, thus meeting the statutory standard.

(o) NRS 701A.370(1)(b)(1)(III) – The abatement granted by this Order 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.

ORDER

Based upon the foregoing, the Director orders that Mountain View Application Filing No. 12-0315S related to the construction and operation of the Facility is hereby **GRANTED**. Mountain View and the Director may execute an Abatement Agreement as soon as practicable that will satisfy the requisites of NRS 701A.300 through NRS 701A.390. Mountain View sales and use tax abatement will terminate three years from the effective date of the Abatement Agreement. Mountain View real property tax abatement, which applies to the 155 acres of land in Clark County, Nevada, and Mountain View personal property tax abatement will terminate 20 years from the effective date of the Abatement Agreement.

SIGNED this 8 day of March, 2013.



STACEY CROWLEY
Director
Governor's Office of Energy