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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 16-0328SPV**  
**Boulder Solar II, LLC**

June 13, 2016

The Governor's Office of Energy held a public meeting on June 13, 2016, beginning at 9 AM. 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  
Laura Wickham, Governor's Office of Energy  
Linda Bullen, Outside Counsel for SunPower  
Andrew Hamilton, SunPower

**1. Call to order:** The meeting was called to order at 9:03 AM by Director Angie Dykema.

**2. Director's comment:** The Director stated that this was a hearing on the merits of the application for partial abatement of property taxes originally filed by Boulder Solar II, LLC on March 28, 2016. Application filing number 16-0328SPV. This is an application for a 50 MW solar facility located in Boulder City, NV.

**3. Public comment and discussion (1st period):** The Director asked if anyone from the public sought to make a comment on the matter. There was no public comment. Each party present introduced themselves.

**4. Presentation of Evidence and Testimony:** The Director submitted Exhibit 1, a packet of documents consisting of: Exhibit A – Notice of Public Hearing, dated May 19, 2016; Exhibit B – A redacted Application as filed with the Governor's Office of Energy on March 28, 2016; Exhibit C – Letter to Boulder Solar II, LLC, dated April 4, 2016, regarding release of the capital investment and wage information; Exhibit D – Fiscal Impact of the partial abatement of Property Tax as required by NRS 701A.375-1 by the Nevada Department of Taxation, received on May 17, 2016; Exhibit E – 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 April 19, 2016; Exhibit F – Fiscal Impact of the partial abatement as provided by the Department of Administration, required by NRS 701A.375-1, received on April 12, 2016; Exhibit G – Pre-filed Testimony of Andrew Hamilton. The Director admitted Exhibit 1 into evidence in this matter.

The parties present introduced themselves. The Director asked if Boulder Solar II, LLC intended to call a witness to testify. Linda Bullen stated they would like to have Andrew Hamilton's written testimony admitted. The Director administered the oath to Andrew Hamilton. The Director pointed out a discrepancy with the application, stating the minimum hourly wage requirement has increased since the application was submitted, it is now \$37.80. Andrew Hamilton stated they were aware of the change.

The Director asked if there was any additional information to be submitted in this matter, there was none. She then asked whether someone else would like to be heard in this matter, there were no further comments.

The Director asked whether anyone would like to make a closing statement, there were no further comments.

The Director closed the evidentiary portion of the hearing and thanked everyone for their testimony.

**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 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 90 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 \$100,000,000, 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 testimony presented today 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 \$45.00, which is at least 110% of the average statewide hourly wage set by DETR of \$21.60. 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 \$37.80, which is at least 175% of the average statewide hourly wage set by DETR of \$21.60. 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 \$106,881,400.00 and the total abatement is \$11,891,898.00.

As to NRS 701A.370(1)(a)(3), The Director found that the partial abatement of property tax did not apply during a time in which the facility was receiving an abatement for the same, other than any partial abatement provided pursuant to NRS 361.4722.

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

**6. Approval of Application.** The Director approved the application for the partial abatement of property taxes.

**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 Boulder Solar II, LLC 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 that 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:** 9:16AM.