



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

August 7, 2015

Rick Moeller
Superintendent
Paint Creek Independent School District
4485 FM 600
Haskell, Texas 79521

Dear Superintendent Moeller:

On May 15, 2015, the Comptroller issued written notice that OCI Alamo 7 LLC (the applicant) submitted a completed application (Application #1056) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted on January 19, 2015, to the Paint Creek Independent School District (the school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a)	Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b)	Applicant is proposing to use the property for an eligible project.
Sec. 313.024(d)	Applicant has committed to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
Sec. 313.024(d-2)	Not applicable to Application #1056.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period. See Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. See Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

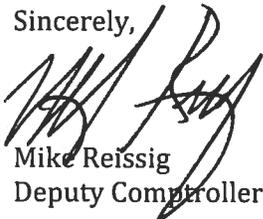
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-286) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement within a year from the date of this letter.

Note that any building or improvement existing as of the application review start date of May 15, 2015, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Korry Castillo, Director, Data Analysis & Transparency, by email at korry.castillo@cpa.texas.gov or by phone at 1-800-531-5441, ext. 3-3806, or direct in Austin at 512-463-3806.

Sincerely,



Mike Reissig
Deputy Comptroller

Enclosure

cc: Korry Castillo

Attachment A – Economic Impact Analysis

This following tables summarizes the Comptroller’s economic impact analysis of OCI Alamo 7, LLC (the project) applying to Paint Creek Independent School District (the district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of OCI Alamo 7, LLC.

Applicant	OCI Alamo 7, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	Paint Creek ISD
2011-12 Enrollment in School District	133
County	Haskell
Proposed Total Investment in District	\$285,000,000
Proposed Qualified Investment	\$285,000,000
Limitation Amount	\$20,000,000
Number of new qualifying jobs committed to by applicant	2*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$712
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(A)	\$663
Minimum annual wage committed to by applicant for qualified jobs	\$37,000
Minimum weekly wage required for non-qualifying jobs	
Minimum annual wage required for non-qualifying jobs	
Investment per Qualifying Job	\$142,500,000
Estimated M&O levy without any limit (15 years)	\$18,833,762
Estimated M&O levy with Limitation (15 years)	\$5,044,000
Estimated gross M&O tax benefit (15 years)	\$13,789,762
<i>* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).</i>	

Table 2 is the estimated statewide economic impact of OCI Alamo 7, LLC (modeled).

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2015	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0
2016	200	1,159	1359	\$7,506,800	\$68,787,145	\$76,293,945	\$9,971,619	-\$2,342,224	\$12,313,843
2017	2	47	49	\$74,000	\$9,447,484	\$9,521,484	\$495,911	\$976,563	-\$480,652
2018	2	14	16	\$74,000	\$5,907,445	\$5,981,445	\$358,582	\$961,304	-\$602,722
2019	2	(8)	-6	\$74,000	\$2,977,758	\$3,051,758	\$236,511	\$892,639	-\$656,128
2020	2	(22)	-20	\$74,000	\$1,634,984	\$1,708,984	\$122,070	\$785,828	-\$663,758
2021	2	(23)	-21	\$74,000	\$170,141	\$244,141	\$68,665	\$671,387	-\$602,722
2022	2	(23)	-21	\$74,000	-\$562,281	-\$488,281	\$7,629	\$526,428	-\$518,799
2023	2	(20)	-18	\$74,000	-\$440,211	-\$366,211	\$15,259	\$427,246	-\$411,987
2024	2	(22)	-20	\$74,000	-\$684,352	-\$610,352	\$7,629	\$350,952	-\$343,323
2025	2	(10)	-8	\$74,000	-\$1,294,703	-\$1,220,703	-\$53,406	\$251,770	-\$305,176
2026	2	(18)	-16	\$74,000	-\$1,050,563	-\$976,563	-\$83,923	\$175,476	-\$259,399
2027	2	(14)	-12	\$74,000	-\$1,294,703	-\$1,220,703	-\$137,329	\$61,035	-\$198,364
2028	2	(10)	-8	\$74,000	-\$1,050,563	-\$976,563	-\$129,700	-\$7,629	-\$122,071
2029	2	41	43	\$74,000	\$3,588,109	\$3,662,109	\$335,693	-\$160,217	\$495,910
2030	2	(12)	-10	\$74,000	-\$1,050,563	-\$976,563	-\$152,588	-\$91,553	-\$61,035

Source: CPA, REMI, OCI Alamo 7, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives										
Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Paint Creek ISD I&S Tax Levy	Paint Creek ISD M&O Tax Levy	Paint Creek ISD M&O and I&S Tax Levies	Haskell County Tax Levy	Rolling Plains GWCD Tax Levy	Stamford Hospital District Tax Levy	Estimated Total Property Taxes
				0.0000	1.0400		0.8205	0.0198	0.3919	
2017	\$ 285,000,000	\$ 285,000,000		\$0	\$2,964,000	\$2,964,000	\$2,338,425	\$56,430	\$1,116,915	\$6,475,770
2018	\$ 242,250,000	\$ 242,250,000		\$0	\$2,519,400	\$2,519,400	\$1,987,661	\$47,966	\$949,378	\$5,504,405
2019	\$ 205,912,500	\$ 205,912,500		\$0	\$2,141,490	\$2,141,490	\$1,689,512	\$40,771	\$806,971	\$4,678,744
2020	\$ 175,025,625	\$ 175,025,625		\$0	\$1,820,267	\$1,820,267	\$1,436,085	\$34,655	\$685,925	\$3,976,932
2021	\$ 148,771,781	\$ 148,771,781		\$0	\$1,547,227	\$1,547,227	\$1,220,672	\$29,457	\$583,037	\$3,380,392
2022	\$ 126,456,014	\$ 126,456,014		\$0	\$1,315,143	\$1,315,143	\$1,037,572	\$25,038	\$495,581	\$2,873,334
2023	\$ 107,487,612	\$ 107,487,612		\$0	\$1,117,871	\$1,117,871	\$881,936	\$21,283	\$421,244	\$2,442,334
2024	\$ 91,364,470	\$ 91,364,470		\$0	\$950,190	\$950,190	\$749,645	\$18,090	\$358,057	\$2,075,983
2025	\$ 77,659,800	\$ 77,659,800		\$0	\$807,662	\$807,662	\$637,199	\$15,377	\$304,349	\$1,764,586
2026	\$ 66,010,830	\$ 66,010,830		\$0	\$686,513	\$686,513	\$541,619	\$13,070	\$258,696	\$1,499,898
2027	\$ 57,000,000	\$ 57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154
2028	\$ 57,000,000	\$ 57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154
2029	\$ 57,000,000	\$ 57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154
2030	\$ 57,000,000	\$ 57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154
2031	\$ 57,000,000	\$ 57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154
					Total	\$18,833,762	\$14,858,751	\$358,566	\$7,097,068	\$41,148,148

Source: CPA, OCI Alamo 7, LLC

¹Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Haskell County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county, Rolling Plains Ground Water Conservation District and Stamford Hospital District.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Table 4 Estimated Direct Ad Valorem Taxes with all property tax incentives sought											
Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Paint Creek ISD I&S Tax Levy	Paint Creek ISD M&O Tax Levy	Paint Creek ISD M&O and I&S Tax Levies	Haskell County Tax Levy	Rolling Plains GWCD Tax Levy	Stamford Hospital District Tax Levy	Estimated Total Property Taxes	
				0.0000	1.0400		0.8205	0.019800	0.3919		
2017	\$ 285,000,000	\$20,000,000		\$0	\$208,000	\$208,000	\$1,309,518	\$31,601	\$625,472	\$2,174,591	
2018	\$ 242,250,000	\$20,000,000		\$0	\$208,000	\$208,000	\$1,113,090	\$26,861	\$531,652	\$1,879,603	
2019	\$ 205,912,500	\$20,000,000		\$0	\$208,000	\$208,000	\$946,127	\$22,832	\$451,904	\$1,628,862	
2020	\$ 175,025,625	\$20,000,000		\$0	\$208,000	\$208,000	\$804,208	\$19,407	\$384,118	\$1,415,733	
2021	\$ 148,771,781	\$20,000,000		\$0	\$208,000	\$208,000	\$683,577	\$16,496	\$326,501	\$1,234,573	
2022	\$ 126,456,014	\$20,000,000		\$0	\$208,000	\$208,000	\$581,040	\$14,021	\$277,525	\$1,080,587	
2023	\$ 107,487,612	\$20,000,000		\$0	\$208,000	\$208,000	\$493,884	\$11,918	\$235,897	\$949,699	
2024	\$ 91,364,470	\$20,000,000		\$0	\$208,000	\$208,000	\$419,801	\$10,130	\$200,512	\$838,444	
2025	\$ 77,659,800	\$20,000,000		\$0	\$208,000	\$208,000	\$356,831	\$8,611	\$170,435	\$743,877	
2026	\$ 66,010,830	\$20,000,000		\$0	\$208,000	\$208,000	\$303,307	\$7,319	\$144,870	\$663,496	
2027	\$ 57,000,000	\$57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154	
2028	\$ 57,000,000	\$57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154	
2029	\$ 57,000,000	\$57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154	
2030	\$ 57,000,000	\$57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154	
2031	\$ 57,000,000	\$57,000,000		\$0	\$592,800	\$592,800	\$467,685	\$11,286	\$223,383	\$1,295,154	
						Total	\$5,044,000	\$9,349,808	\$225,626	\$4,465,801	\$19,085,235
						Diff	\$13,789,762	\$5,508,944	\$132,940	\$2,631,268	\$22,062,913

Assumes School Value Limitation and Tax Abatements with Haskell County, Rolling Plains Ground Water Conservation District and Stamford Hospital District.

Source: CPA, OCI Alamo 7, LLC

¹Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue over 25 Years

This represents the Comptroller’s determination that OCI Alamo 7, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2014	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0
	2016	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2017	\$208,000	\$208,000	\$2,756,000	\$2,756,000
	2018	\$208,000	\$416,000	\$2,311,400	\$5,067,400
	2019	\$208,000	\$624,000	\$1,933,490	\$7,000,890
	2020	\$208,000	\$832,000	\$1,612,267	\$8,613,157
	2021	\$208,000	\$1,040,000	\$1,339,227	\$9,952,383
	2022	\$208,000	\$1,248,000	\$1,107,143	\$11,059,526
	2023	\$208,000	\$1,456,000	\$909,871	\$11,969,397
	2024	\$208,000	\$1,664,000	\$742,190	\$12,711,587
	2025	\$208,000	\$1,872,000	\$599,662	\$13,311,249
	2026	\$208,000	\$2,080,000	\$478,513	\$13,789,762
Maintain Viable Presence (5 Years)	2027	\$592,800	\$2,672,800	\$0	\$13,789,762
	2028	\$592,800	\$3,265,600	\$0	\$13,789,762
	2029	\$592,800	\$3,858,400	\$0	\$13,789,762
	2030	\$592,800	\$4,451,200	\$0	\$13,789,762
	2031	\$592,800	\$5,044,000	\$0	\$13,789,762
Additional Years as Required by 313.026(c)(1) (10 Years)	2032	\$592,800	\$5,636,800	\$0	\$13,789,762
	2033	\$592,800	\$6,229,600	\$0	\$13,789,762
	2034	\$592,800	\$6,822,400	\$0	\$13,789,762
	2035	\$592,800	\$7,415,200	\$0	\$13,789,762
	2036	\$592,800	\$8,008,000	\$0	\$13,789,762
	2037	\$592,800	\$8,600,800	\$0	\$13,789,762
	2038	\$592,800	\$9,193,600	\$0	\$13,789,762
	2039	\$592,800	\$9,786,400	\$0	\$13,789,762
	2040	\$592,800	\$10,379,200	\$0	\$13,789,762
	2041	\$592,800	\$10,972,000	\$0	\$13,789,762

\$10,972,000	is less than	\$13,789,762
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Analysis Summary	
Is the project reasonably likely to generate M&O tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	No

NOTE: The analysis above only takes into account this project’s estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, OCI Alamo 7, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2015	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0
2016	200	1,159	1359	\$7,506,800	\$68,787,145	\$76,293,945	\$9,971,619	-\$2,342,224	\$12,313,843
2017	2	47	49	\$74,000	\$9,447,484	\$9,521,484	\$495,911	\$976,563	-\$480,652
2018	2	14	16	\$74,000	\$5,907,445	\$5,981,445	\$358,582	\$961,304	-\$602,722
2019	2	(8)	-6	\$74,000	\$2,977,758	\$3,051,758	\$236,511	\$892,639	-\$656,128
2020	2	(22)	-20	\$74,000	\$1,634,984	\$1,708,984	\$122,070	\$785,828	-\$663,758
2021	2	(23)	-21	\$74,000	\$170,141	\$244,141	\$68,665	\$671,387	-\$602,722
2022	2	(23)	-21	\$74,000	-\$562,281	-\$488,281	\$7,629	\$526,428	-\$518,799
2023	2	(20)	-18	\$74,000	-\$440,211	-\$366,211	\$15,259	\$427,246	-\$411,987
2024	2	(22)	-20	\$74,000	-\$684,352	-\$610,352	\$7,629	\$350,952	-\$343,323
2025	2	(10)	-8	\$74,000	-\$1,294,703	-\$1,220,703	-\$53,406	\$251,770	-\$305,176
2026	2	(18)	-16	\$74,000	-\$1,050,563	-\$976,563	-\$83,923	\$175,476	-\$259,399
2027	2	(14)	-12	\$74,000	-\$1,294,703	-\$1,220,703	-\$137,329	\$61,035	-\$198,364
2028	2	(10)	-8	\$74,000	-\$1,050,563	-\$976,563	-\$129,700	-\$7,629	-\$122,071
2029	2	41	43	\$74,000	\$3,588,109	\$3,662,109	\$335,693	-\$160,217	\$495,910
2030	2	(12)	-10	\$74,000	-\$1,050,563	-\$976,563	-\$152,588	-\$91,553	-\$61,035
2031	2	(12)	-10	\$74,000	-\$1,294,703	-\$1,220,703	-\$198,364	-\$167,847	-\$30,517
2032	2	(14)	-12	\$74,000	-\$1,782,984	-\$1,708,984	-\$221,252	-\$198,364	-\$22,888
2033	2	(16)	-14	\$74,000	-\$1,782,984	-\$1,708,984	-\$274,658	-\$305,176	\$30,518
2034	2	(20)	-18	\$74,000	-\$2,515,406	-\$2,441,406	-\$350,952	-\$343,323	-\$7,629
2035	2	(22)	-20	\$74,000	-\$2,759,547	-\$2,685,547	-\$404,358	-\$396,729	-\$7,629
2036	2	(25)	-23	\$74,000	-\$3,491,969	-\$3,417,969	-\$450,134	-\$511,169	\$61,035
2037	2	(25)	-23	\$74,000	-\$4,224,391	-\$4,150,391	-\$511,169	-\$587,463	\$76,294
2038	2	(29)	-27	\$74,000	-\$4,468,531	-\$4,394,531	-\$503,540	-\$587,463	\$83,923
2039	2	(29)	-27	\$74,000	-\$4,712,672	-\$4,638,672	-\$579,834	-\$679,016	\$99,182
2040	2	(35)	-33	\$74,000	-\$6,177,516	-\$6,103,516	-\$656,128	-\$770,569	\$114,441
2041	2	(33)	-31	\$74,000	-\$5,933,375	-\$5,859,375	-\$671,387	-\$823,975	\$152,588
							\$6,240,846	-\$1,892,089	\$8,132,935
							\$19,104,935	is greater than	\$13,789,762

Analysis Summary

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?

Yes

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller has determined that the limitation on appraised value is a determining factor in the OCI Alamo 7, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- According to the application, the applicant’s parent company is a national developer with the ability to locate projects of this type in other countries and states in the U. S. with strong solar characteristics.
- Per the application, the applicant requires this appraised value limitation in order to move forward with construction this project in Texas. Without the tax incentives in Texas, a project with a power purchase agreement is not financeable.
- Per the applicant, without the tax incentive, the applicant would be forced to abandon the project and spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis.
- Comptroller research, dated December 18, 2013 by Rivard Report, includes an article on Alamo 1 and the completion of the first phase of a 400 megawatt deal (Alamo, 2, 3, 4, 5, 6 and 7).
- Comptroller research, dated April 1, 2014 by enerG, includes an article on San Antonio’s super-sized solar project. Mr. Dorazio, President and CEO of OCI Solar Power, states Alamo 5, 6 and 7 will be much larger, each likely in the 100 plus megawatt range. They will be built in, as yet undetermined, location in west and north Texas where the solar radiation levels are better.
- Comptroller research includes a 2014 OCI Alamo presentation, by Mr. Dorazio, listing the locations of OCI Alamo projects 3-7.

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In Tab 4, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input checked="" type="checkbox"/> Land has no existing improvements	<input checked="" type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Supporting Information

Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value

TAB 5

Documentation to assist in determining if limitation is a determining factor

The applicant's parent company for this project is a national solar developer with the ability to locate projects of this type in other countries and states in the US with strong solar characteristics. The applicant is actively developing and constructing other projects throughout the US and internationally. The applicant requires this appraised value limitation in order to move forward with constructing this project in Texas. Specifically, without the available tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project in Texas becomes unlikely.

Property taxes can be the highest operating expense for a solar generation facility as solar plants do not have any associated fuel costs for the production of electricity, and with Texas wholesale electricity prices already below the national average in Texas, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates, including power sales under a bi-lateral contract. Markets such as California that have state wide available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement. As such, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project and spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis.

This is true even if the entity is able to contract with an off-taker under a power purchase agreement because the low rate contracted for is not financeable without the tax incentives. More specifically, a signed power purchase agreement in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state subsidies, the other states offer a much higher rate of return for the project financiers. Without the tax incentives in Texas, a project with a power purchase agreement becomes unfinanciable.

Supporting Information

**Additional information
located by the Comptroller**

Alamo 1 Solar Joins the CPS Energy Grid

on 18 December, 2013 at

IRIS DIMMICK 16:35



You probably haven't noticed any recent changes in your electricity service while stringing holiday lights, cooking meals for visiting family or staying up late into the night studying for finals.

But for about a week now, CPS Energy customers in San Antonio have been buying clean, solar energy from the largest solar farm in Texas, "Alamo 1."

There's no notification of when and where your daily life is being powered by the sun – there's no green fairy that tells you the cup of coffee you made this morning was with electrons from a non-carbon emitting,

renewable energy source – it would be impossible to track anyway. It's just somewhere out there on the energy grid infrastructure now. For customers, it's pretty much business as usual.



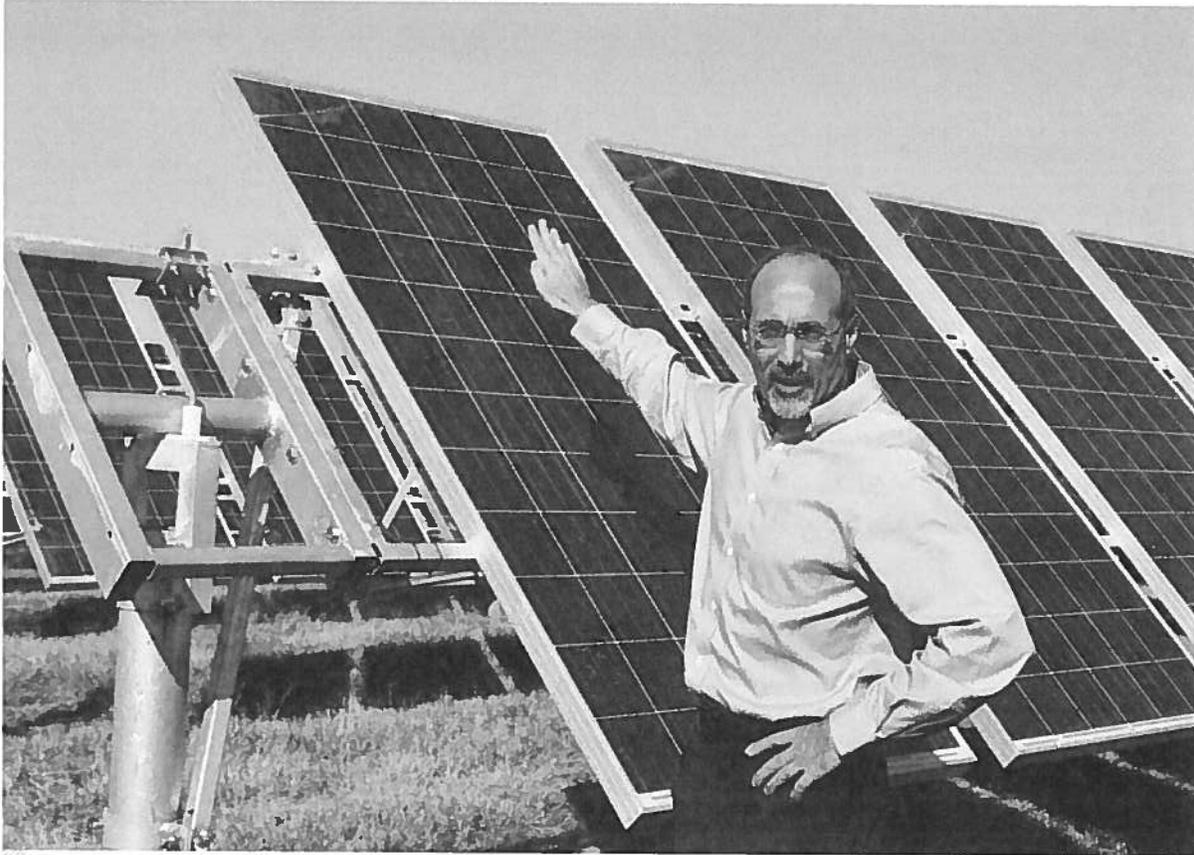
An aerial view of Alamo 1 solar farm located south of Loop 410 in San Antonio. Photo courtesy of OCI Solar Power.

But for CPSE and the renewable energy portfolio of the state of Texas, it signifies the completion of the first phase of a 400 megawatt (MW) deal between CPSE and OCI Solar Power. When completed, that deal is expected to bring about 800 permanent jobs and an annual economic impact of \$700 million to Texas.

Alamo 1, a 41 MW solar farm that sits on 445 acres of privately-owned land located off Blue Wing Road south of Loop 410, is the first of seven total solar farms planned throughout Texas as part of the deal. Alamo 1's 167,000 photovoltaic panels will produce enough energy to power 6,600 homes.

Construction has begun on Alamo 2, a 4.4 MW solar farm located beyond 410 east of San Antonio on land owned by the San Antonio River Authority. The Alamo 3 solar farm will produce five MW at a location yet to be determined, Alamo 4 near Brackettville will produce about 40 MW, and Alamo 5, 6 and 7 will be much larger, at least 100 MW (likely more) each at planned facilities in West and North Texas.

Site plan and location options are still being explored for the larger farms, which will make up the bulk of the 400 MW deal, said OCI Solar Power President and CEO Tony Dorazio during a media tour of Alamo 1.



OCI Solar: Power President and CEO Tony Dorazio explains how the dual-axis tracks and sophisticated sensors follow the angle of the sun for maximum efficiency. Photo by Iris Dimmick.

The first two are smaller and located closer to town as requested by CPSE, he said, “So that people of San Antonio can see them quite often ... and get them excited about it.”

It’s one thing to see the numbers that represent CPSE’s aggressive investment in renewable energy (Alamo 1 makes almost 100 MW installed, leaving about 350 MW on the way), it’s quite another to see the deep blue ocean of angling panels while driving on Hwy 281 south of downtown.

“It’s also part of the education process, too,” Dorazio said, pointing to Alamo 1’s proximity to local universities and the wealth of knowledge that can be shared between the plant and university-based research institutions.

All projects combined, OCI’s costs add up to nearly \$1.2 billion, of which Alamo 1 cost about \$110 million, Dorazio said. As part of the deal, CPSE will purchase the solar power produced for 25 years. Dorazio expects to “break even” on the solar farms after 10-19 years of operation, depending on the size of the project. Then they’ll start making a profit off the investment.

By purchasing the energy instead of installing it themselves, CPSE can take advantage of the low rates that

OCI is able to offer due to federal and state rebates, CPSE Executive Vice President Cris Eugster said.



CPSE Executive Vice President Cris Eugster at Alamo 1, currently the largest solar farm in Texas. Photo by Iris Dimmick.

“By 2020, 65 percent of (CPSE) electricity will come from resources that are low or no-carbon emitting – reducing emissions in an amount that’s equal to removing more than a million cars from local roads,” CPSE CEO Doyle Beneby stated in a press release.

While electricity produced by a solar farm is still more expensive than traditional coal, “the price continues to decrease,” said Eugster, standing amid a field of panels. “We’re confident that long-term, solar will be more affordable ... and it’s providing that power during the times that we need it the most – during those hot summer afternoons.”

OCI Solar Power, a subsidiary of OCI Company Ltd. based in South Korea, has headquarters in San Antonio and three international manufacturing partners have followed suit.

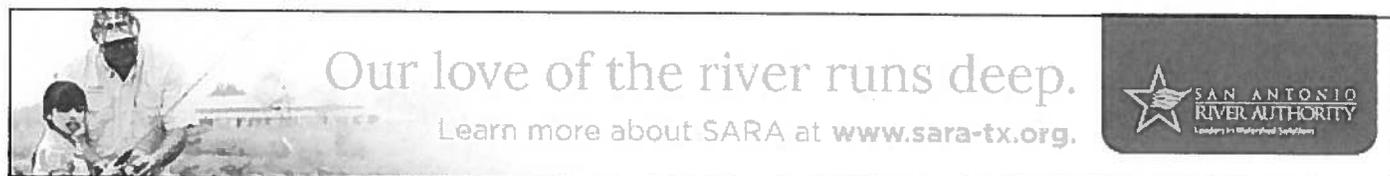
- South Korea-based Nexolon Co. Ltd. will provide the panels via its facilities at Brooks City Base.
- Tracks on which the panels are mounted will come from Spain-based Energia Ercam, northeast of downtown near Brooke Army Medical Center. According to Ercam’s website: “As part of the contract Ercam is committed to transfer its United States operations from San Francisco to San

Antonio.”

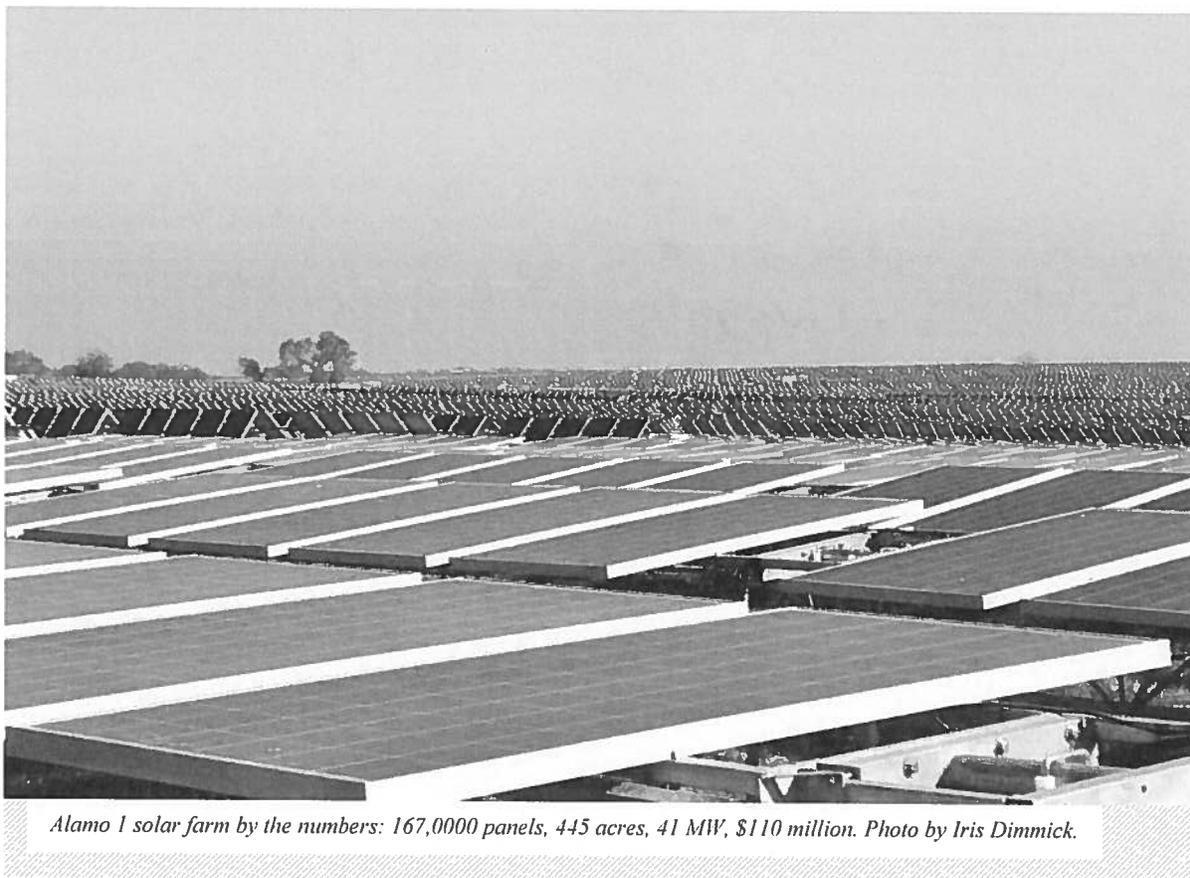
- DC/AC current inverters from Germany-based Kaco New Energy, near Brooke Army Medical Center.

According to OCI, the company and three manufacturing partners have created 150 permanent jobs and 600 temporary construction jobs in the area since the project began about a year ago.

“As we go on, more and more material will be sourced out of San Antonio,” Dorazio said. “We could start to see Texas as a (solar energy supply) hub. It’s centrally located.”



Projects for the 400 MW deal are expected to be completed by 2017 and will power 10% of San Antonio homes.





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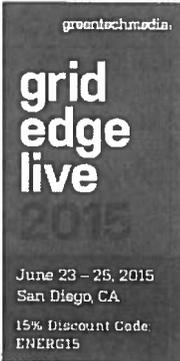
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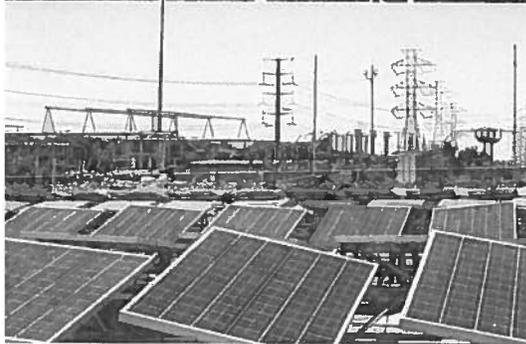


ENERGY STORAGE UPDATE

San Antonio's super-sized solar

The first phase of San Antonio's massive 400-MW Alamo solar project is now online, making it already the largest solar project in Texas and the first part of what will be the largest municipally-owned solar project in the U.S.

By Vicky Boyd



When fully built out in 2016, the seven solar farms comprising the Alamo project will not only generate 400 megawatts of clean energy for San Antonio, Texas, they will also bring hundreds of permanent solar-related jobs to the region.

Job creation and manufacturing were part of the requirements contained in the project's Request for Proposals (RFP) put out by CPS Energy, which serves 740,000 electric and 330,000 gas customers in Bexar County and parts of neighboring counties, in south central Texas.

Although they are a rare provision in the U.S., manufacturing components are common as part of the Feed-in Tariff program in the Canadian province of Ontario, said Tony Dorazio, president and CEO of OCI Solar Power, Alamo's project developer.

"The bad part is in some political arenas and state governments, they get these great ideas but then they can't drive it all the way home," he said. "But San Antonio and CPS made an effort to create a green energy industry around an area that's basically been oil and gas.

"They liked industries that wouldn't necessarily stay in solar, like engineering and construction, that could morph into the other sides of energy in Texas."

Five manufacturers have joined OCI Solar in a consortium to bring as many as 800 permanent jobs to the San Antonio region. They are Mission Solar Energy, formerly known as Nexolon America LLC; ERCAM Trackers, KACO new energy inverters; Mortenson Construction, and WTEC.

CPS originally had discussed a 50-MW project, but it wasn't large enough to attract the scale of industry the utility envisioned, said David Jungman, interim director of corporate planning and development at CPS.

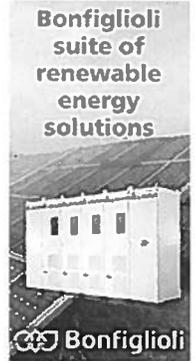
"So we got more aggressive and upped it to 400 MW," he said. "That's when we were able to get more bang for the buck on pricing and bringing in economic development."

The project will be built in seven phases, with the first phase—the 41-MW Alamo 1—constructed on 445 acres in the south part of San Antonio. It was brought online in December 2013, making it the largest solar project in Texas.

Considerably smaller, Alamo 2 (4.4 MW) and 3 (5 MW) will be built in highly visible locations near San Antonio to educate passersby and ratepayers on solar energy. The two smaller facilities also lend themselves to tours and school field trips.

Ground has already been broken for Alamo 4, a 39-MW facility on 600 acres of private land near Brackettville, about 125 miles west of San Antonio.

Alamo 5, 6, and 7 will be much larger, each likely in the 100-plus-MW range. They will be built in, as yet, undetermined locations in west and north Texas where the solar radiation levels are better, Dorazio said.





[Click here to view more events...](#)

The sheer size of the overall project compelled developers to spread out the solar farms to avoid overloading the power grid in any one location.

The larger projects will be transmission connected whereas the smaller projects are distribution connected, Jungman said. The larger projects will be located where there's available capacity on one of the CREZ (Competitive Renewable Energy Zones) distribution lines in the state. The lines were originally built to handle wind-generated power in north and west Texas.

The Texas clean energy scene has been dominated by wind. At the end of 2013, Texas was the top wind power state in the U.S., with 12,335 MW. But Dorazio says the state's peak electricity use patterns lend themselves to solar. "Mostly in west Texas, wind blows on the shoulders or nights when temperatures are changing. That's not when the power is at peak demand—between 11 and 4 during the day with the air conditioner loads," explains Dorazio.

"We need to marry wind power with some on-peak stuff, and these solar projects do that. Plus solar has come down in price."

Jungman said CPS was interested in large-scale solar because the utility likes to maintain a diverse generation portfolio, which includes power from nuclear, coal, natural gas, wind, and a small amount of solar.

He puts the Alamo project in perspective by saying, "Four hundred megawatts sounds like a lot, but as far as our total generation, it's not great. By the time it's built, it will be four to five percent of our total generation. But still, that's a lot of solar generation."

In addition, solar and other renewable energies will help the utility meet future carbon legislation.

"I think our build-out of solar is going to help us manage the potential impact on CPS," Jungman said. "Already, we're one of the largest purchasers of wind [energy]."

OCI Solar became involved in the project when CPS put out a Request for Proposals two-and-a-half years ago. More than 100 companies submitted bids, but Dorazio said the project wasn't your typical 400-MW power-purchase agreement, since the San Antonio utility also sought a jobs component.

OCI Solar eventually won the bid, and Dorazio said he likes to think it was because of the overall breadth of the proposal.

"We weren't just thinking of a panel manufacturer," he said. "We actually stated that we would create many vertical industries within San Antonio over the long term."

"Plus our benefit was we were going to add basically everybody from welders, engineers, and accountants. We were again thinking about the whole value chain of employment and not just engineers, not just manufacturing people."

In addition, the contract called for a 25-year PPA where CPS would be guaranteed a set price for electricity from the project.

"We have a contract with OCI Solar, but we also feel like it's a partnership," Jungman said. "They're bringing clean energy jobs to San Antonio. We truly want to be known as the solar center of Texas, especially if they start building facilities in other parts of the state. It's a public-private partnership that will have an impact all across the state of Texas."

The overall project will feature what Dorazio described as the "latest and greatest technology."

Mission Solar's San Antonio manufacturing facility will supply 320 MW of panels to the overall project. But the firm couldn't get its new plant up and running in time to supply the first four phases, so OCI Solar went with a mix of panels from ReneSola Ltd. and Yingli.

The first phase involves 167,680 295-watt N-type panels that are also bifacial.

In addition, about half of the more than 4,000 trackers from ERCAM are dual-axis whereas the other half are single-axis.



The topography of the 445 acres on which the project sits dictated the type of tracker, he said. The dual-axis trackers work better on the flat grade.

Constructing the 41-MW Alamo 1 solar farm was similar to building a manufacturing plant but on a much larger scale. The pure logistics of building on this scale is dramatic, with materials spread out over 450 acres

"When you start getting into hills of two to three percent grade, you start getting more shading," Dorazio said. "So where we can, we'll try to use the best technology out there."

Developing a solar project is much like any other large construction project, he said. The larger solar farms are being built on private land with long-term leases secured from the landowners.

"Most of Texas is ranches that like to keep land in the families," Dorazio said. "We're good neighbors. We're very quiet. We don't bring out traffic after construction, so we're a good neighbor on top of the tax benefits. And we bring revenue to the area, so finding land isn't very difficult."

Environmental reviews were conducted, and with Texas being a business-friendly state, he said securing the necessary permits wasn't difficult.

After the ground was surveyed and the necessary cut and fills made, constructing the solar farm was similar to building a manufacturing plant but on a much larger scale, Dorazio said.

"When you look at manufacturing, it might be large with 100,000 square feet but it's within four walls, and you can find the people," he said. "With this, it's not only managing staff, it's managing inventory. You have inventory spread out over 450 acres. The pure logistics of building something like this is pretty dramatic. Just the environment you're covering, you're moving dirt over 450 acres."

The actual installation was similar to an assembly line, Dorazio said.

One crew would drive the pilings, followed by a crew that would put the trackers together. Once those were completed, another crew would mount the trackers followed by yet another crew that would install the panels.

Much like an intricately orchestrated ballet, another crew would trench in or hang the cables along the pilings.

Once each section was completed, a commercial electrical crew would connect the string to an inverter. Altogether, the project involved 37 inverters, he said.

At the peak, about 600 workers were on the ground.

"So it was very much a manufacturing-style assembly," Dorazio said. "It's a lot different than constructing wind [turbines]."

RES Americas Inc., of Broomfield, Colorado, served as the EPC (engineering, procurement, and contractor) for Alamo 1, and Blattner Energy,

of Avon, Minnesota, will provide oversight for Alamo 2. Beyond that, Mortenson Construction will act as EPC. The Minneapolis-based firm is also part of OCI's consortium and plans to open a regional office in San Antonio the first half of this year.

Although Alamo 1 required hundreds of trucks to deliver the materials to the site, they were scheduled throughout the duration of the project and during off-peak traffic. As a result, only about 15 trucks per day came and went from the site. Unlike wind projects, which typically require oversized trucks and pilot cars, Dorazio said the deliveries to the solar project used standard-sized semi-trucks.

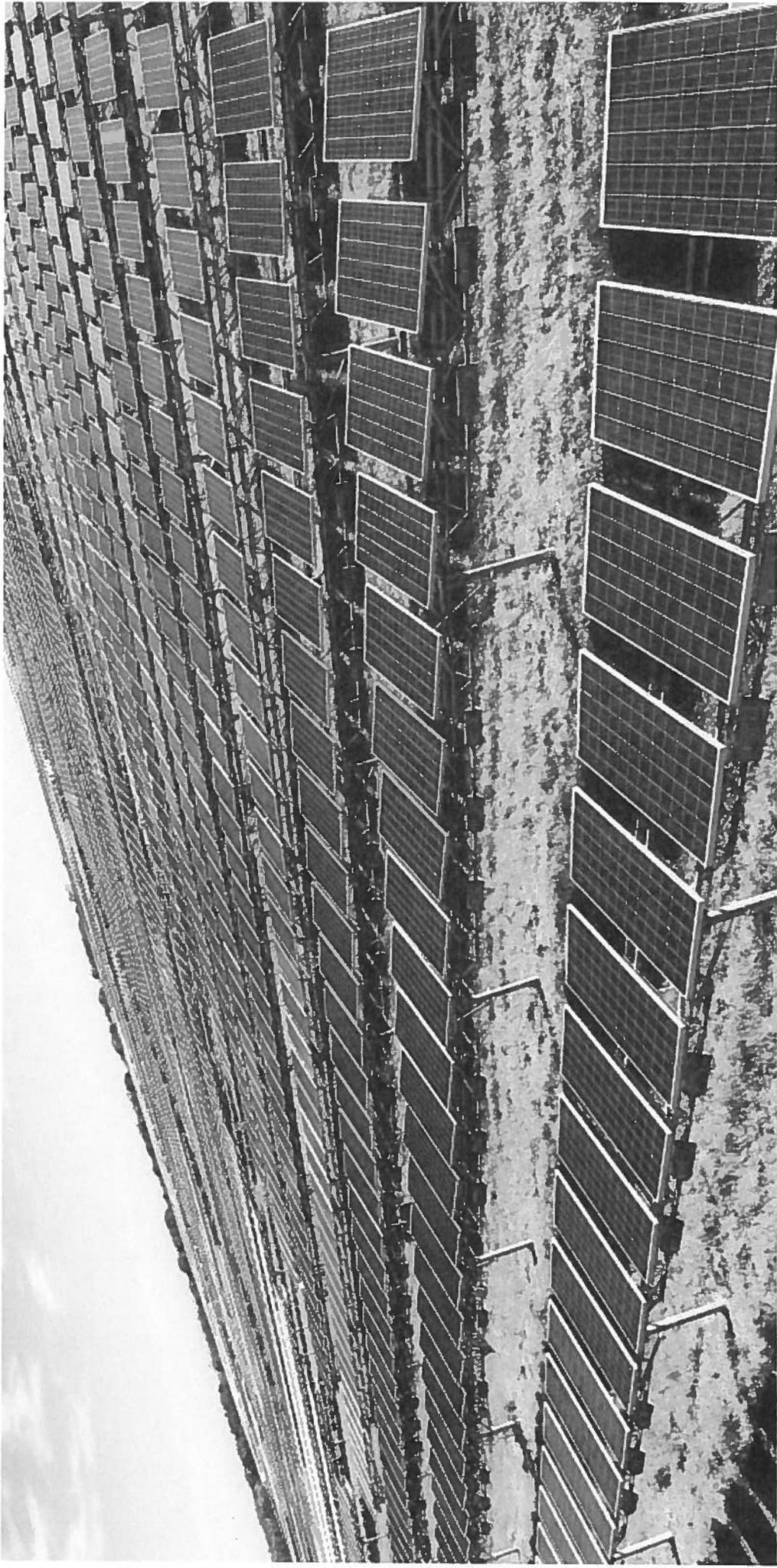
One of the take-aways from the project was the importance of communication among all the suppliers, he said.

"When you have a panel manufacturer and a tracker and an inverter manufacturer that have never worked together before, it's just getting the delivery schedule to work," Dorazio said.

Beyond Alamo, CPS doesn't have any solar projects on the table. The utility most likely will begin evaluating its resources and other possible projects in 2015 or 2016, once Alamo nears build-out, Jungman said.

"With the balances we're trying to achieve, what's the next thing we should be adding?" he asks. "Is it more solar? Is it more wind? We try not to bring in too much of any one particular type."

March/April 2014



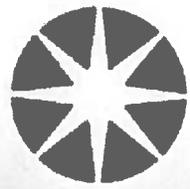
Case Study: 400 MW in San Antonio
Harnessing the Power of the Sun



OCI
solar power

Overview of Topics

- OCl Company Overview
- OCISP's Economic Development Agreement and PPA
- OCl Solar Power (OCISP)
- Project Finance
- Partner with Us



solar power



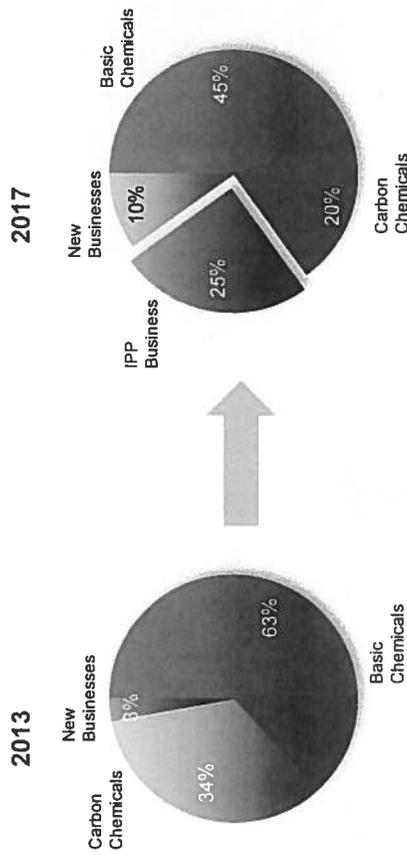
OCI Overview

OCI Overview

OCI Company Overview

- ❖ Founded in 1959, OCI Company Ltd. ("OCI") is a leading global green energy and chemicals company, with a diverse business portfolio of Basic Chemicals, Carbon Chemicals and IPP / New Businesses
- ❖ Headquartered in Seoul, Korea, OCI serves customers in over 100 countries through 35 sites in 8 countries
- ❖ OCI has a market cap of ~\$4.0Bn ⁽¹⁾ and 2013 sales of ~\$2.7Bn
- ❖ In the area of green energy, OCI delivers a variety of products, including polysilicon, fused silica vacuum insulation and sapphire ingots for LED and PV power generation
 - OCI is one of the largest suppliers of polysilicon in the world
- ❖ OCI aims to grow its IPP business to 25% of sales by 2017, and is actively exploring solar power opportunities across Asia, North America, South America and South Africa

Business Portfolio Transformation

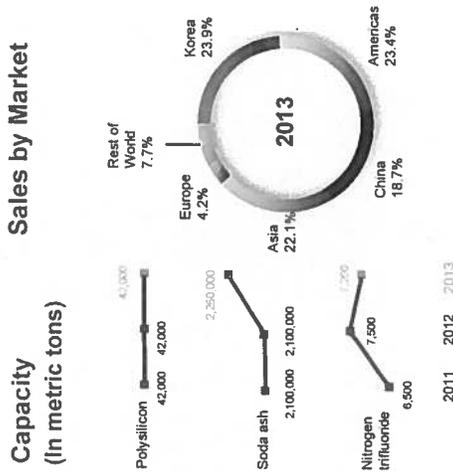


¹ Based on 1,014.40 KRW/USD exchange rate as of June 27, 2014

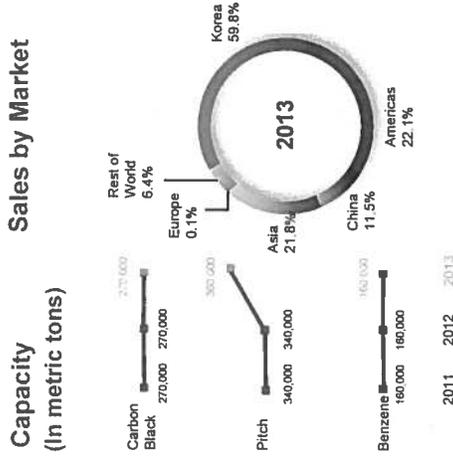
OCI Enterprises Overview

- ❖ OCI Enterprises Inc. is the North American subsidiary of OCI Company Ltd.
- ❖ Headquartered in Atlanta, GA
- ❖ Operates the Company's chemical business through OCI Chemical Corporation ("OCI Chemical"), one of the world's largest producers of natural soda ash, sodium percarbonate and hydrogen peroxide
 - Entered into JV with Eka Chemicals to form Eka Peroxide LLC in 2006
 - OCI Resources LP, a subsidiary of OCI Chemical, was the first soda ash company to list on the NYSE with a successful \$95MM IPO in September 2013
- ❖ Through OCI Energy LLC ("OCI Energy"), OCI Enterprises owns ERCAM Trackers, Mission Solar Energy, and OCI Solar Power LLC

Basic Chemicals



Carbon Chemicals

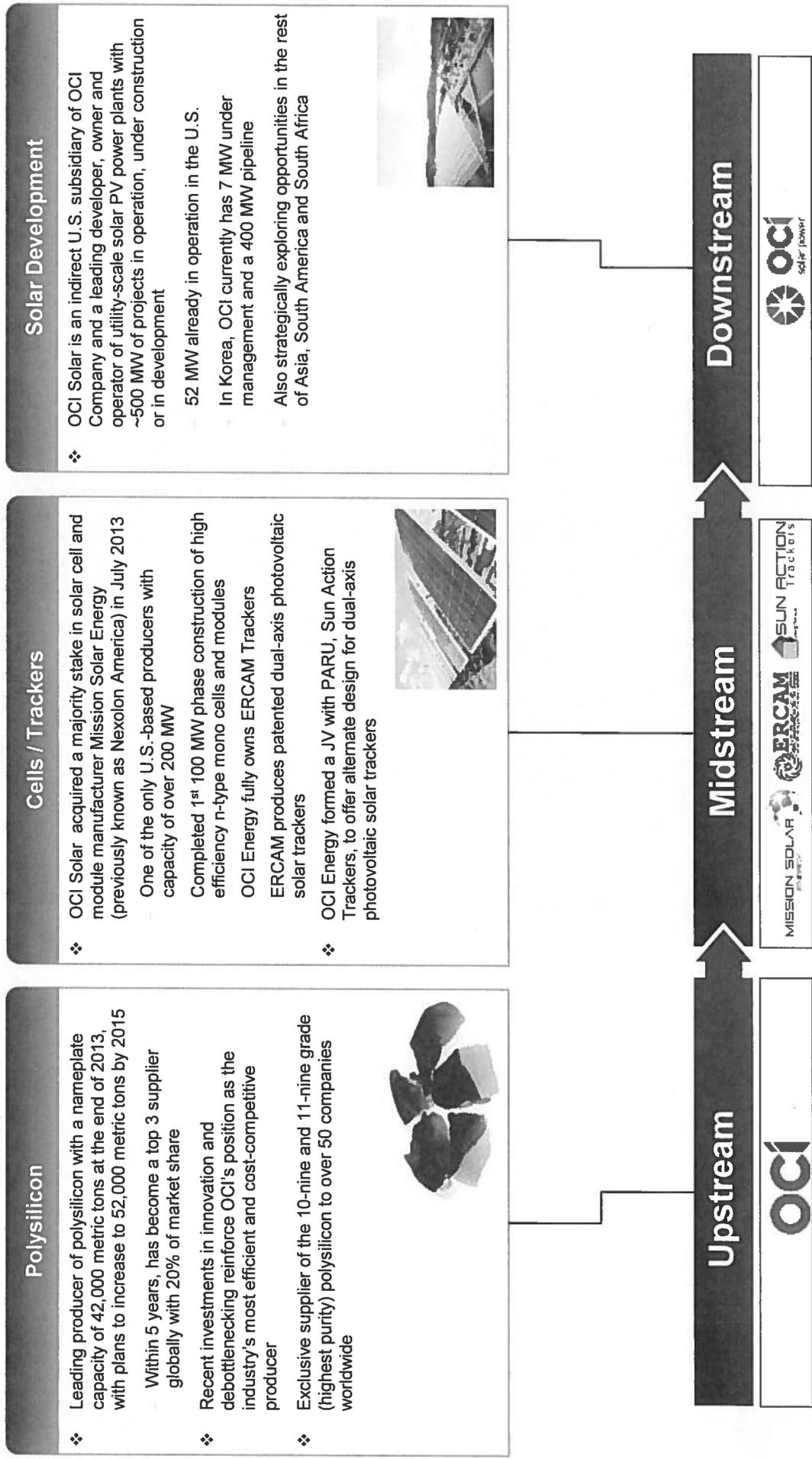


OCI Solar Power Overview

Overview

- Headquartered in San Antonio, Texas, OCI Solar was established in 2011 through an acquisition of a development company
- Team has decades of experience developing, owning, and operating power plants, and applies this knowledge to effectively develop projects using solar PV technology
- Focuses on projects ranging in size from 1 MW to over 100 MW
- Partners with local communities to build solar PV projects, which generate green energy, employment, and U.S. energy independence
- Able to leverage its extensive network of technology partners and capital providers
- Will work closely with parent company OCI in launch of global R&D network to bring core technical capabilities in-house

OCI Overview



Polysilicon

- ❖ Leading producer of polysilicon with a nameplate capacity of 42,000 metric tons at the end of 2013, with plans to increase to 52,000 metric tons by 2015
 - Within 5 years, has become a top 3 supplier globally with 20% of market share
- ❖ Recent investments in innovation and debottlenecking reinforce OCI's position as the industry's most efficient and cost-competitive producer
- ❖ Exclusive supplier of the 10-nine and 11-nine grade (highest purity) polysilicon to over 50 companies worldwide



Cells / Trackers

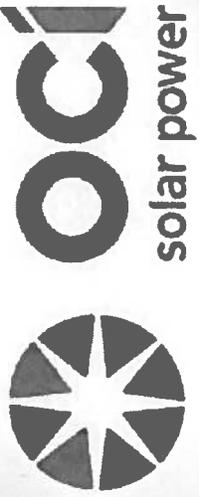
- ❖ OCI Solar acquired a majority stake in solar cell and module manufacturer Mission Solar Energy (previously known as Nexolon America) in July 2013
 - One of the only U.S.-based producers with capacity of over 200 MW
 - Completed 1st 100 MW phase construction of high efficiency n-type mono cells and modules
- ❖ OCI Energy fully owns ERCAM Trackers
 - ERCAM produces patented dual-axis photovoltaic solar trackers
- ❖ OCI Energy formed a JV with PARU, Sun Action Trackers, to offer alternate design for dual-axis photovoltaic solar trackers



Solar Development

- ❖ OCI Solar is an indirect U.S. subsidiary of OCI Company and a leading developer, owner and operator of utility-scale solar PV power plants with ~500 MW of projects in operation, under construction or in development
 - 52 MW already in operation in the U.S.
 - In Korea, OCI currently has 7 MW under management and a 400 MW pipeline
 - Also strategically exploring opportunities in the rest of Asia, South America and South Africa





Alamo 1 (40.7 MW-ac)

Economic Development Agreement

Economic Development Agreement

- ❖ OCI Solar entered into a Master Power Purchase Agreement and Economic Development Agreement (“EDA”) in July 2012 with the CPS Energy
- ❖ Under the agreement, OCI Solar is obligated to invest capital, develop manufacturing and other solar and renewable energy-related facilities, create jobs and invest in certain educational and renewable energy organizations and institutions in return for CPS Energy’s commitment to purchase up to 400 MW of electric energy



Highlights

\$120 million in investment

Locate, construct and operate renewable energy business-related manufacturing facilities or offices in San Antonio, Texas

Develop curriculum and support education solar power training with school districts and public libraries

805 permanent technical and professional jobs

\$700 million anticipated annual economic impact

Position Texas as a top five U.S. solar energy-producing state



OCI
solar power

PPA with CPS Energy

Bringing 400 megawatts of clean, renewable energy to Texas by 2016

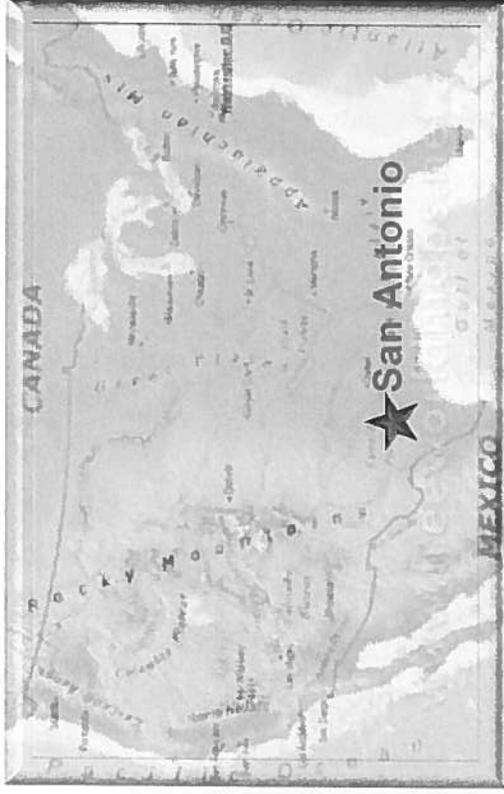
❖ OCI Solar Power finalized the PPA with CPS Energy¹⁾ on July 23, 2012

Project Overview

Capacity (AC)	400 MW
PPA Term	25 years
Off-taker ²⁾	CPS Energy
Required Land	4,000 acres
Project Timeline	2012~2016
Stages	7 Sequential Stages
Total Project Cost	Approx. \$1.2 billion
Expected Revenue	Over \$2.5 billion
Generation	70,000 homes

Location

- San Antonio, Texas
Rich sunlight resource



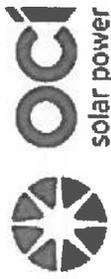
1) CPS Energy: A municipal utility service provider of San Antonio, Texas, the largest in the United States (Fitch Rating: AAA)

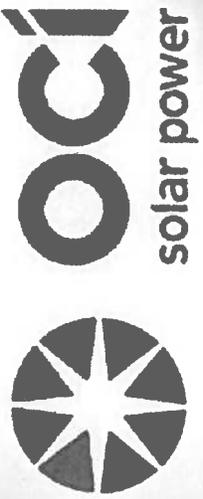
2) Off-taker: The buyer of electricity, usually utility companies

Strategic Partners

OCI Solar believes in forming strong working relationships with utilities, engineering, environmental and development partners. We select firms that have our same passion for green power and work beside us to achieve results.

Partners	Model
 <p>Mission Solar Energy</p> <ul style="list-style-type: none"> > High efficiency n-type solar panels > >300+ W panels with average efficiency 19% 	<p>OCI Solar Power introduced a manufacturing-to-generation business model and formed a consortium of manufacturing and construction partners, which provide the major components required to build its project for CPS Energy.</p>
 <p>ERCAM Trackers & Sun Action Trackers</p> <ul style="list-style-type: none"> > The patented, dual-axis photovoltaic solar trackers as well as single- and fixed-axis trackers 	<p>OCI Solar Power is technology agnostics and will work with its clients to provide a complete renewable energy solution in the most cost-effective way.</p>
 <p>KACO new energy</p> <ul style="list-style-type: none"> > Photovoltaic inverter and power electronic 	
 <p>Mortenson Construction</p> <ul style="list-style-type: none"> > Engineering, Procurement, and Construction 	





Alamo 1 (40.7 MW-ac)

OCI Solar Power

OCI Solar Alamo Project Pipeline



Project Name	Alamo 3	Alamo 5	Alamo 6	Alamo 7
Location	San Antonio, TX	Uvalde, TX	McCamey, TX	Haskell, TX
Capacity	5.5 MW-ac	100 MW-ac	110 MW-ac	100 MW-ac
Status	NTP July 2014	NTP September 2014	Under Development	Under Development
Technology	Mission Solar modules KACO inverters SAT trackers	Mission Solar modules KACO inverters SAT trackers	Mission Solar modules KACO inverters SAT trackers	Mission Solar modules KACO inverters SAT trackers
EPC	Mortenson	Mortenson	Mortenson	Mortenson
COD	December 2014	December 2015	Q2 2016	Q4 2016
Offtaker	CPS via 25-yr PPA	CPS via 25-yr PPA	CPS via 25-yr PPA	CPS via 25-yr PPA
Site Control	Approx. 50 acres	Approx. 1,000 acres	Approx. 1,400 acres	In Process
Interconnection	CPS Energy 34.5 kV overhead distribution line in proximity of site	STEC 138 kV Downie substation existing on site	LCRA 138 kV Tunas Creek substation (new, to be built on-site)	Clear Crossing CREZ substation
Permits	Substantial portion of permitting complete; to be completed July 2014	Substantial portion of permitting complete; to be completed July 2014	NA	NA

Alamo Projects Operating

Representative Case Studies

Alamo 1



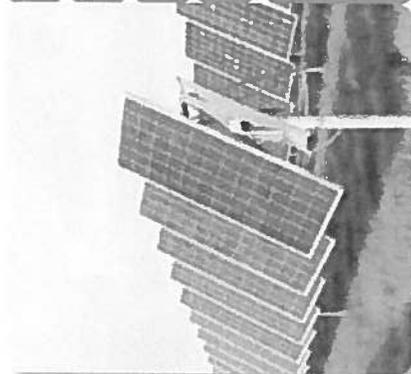
Size	40.7 MW-ac
Location	San Antonio, TX
COD	December 2013
Technology	Solar PV with single & dual-axis trackers
Key Features	<ul style="list-style-type: none"> • Largest operating solar project in Texas built to date • Reduces annual carbon emissions by 57,000 tons

Alamo 4



Size	39.6 MW-ac
Location	Brackettville, TX
COD	August 2014
Technology	Solar PV with dual-axis trackers
Key Features	<ul style="list-style-type: none"> • Over 150,000 solar modules • About 550 employed on site

Alamo 2



Size	4.4 MW-ac
Location	San Antonio, TX
COD	March 2014
Technology	Solar PV with dual-axis trackers
Key Features	<ul style="list-style-type: none"> • Employs ~17,000 solar modules • Generates enough power to supply 6,000 homes

Other OCI Solar Power Projects Operating

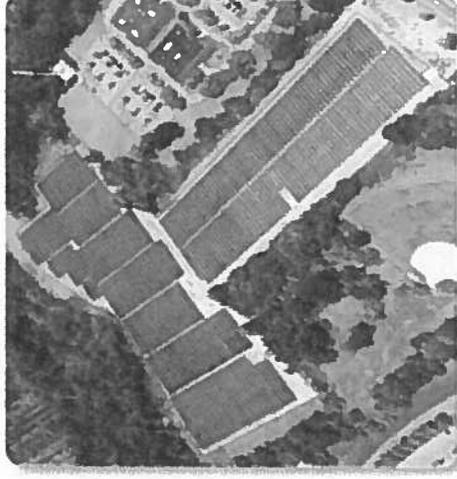
Representative Case Studies

Delsea



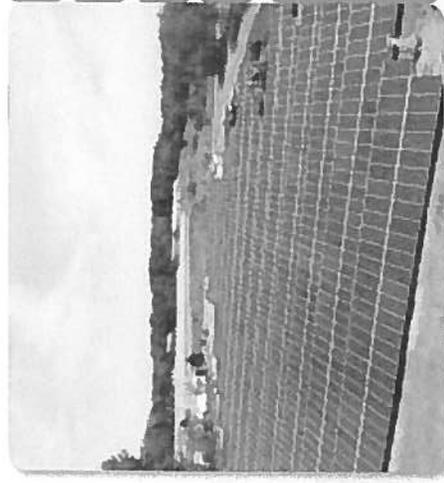
Size	3.0 MW-ac
Location	Vineland, NJ
COD	February 2012
Technology	Solar PV with single-axis trackers
Key Features	<ul style="list-style-type: none"> • OCISP's first installation • Generates enough power to supply 650 homes

Holmdel



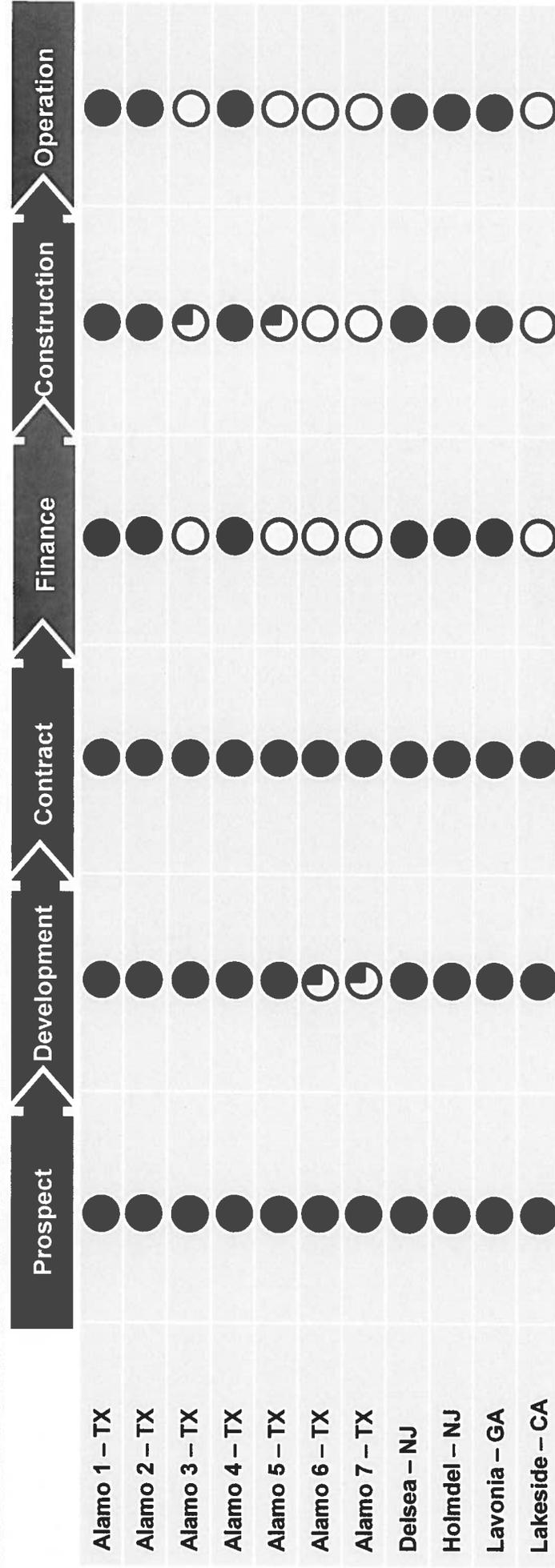
Size	3.0 MW-ac
Location	Holmdel, NJ
COD	April 2013
Technology	Solar PV with single & dual-axis trackers
Key Features	<ul style="list-style-type: none"> • OCISP's first merchant plant selling power into PJM

Lavonia

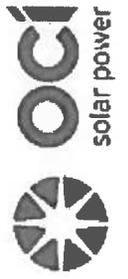


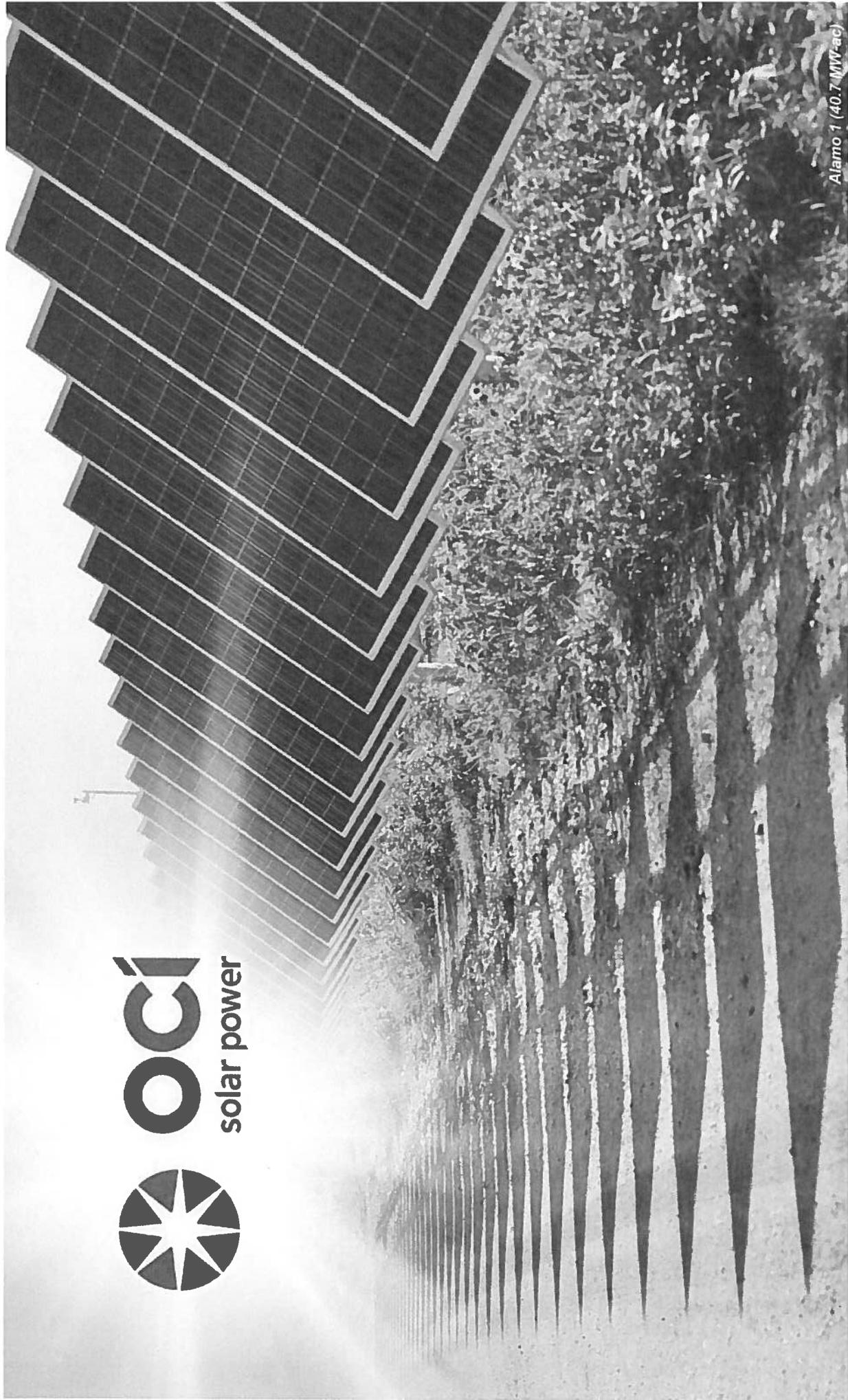
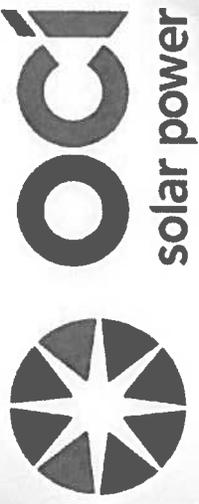
Size	0.8 MW-ac
Location	Lavonia, GA
COD	May 2014
Technology	Fixed-tilt trackers
Key Features	<ul style="list-style-type: none"> • OCISP's first GA project with 20 year PPA with Georgia Power

OCISP Portfolio Status



OCISP has over 91 MW in operations and over 650 MW under development throughout the US





Alamo 1 (40.7 MW_{ac})

Project Finance

Project Financing

- Alamo 1:
 - \$51.2 mil loan facility for 16 years
 - 50:50 between Korean Development Bank and Korea Finance Corporation
- Alamo 4:
 - \$65.1 mil loan facility
 - North American Development Bank – \$40 mil, 24 year term loan
 - Korean Development Bank – \$25.1 mil, 16 year term loan
 - Entered into strategic partnership with ConEd Development (NY)
- OCISP is currently in the process of financing Alamo 3 and 5 – total of 105 MW
 - Actively working with potential financing partners to fund future pipeline
- OCISP is also exploring various financing tools to bring in lower costs of capital

Partner With Us

- Provide a complete turnkey solution that includes an experienced development team capable of bringing solar power plants on time and on budget
- Feature capabilities in financing, design, transmission, engineering, operations and project management
- Form valuable partnerships and business relationships with utilities, landowners, developers, governments, suppliers and communities
- Bring renewable energy and economic benefits to communities around the world using advanced technologies and innovative business solutions

<http://www.ocisolarpower.com>

