

**BEFORE
THE OHIO POWER SITING BOARD**

In the Matter of the Application of)	
Hecate Energy Highland LLC For a)	Case No. 18-1334-EL-BGN
Certificate of Environmental)	
Compatibility and Public Need)	
For a Solar Powered Electric)	
Generating Facility to be Located in)	
Highland County, Ohio)	

NOTICE OF COMPLIANCE WITH CONDITION (18)

Hecate Energy Highland LLC (“Hecate Energy”) provides notice of its compliance with Condition (18) of **IV. STIPULATION AND CONDITIONS** of the certificate of environmental compatibility and public need issued by the Ohio Power Siting Board on May 16, 2019 in this proceeding. Attached as part of this notice are: (1) the April 3, 2019 Resolution No. 19-81 of the Highland County Board of County Commissioners approving Hecate Energy’s application for certification of the Highland Solar Farm as a “qualified energy project” pursuant to R.C. 5727.75(E)(1)(b); and (2) the April 18, 2019 certification by the Ohio Development Services Agency of the Highland Solar Farm pursuant to R.C 5727.75(E)(2) as a “qualified energy project” for purposes of R.C. 5727.75.

Respectfully submitted,



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Attorneys for Hecate Energy Highland LLC

CERTIFICATE OF SERVICE

The Ohio Power Siting Board's e-filing system will electronically service notice of the filing of this document on the parties referenced in the services list of the docket care who have electronically subscribed to this case.



One of the Attorneys for Hecate Energy Highland, LLC

Resolution No. 19-81

The Highland County Board of Commissioners, Highland County, Ohio, met in Regular Session on April 3, 2019, with the following members present:

Jeff Duncan, Terry Britton, and Gary Abernathy

Mr. Britton moved the adoption of the following:

RESOLUTION

TO APPROVE A QUALIFIED ENERGY PROJECT APPLICATION FOR CERTIFICATION

WHEREAS, Ohio Revised Code Section 5727.75 allows a “qualified energy project” using renewable energy resources to be exempt from real and tangible personal property taxation if certain conditions are satisfied (“Qualified Energy Project”); and

WHEREAS, a Qualified Energy Project is defined as an energy project certified by the Director of the Development Services Agency of Ohio (“Ohio DSA”); and

WHEREAS, a Qualified Energy Project is certified by the Director of Ohio DSA in accordance with the provisions of Ohio Administrative Code Chapter 122:23-1; and

WHEREAS, Hecate Energy Highland LLC (the “Company”) desires to construct a new 300-megawatt solar energy generation facility, on approximately 3,300 acres of land located within Clay and Whiteoak Townships, Highland County, Ohio (the “Project”); and

WHEREAS, the Company submitted a Qualified Energy Project Application for Certification to the Director of Ohio DSA on February 6, 2019, (the “Application for Certification”), copies of which are attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, pursuant to R.C. Section 5727.75(E)(1)(b), the Board of County Commissioners of Highland County, Ohio (the “Board”) must adopt a resolution pursuant to R.C. Section 5727.75(E)(1)(b) approving or rejecting the Project’s Application for Certification; and

WHEREAS, the Board may require an annual service payment to be made in addition to the service payment required under section 5727.75(G) of the Revised Code, provided the sum of the service payment required in the resolution and the service payment required under section 5727.75(G) of the Revised Code shall not exceed \$9,000 per megawatt of nameplate capacity located in the County and the resolution specifies the time and manner in which the payments required by the resolution shall be paid to the County’s treasurer; and

WHEREAS, the approval of the Project’s Application for Certification by the Board shall not constitute approval of an Alternative Energy Zone pursuant to R.C. Section 5727.75(E)(1)(c), shall not be binding upon the County for any potential future Qualified Energy

Projects, and shall not be construed as precedent for the County's potential adoption and/or denial of any PILOT tax abatement for any such potential future project;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, HIGHLAND COUNTY, OHIO:

Section 1. The Board hereby approves the Project's Application for Certification as submitted to the Ohio Development Services Agency on February 6, 2019, which shall exempt the Project, pursuant to section 5727.75 of the Revised Code, from otherwise applicable public utility personal property taxes and real property taxes.

Section 2. The approval of the Project's Application for Certification pursuant to this Resolution is expressly conditioned upon the payment by the Company, or successor owner of the Project, of an annual service payment in lieu of taxes ("PILOT") and an additional annual service payment as provided in section 5727.75(E) and (G) of the Revised Code, and as more specifically set forth as follows:

- (A) The amount of the annual PILOT shall be \$7,000 per megawatt, as set forth in section 5727.75(G) of the Revised Code.
- (B) The amount of the additional annual service payment shall be \$2,000 per megawatt.
- (C) The Project that is exempted from taxation under this Resolution shall make the annual PILOT and additional annual service payments to the Highland County Treasurer. The payments shall be required and paid for each tax year for which an exemption is granted. The combined annual payments shall be equal to \$9,000 for each megawatt of nameplate capacity of the alternative energy facility. The County will invoice, and the Company will pay, the PILOT, including the additional annual service payment, in two annual installments, due in February and July of each year, by check sent via USPS certified mail, unless the Parties mutually agree to a different payment schedule and/or method of payment.
- (D) The Highland County Treasurer shall deposit the annual PILOT into the appropriate fund of the County and shall make distribution of the funds derived from the PILOT to the taxing districts according to the millage in the respective taxing districts. The additional annual service payment shall be deposited into the general fund of the County in accordance with section 5727.75(E) of the Revised Code.

Section 3. This Resolution applies only to the Project, and the adoption of this Resolution shall not constitute approval of an Alternative Energy Zone pursuant to R.C. Section 5727.75 (E)(1)(c), is not binding upon the County for any potential future Qualified Energy Project, and shall not be construed as precedent for the County's potential adoption and/or denial of any PILOT tax abatement for any such potential future project.

Section 4. All formal actions relative to the passage of this Ordinance were taken in an open meeting of this Board, and all deliberations of the Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including R.C. Section 121.22.

Section 5. This Resolution shall take effect and be in force from and after the earliest period allowed by law.

Mr. Abernathy seconded the Resolution, and the roll being called upon its adoption, the vote resulted as follows:

Mr. Duncan, yea; Mr. Britton, yea; and Mr. Abernathy, yea.

Adopted April 3, 2019

Mary Remsing
Clerk

Jeff Duncan
Ty Britton
GA
Board of Commissioners
Highland County, Ohio

Approved as to form:

County Prosecutor



**Development
Services Agency**

Mike DeWine, Governor
Jon Husted, Lt. Governor

Lydia L. Mihalik, Director

OHIO QUALIFIED ENERGY PROJECT TAX EXEMPTION CERTIFICATE

HECATE ENERGY HIGHLAND LLC

HIGHLAND SOLAR FARM, HIGHLAND COUNTY

Upon examination of Hecate Energy Highland LLC's (hereinafter "Hecate") February 6, 2019 Qualified Energy Project Tax Exemption Application, the Director of the Ohio Development Services Agency ("Director") has determined that (a) the applicant has submitted a timely application as described in Ohio Revised Code (ORC) Section 5727.75(E)(1)(a)(i); (b) the Highland County Board of Commissioners adopted a resolution approving the application on April 3, 2019 as required by ORC Section 5727.75(E)(2)(b); and (c) no portion of the project's facility was used to supply electricity before December 31, 2009.

Accordingly, pursuant to ORC Section 5727.75(E)(2), the Director hereby certifies that the proposed 300 MW Highland Solar Farm in Highland County, as described in the application referenced above, is a "Qualified Energy Project." The distinction of "Qualified Energy Project" is vested in the Highland Solar Farm for its operational lifetime, unless revoked pursuant to ORC Section 5727.75(E)(3).

Upon submission of all required construction reports, the Director shall issue a certificate of verification confirming compliance with the requirements of section 5727.75 of the Revised Code. A copy of this certificate of verification will be distributed to Hecate, the Tax Commissioner, the Highland County Auditor, the Highland County Treasurer, and each applicable taxing unit within an affected county.

Executed at Columbus, Ohio, this 18th day of April, 2019.

Lydia L. Mihalik
Director
Ohio Development Services Agency

By: 

Name: Matt Peters

Title: Assistant Director

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 18-1334-EL-BGN

Summary: Notice Notice of Compliance with Certificate Condition 18 - PILOT electronically filed by Ms. Danelle M Gagliardi on behalf of Hecate Energy Highland LLC