

Rainbow Valley Solar Project Economic & Fiscal Impact Report Goodyear, Arizona



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Executive Summary

Elliott D. Pollack & Company has analyzed the future economic and fiscal impacts of the proposed Rainbow Valley Solar Project to be located on approximately 1,930 acres of private land currently in Maricopa County but anticipated to be annexed into the City of Goodyear, Arizona. This solar power generating facility would produce up to 300MW of power and includes the addition of 300MW battery storage. The project will be developed in two phases. Phase 1 will be 130MW while Phase 2 will be 170MW and projected to begin in year 3.

Assumptions used in this analysis were current as of the date of this report but should be considered preliminary and subject to change.

The value subject to personal property tax is estimated at \$898.4 million including construction costs, equipment and battery augmentation at years 8, 12 and 16.

Project Assumptions Rainbow Valley Solar Project (2024 dollars)			
	Phase 1	Phase 2	Total
Acres	910	1,020	1,930
Solar Facility (MW)	130	170	300
Battery Storage (MW)	130	170	300
<u>Engineering, Procurement and Construction Value</u>			
Capital Expenditure - PV	\$194,460,700	\$252,798,900	\$447,259,600
Capital Expenditure - BESS	\$196,137,800	\$254,979,100	\$451,116,900
Total value of project	\$390,598,500	\$507,778,000	\$898,376,500
Battery Augmentation			
Year 8	\$20,000,000	\$25,000,000	
Year 12	\$15,000,000	\$20,000,000	
Year 16	\$10,000,000	\$15,000,000	

Source: EDF Renewables; Elliott D. Pollack & Company

Economic Impacts

Economic impacts are regional in nature. That is, the direct impacts will occur onsite while the ripple effect of the direct operations will occur throughout the economy. This report used a Maricopa County multiplier and, thus, the figures represent the jobs created throughout the County. Although the site is expected to be annexed into the City of Goodyear, the ripple effects of the suppliers and employees will mostly be realized throughout the County.

- Phase 1 of the development will provide an immediate \$52.9 million in direct construction impact, generating a direct, indirect and induced total of \$90.3 million in economic impact from construction activity. This first phase will create 421 construction and related jobs and \$32.2 million in wages over the projected construction schedule.



- In year 3 of the Phase 1 operations, impacts from Phase 2 will begin. The development of the 170MW project will inject \$99.4 million into the economy and support 463 jobs with \$35.5 million in wages.
- The 300MW project will support 5 direct jobs annually with estimated average annual wages of \$100,000.
- Through 34 years of solar and battery storage operations (30 years for both phases), an estimated \$285.2 million in economic activity will occur within the County's economy.
- In total, the Rainbow Valley Solar Project is expected to create over \$474.9 million in economic activity within Maricopa County.

Economic Impact over Life of Project Rainbow Valley Solar Project Maricopa County (2024 dollars)			
	Construction		Operations
	Phase 1 130MW	Phase 2 170MW	Total 300MW
<u>Jobs</u>			
Direct	250	275	5
Indirect	55	61	5
Induced	115	127	8
Total	421	463	18
<u>Wages (\$mil)</u>			
Direct	\$20.3	\$22.3	\$17.0
Indirect	\$4.5	\$4.9	\$18.1
Induced	\$7.5	\$8.2	\$17.6
Total	\$32.2	\$35.5	\$52.7
<u>Economic Impact (\$mil)</u>			
Direct	\$52.9	\$58.2	\$156.5
Indirect	\$14.0	\$15.4	\$73.5
Induced	\$23.4	\$25.8	\$55.2
Total	\$90.3	\$99.4	\$285.2
Note: Wages and output during operations over life of both phases combined (34 years) Source: EDF Renewables; Elliott D. Pollack & Company; Implan			



Fiscal Impacts

Construction and operations of the solar project will create significant tax revenue for Maricopa County and other entities. While the project will be exempt from prime contracting transaction privilege tax (under ARS 42-5075(b)(7) and from much of the equipment use tax (under ARS 42-5061(B)(4)(5b) and (19)), there is still substantial value from taxable equipment in terms of use tax (for the State and City) and personal property revenues (for the County, City and school districts). Revenues will also be generated from secondary sources of employee generated revenue.

- The State will receive an estimated \$10.7 million in use tax collections from equipment purchases while the City of Goodyear would receive \$3.2 million. During construction, Maricopa County will receive an estimated \$615,900 in cumulative tax revenue from the share of employees that will spend within Maricopa County during the construction of each phase. This report assumes that, given the location of the project, very few employees would live in the City of Goodyear and the secondary impacts of employee spending will be realized throughout Maricopa County.
- Through annual personal property tax payments, the City of Goodyear will collect an estimated \$171,500 on average each year. This equates to \$6.0 million over the life of the project (both phases, including battery augmentation).
- Maricopa County property taxes include taxing jurisdictions such as County primary, Fire District Assistance Tax, Community College District, Maricopa County Special Health, Library and Flood Control. These jurisdictions would receive an average of \$293,100 per year in personal property taxes (or \$10.3 million over the life of the project). Similarly, the school district (Mobile Elementary) would receive an average of \$788,100 each year, or \$27.6 million over the life of the project.
- Average annual secondary revenues from employees (collected by the County) total an estimated \$12,900 each year (or a total of \$451,500).
- Combined operating impacts for the City, County and school districts total an estimated \$1.3 million each year, on average. Over the construction period and 30-year life of each phase of the project, the State, County, City and its school district will receive an estimated \$58.9 million.



Fiscal Impact Summary Rainbow Valley Solar Project (2024 dollars)	
Construction Impact	
State use tax	\$10,724,000
City of Goodyear use tax	\$3,230,800
Secondary revenues from employment	\$615,900
Operations Impact	
Personal property tax	
City of Goodyear	\$6,002,000
Maricopa County	\$10,260,000
School Districts	\$27,580,000
Secondary revenues from employment	\$451,500
GRAND TOTAL FISCAL IMPACT	\$58,864,200
NOTES: Life of project assumed as 30 years for each phase. Including construction, this equates to a total life of 35 years. The figures are intended only as a general guideline as to how the county could be impacted by the project. The above figures are based on the current economic structure and tax rates of the State of Arizona and county. Source: Elliott D. Pollack & Co.; EDF Renewables; IMPLAN	

City of Goodyear Revenues

Approximately 75% of the 1,930 total acres for the Rainbow Valley Solar site are currently located within City limits and, thus, would pay taxes levied by the City of Goodyear. The following table assumes the 300MW solar project would be distributed equally throughout the total site (i.e. 75% of the projected tax revenue from the solar portion would be collected by the City if an annexation does not occur), while the entire battery storage site will be located on a site that is not currently annexed (i.e. taxes would not be collected by the City if annexation does not occur).

Currently, the City would receive an estimated \$2.4 million in use tax levied on the solar and battery equipment such as pile foundations, cable equipment, racking and meteorological stations (taxable value of \$56.0 million for the 130MW and \$73.2 million for the 170MW) and \$2.7 million in taxes levied on personal property equipment projected to be within City limits. Total revenues to the City would be an estimated \$5.2 million if the additional parcels of land are not annexed.

If the Rainbow Valley Solar site is fully annexed, the City of Goodyear would collect an estimated \$3.2 million in use tax and \$6.0 million in personal property tax, for a total of \$9.2 million over the life of the project. That is, the City would collect an additional \$4.1 million over the life of the project if the land is fully annexed.



City of Goodyear Taxes Rainbow Valley Solar Project (2024 dollars)			
	Current (75% Annexed)	100% Annexed by City	Difference
One-time Use Tax	\$2,423,100	\$3,230,800	\$807,700
Personal Property Tax	\$2,744,000	\$6,002,000	\$3,258,000
	\$5,167,100	\$9,232,800	\$4,065,700
NOTES: Life of project assumed as 30 years for each phase. Including construction, this equates to a total life of 35 years. Figures assume 75% of the solar project and 0% of the battery storage is currently within City limits. Source: Elliott D. Pollack & Co.; EDF Renewables; IMPLAN			



1.0 Introduction, Assumptions & Methodology

Elliott D. Pollack & Company was retained to perform an analysis of the economic and fiscal impacts of the construction and operations of the proposed Rainbow Valley Solar Project to be located on approximately 1,930 acres of private land currently located in Maricopa County and anticipated to be annexed into the City of Goodyear, Arizona. This analysis will help to quantify the future impacts that the project will generate for the State, Maricopa County and the City of Goodyear.

This study focuses on the economic and fiscal impacts of the construction of the project and the impact of operations once construction is completed. Both economic and fiscal impacts of the project will be described. Economic impact analysis examines the regional implications of an activity in terms of three basic measures: output, earnings and job creation. Fiscal impact analysis, on the other hand, evaluates the public revenues and costs created by a particular activity. In fiscal impact analysis, the primary revenue sources of a municipality, county or state government are analyzed to determine how the activity may financially affect them.

1.1 Project Description & Assumptions

The proposed Rainbow Valley Solar Project is located on approximately 1,930 acres of private land in Maricopa County, anticipated to be fully annexed into the City of Goodyear. The solar power generating facility would produce up to 300MW of power and includes the addition of a four-hour battery storage. The project will be developed in two phases. Phase 1 will be 130MW while Phase 2 will be 170MW and projected to begin in year 3. The total personal property value of the project is estimated at \$898.4 million including construction costs, equipment and battery augmentation at years 8, 12 and 16.

Project Assumptions Rainbow Valley Solar Project (2024 dollars)			
	Phase 1	Phase 2	Total
Acres	910	1,020	1,930
Solar Facility (MW)	130	170	300
Battery Storage (MW)	130	170	300
<u>Engineering, Procurement and Construction Value</u>			
Capital Expenditure - PV	\$194,460,700	\$252,798,900	\$447,259,600
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Battery Augmentation			
Year 8	\$20,000,000	\$25,000,000	
Year 12	\$15,000,000	\$20,000,000	
Year 16	\$10,000,000	\$15,000,000	

Source: EDF Renewables; Elliott D. Pollack & Company



1.2 Economic Impact Methodology

Economic impact analysis examines the economic implications of an activity in terms of output, earnings, and employment. For this study, the analysis focused on the construction impacts as well as the ongoing operations including direct expenditures by the residents.

The different types of economic impacts are known as direct, indirect, and induced, according to the manner in which the impacts are generated. For instance, direct employment consists of permanent jobs held by project employees. Indirect employment is those jobs created by businesses that provide goods and services essential to the operation or construction of the project. These businesses range from manufacturers (who make goods) to wholesalers (who deliver goods) to janitorial firms (who clean the buildings). Finally, the spending of the wages and salaries of direct and indirect employees on items such as food, housing, transportation and medical services creates induced employment in all sectors of the economy, throughout the region. These secondary effects are captured in the analysis conducted in this study.

Multipliers have been developed to estimate the indirect and induced impacts of various direct economic activities. IMPLAN developed the multipliers used in this study and were selected based on the land use type. The multipliers used for this project represent the construction period as well as solar generation.

The multipliers specific to Maricopa County are used in this study. This means that the indirect and induced figures represent jobs created throughout the region.

The economic impact is categorized into three types of impacts:

- (1) **Employment Impact** – the total wage and salary and self-employed jobs in a region. Jobs include both part time and full-time workers.
- (2) **Earnings Impact** – the personal income, earnings or wages, of the direct, indirect and induced employees. Earnings include total wage and salary payments as well as benefits of health and life insurance, retirement payments and any other non-cash compensation.
- (3) **Economic Output** – also referred to economic activity, relates to the gross receipts for goods or services generated by the company's operations.

Economic impacts are by their nature regional in character. Such impacts are best illustrated when not assigned to a specific municipality or locality, although clearly the primary impact of job creation would be in the municipality and county where the project is located. However,



many other communities in the surrounding region would also benefit from the operations of the project.

1.3 Fiscal Impact Methodology

Fiscal impact analysis studies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e., taxes) are analyzed to determine how an activity may affect the various jurisdictions. This section will evaluate the impact of the project on State and local government revenues.

The fiscal impact figures cited in this report have been generated from information provided by a variety of sources including the U.S. Bureau of the Census; the U.S. Department of Labor; the Internal Revenue Service; the State of Arizona; the Arizona Tax Research Association; and the U.S. Consumer Expenditure Survey. Elliott D. Pollack & Company has relied upon the estimates of operating revenues outlined in this study.

Fiscal impacts are categorized by type in this study, similar to economic impact analysis. The major sources of revenue generation for governmental entities are calculated based on ongoing operations. Employees will spend part of their salaries on local goods and services and pay taxes on the homes they occupy. This spending will contribute to revenues collected by the State that are ultimately shared with local governments.

The project will be exempt from prime contracting transaction privilege tax and much of the use tax (under ARS 42-5075(b)(7) and ARS 42-5061). However, there is still substantial value from equipment that will incur a sales (use) tax and the solar equipment that will increase the personal property revenues for the County and local school districts. Revenues will also be generated from secondary sources of employee generated revenue. The following is a description of the applicable revenue sources that will be considered for this analysis.

Primary Taxes Generated by Project

- **Use Tax**

Much of the equipment for the project will be exempt from use tax (under ARS 42-5061(B)(4)(5b) and (19)). However, certain equipment such as pile foundations, cable equipment, racking and meteorological stations will be subject to a sales (use) tax that is levied on materials brought into the area for use in the local economy. That tax is levied by the State (5.6%) and City of Goodyear (2.5%). Maricopa County does not levy a use tax.



- **Personal Property Tax**

Renewable energy projects are centrally assessed by the Arizona Department of Revenue. The total original cost is used to calculate the full cash value. The depreciation schedule is then based on straight-line depreciation over the useful life (currently 30 years capped at 90% of taxable original cost for solar and 15 years for battery storage). The full cash value factor for renewable energy is 20% of depreciated cost per ARS 42-14155. For purposes of this tax estimate scenario, it is assumed the renewable energy equipment statute will be renewed or extended to cover the full lifespan of this project. Finally, the assessment ratio of 15% is applied for a total taxable value each year.

The following table outlines the rates used in estimating the property tax impacts of the proposed Rainbow Valley Solar Project. These rates are applied to every \$100 of net assessed value. These rates are current as of 2024 and are used for the entire duration of the project life.

Personal Property Tax Rates Rainbow Valley Solar Project	
DISTRICT	RATE
Goodyear	1.7350
County Primary	1.2044
CAWCD	0.1400
Fire District Assistance Tax	0.0081
Flood Control	0.1536
Library District	0.0488
Maricopa Special Health District	0.2716
Community College District	1.1388
County Total	2.9653
Mobile Elementary	7.9735
School District Total	7.9735
Grand Total	12.6738
Source: County Assessor's Office	

Secondary Taxes Generated by Employees

The following tax rates are applied to the spending of direct, indirect and induced employees.

- **Transaction Privilege Tax**

The State, counties, and local cities in Arizona charge sales tax on retail goods and utility usage. The sales tax rate for the State is 5.6%. Portions of this tax are redistributed through revenue sharing to counties and cities throughout Arizona based on population. The County's sales tax rate is 0.7% and the City of Goodyear levy's a rate of 2.5%. Based



on data from the U.S. Consumer Expenditure Survey, the projected extent of retail spending and resulting sales tax receipts was calculated.

- Property Tax

The employees would pay property taxes on the homes they occupy. Residential properties in Arizona have an assessment ratio of 10%. In order to estimate property taxes, the assessed full cash value of the occupied space along with the projected value of a typical housing unit has been calculated.

- State Shared Revenues

Each municipality in Arizona receives a portion of State revenues from four different sources - State sales tax (see description above), State income tax, vehicle license tax and highway user tax. The formulas for allocating these revenues are primarily based on population. Counties also share in the revenue sources of the State, with the exception of income tax.

State Income Tax

The State of Arizona collects taxes on personal income. The tax rate used in the analysis averages about 1.6% for earnings. These percentages are based on the most recently available income tax data from the State and the projected wage levels of jobs created by the construction and operations impact. This tax is applied to the wages and earnings of direct and indirect employment. Portions of this tax are redistributed through revenue sharing to cities throughout Arizona based on population.

HURF Taxes

The State of Arizona collects specific taxes for the Highway User Revenue Fund (HURF). Both the registration fees and the motor vehicle fuel tax (gas tax) are considered in this analysis. The motor vehicle fuel tax is \$0.18 per gallon and is calculated based on a vehicle traveling the Arizona statewide average of 12,000 miles per year at 16.6 miles per gallon. Registration fees average \$65 per employee in the State of Arizona. These factors are applied to the projected direct and indirect employee count. Portions of these taxes are distributed to cities and counties throughout Arizona based on a formula that includes population and the origin of gasoline sales.

Vehicle License Tax

The vehicle license tax is a personal property tax placed on vehicles at the time of annual registration. This factor is applied to the projected direct, indirect and induced employee count. The average tax used in this analysis is \$343 and portions of the total collections are distributed to the Highway User Revenue Fund. The



remaining funds are shared between cities and counties in accordance with population-based formulas.

The above tax categories represent the largest sources of revenues that would be generated to the various jurisdictions. The revenue impacts do not include certain revenue sources such as corporate income taxes. All tax collections represented in this analysis are gross collections and do not take into consideration any incentives or development agreements that may occur.



2.0 Economic Impacts

This section of the report outlines the economic impact of the construction and ongoing operations. Construction phase impacts are generally short-term effects related to onsite and offsite construction employment and other supporting industries. The long-term consequences of a project are the operational impacts.

Economic impacts include jobs, wages and economic activity. The Rainbow Valley Solar Project will create employment opportunities throughout Maricopa County. While the direct jobs will be onsite, the project will draw from locations throughout the County during construction in terms of suppliers and the ripple effects of employee spending. As the project is completed and placed into service, it will continue to produce jobs, economic activity, and tax revenue on an annual basis through operating activity for the life of the project throughout the County.

The fiscal impacts (described in section 3.0 of this report) include the tax revenues that will be collected by the State of Arizona, Maricopa County and its special districts, the City of Goodyear and Mobile Elementary School District.

2.1 Economic Impact of Construction

Phase 1 of the project (130MW) is expected to generate 250 direct person years of employment during the construction phase. Person years of employment are the aggregate of each construction job that is recreated year after year throughout the construction time period. To derive the respective annual averages, employment, wages, and economic output can be divided by the expected number of years it may take to complete the development. In total, the project will generate 421 construction related jobs, an estimated \$32.2 million in wages and total economic output of \$90.3 million.

Phase 2 of the project (170MW) will create an additional 275 direct construction jobs. Wages for these employees would total about \$22.3 million. When considering the ripple effects of Phase 2 of the project, the total impact would be approximately 463 jobs during the construction timeframe, \$35.5 million in wages and \$99.4 million in economic activity.

Int total, the economic impact of both construction phases would total \$189.7 million.



Economic Impact of Construction Rainbow Valley Solar Project Maricopa County (2024 dollars)			
Impact Type	Jobs	Wages	Economic Output
130 MW			
Direct	250	\$20,269,000	\$52,900,000
Indirect	55	\$4,489,000	\$14,017,000
Induced	115	\$7,472,000	\$23,416,000
Total	421	\$32,230,000	\$90,333,000
170 MW			
Direct	275	\$22,296,000	\$58,200,000
Indirect	61	\$4,938,000	\$15,418,000
Induced	127	\$8,219,000	\$25,757,000
Total	463	\$35,453,000	\$99,375,000
1/ The total may not equal the sum of the impacts due to rounding. All dollar figures are in constant dollars. Inflation has not been included in these figures. Source: Elliott D. Pollack & Company; IMPLAN			

2.2 Economic Impact of Operations

Once construction is completed, the impact of the operations continues annually. The following table displays the ongoing economic impact of operating the solar project. Onsite employment, contract work, and ripple effects within Maricopa County would create approximately 18 direct, indirect, and induced jobs. Wages of \$1.5 million would be paid out on an annual basis and \$8.4 million in economic output would be produced within the County each year. This would continue throughout the life of the project.

Annual Economic Impact of Operations Rainbow Valley Solar Project Maricopa County (2024 dollars)			
Impact Type	Jobs	Wages	Economic Output
Direct	5	\$500,000	\$4,603,700
Indirect	5	\$530,900	\$2,162,400
Induced	8	\$518,000	\$1,623,300
Total	18	\$1,548,900	\$8,389,400
1/ The total may not equal the sum of the impacts due to rounding. All dollar figures are in constant dollars. Inflation has not been included in these figures. Source: Elliott D. Pollack & Company; IMPLAN			



3.0 Fiscal Impacts

Construction and operations of the solar project will create significant tax revenue for the State of Arizona, Maricopa County and its special districts, the City of Goodyear and Mobile Elementary School District. While the project will be exempt from prime contracting transaction privilege tax, there is still substantial value from use tax on equipment and the value of the project that will increase the personal property revenues for the County, City and school districts. Revenues will also be generated from secondary sources of employee generated revenue.

3.1 Fiscal Impact of Construction (State, County and City of Goodyear)

The Rainbow Valley Solar Project will be exempt from prime contracting transaction privilege tax (under ARS 42-5075(b)(7)) and from much of the equipment use tax (under ARS 42-5061(B)(4)(5b) and (19)). However, the taxable equipment that will be subject to use tax such as pile foundations, cable equipment, racking and meteorological stations will generate an estimated \$10.7 million for the State and an estimated \$3.2 million for the City of Goodyear.

In addition, the region (throughout Maricopa County) will receive an estimated \$615,900 in cumulative tax revenue from construction related secondary impacts. These impacts are generated by the share of employees that will live within Maricopa County during the construction of both phases. Given the location of the site, this report assumes the secondary impacts of employees will be realized by the County and very few employees would reside (and spend their disposable income) in the City of Goodyear. Thus, the primary revenues are provided for the State and City of Goodyear and the secondary impacts (from employees) represent the estimated revenues to be collected by the County.

Fiscal Impact of Construction Rainbow Valley Solar Project (2024 dollars)						
	Primary Revenues		Secondary Revenues (County)			
Impact Type	State Equipment Use Tax	City Equipment Use Tax	Employee Spending Sales Tax	Resident Property Tax	State Shared Revenues	Total Revenues
Direct	\$10,724,000	\$3,230,800	\$66,400	\$201,600	\$101,890	\$14,324,690
Indirect	N/A	N/A	\$14,700	\$44,600	\$22,550	\$81,850
Induced	N/A	N/A	\$26,200	\$93,000	\$44,970	\$164,170
Total	\$10,724,000	\$3,230,800	\$107,300	\$339,200	\$169,400	\$14,570,700
^{1/} The figures are intended only as a general guideline as to how the county could be impacted by the project. The above figures are based on the current economic structure and tax rates of the State of Arizona and county. Source: EDPCo; IMPLAN; ADOR; ATRA						



3.2 Fiscal Impact of Operations

Operations of the Rainbow Valley Solar Project will create tax revenue for the City, County and local school districts.

- The City of Goodyear will collect an estimated \$171,500 on average each year in personal property taxes over the life of the total project (both phases, including battery augmentation).
- Maricopa County property taxes include taxing jurisdictions such as County primary, Fire District Assistance Tax, Community College District, Maricopa County Special Health, Library and Flood Control. These jurisdictions would receive an average of \$293,100 per year in personal property taxes. The school districts (Mobile Elementary) would receive an average of \$788,100 each year.
- Average annual secondary revenues from employees (collected by the County) total an estimated \$12,900 each year.

Combined personal property tax for the City, County and school districts total an estimated \$1.3 million each year, on average.

Average Annual Fiscal Impact Summary Rainbow Valley Solar Project (2024 dollars)	
Personal property tax	
City of Goodyear	\$171,500
Maricopa County	\$293,100
School Districts	\$788,100
Secondary revenues from employment	\$12,900
Total Operations Related Revenue	\$1,265,600
1/ The figures are intended only as a general guideline as to how the State and county could be impacted by the project. The above figures are based on the current economic structure and tax rates of the State of Arizona and county. Source: Elliott D. Pollack & Co.; IMPLAN; AZDOR; EDF Renewables; ATRA	

3.3 Total Project Fiscal Impacts

Over the construction and 30 years of life for each phase, the State, Maricopa County, City and its school districts will collect an estimated \$58.9 million from construction and operations of the Rainbow Valley Solar Project.



Fiscal Impact Summary

Rainbow Valley Solar Project

(2024 dollars)

Construction Impact

State use tax	\$10,724,000
City of Goodyear use tax	\$3,230,800
Secondary revenues from employment	\$615,900

Operations Impact

Personal property tax	
City of Goodyear	\$6,002,000
Maricopa County	\$10,260,000
School Districts	\$27,580,000
Secondary revenues from employment	\$451,500

GRAND TOTAL FISCAL IMPACT**\$58,864,200**

NOTES: Life of project assumed as 30 years for each phase. Including construction, this equates to a total life of 35 years. The figures are intended only as a general guideline as to how the county could be impacted by the project. The above figures are based on the current economic structure and tax rates of the State of Arizona and county.

Source: Elliott D. Pollack & Co.; EDF Renewables; IMPLAN



APPENDIX 1: Annual Property Tax Estimates by Jurisdiction

Personal Property Tax Impact Summary Solar plus BESS: (130MW) Year 1 and (170MW) Year 3 BESS Augmented at Years 8, 12 and 16 Rainbow Valley Solar Project (2024 dollars)									
	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Total taxable value	\$12,108,552	\$11,131,218	\$10,544,481	\$9,957,745	\$24,604,349	\$23,254,855	\$21,905,362	\$20,555,869	\$19,806,376
Goodyear	\$210,083	\$193,127	\$182,947	\$172,767	\$426,885	\$403,472	\$380,058	\$356,644	\$343,641
County Primary	\$145,835	\$134,064	\$126,998	\$119,931	\$296,335	\$280,081	\$263,828	\$247,575	\$238,548
CAWCD	\$16,952	\$15,584	\$14,762	\$13,941	\$34,446	\$32,557	\$30,668	\$28,778	\$27,729
Fire District Assistance Tax	\$981	\$902	\$854	\$807	\$1,993	\$1,884	\$1,774	\$1,665	\$1,604
Flood Control	\$18,599	\$17,098	\$16,196	\$15,295	\$37,792	\$35,719	\$33,647	\$31,574	\$30,423
Library District	\$5,909	\$5,432	\$5,146	\$4,859	\$12,007	\$11,348	\$10,690	\$10,031	\$9,666
Maricopa Special Health District	\$32,887	\$30,232	\$28,639	\$27,045	\$66,825	\$63,160	\$59,495	\$55,830	\$53,794
Community College District	\$137,892	\$126,762	\$120,081	\$113,399	\$280,194	\$264,826	\$249,458	\$234,090	\$225,555
Maricopa County	\$359,055	\$330,074	\$312,676	\$295,277	\$729,593	\$689,576	\$649,560	\$609,543	\$587,318
Mobile Elementary	\$965,475	\$887,548	\$840,764	\$793,981	\$1,961,828	\$1,854,226	\$1,746,624	\$1,639,022	\$1,579,261
Grand Total	\$1,534,614	\$1,410,748	\$1,336,386	\$1,262,025	\$3,118,306	\$2,947,274	\$2,776,242	\$2,605,210	\$2,510,220
	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17
Total taxable value	\$18,416,882	\$17,027,389	\$15,637,896	\$15,448,402	\$13,978,909	\$12,705,554	\$11,628,336	\$11,451,118	\$10,313,900
Goodyear	\$319,533	\$295,425	\$271,317	\$268,030	\$242,534	\$220,441	\$201,752	\$198,677	\$178,946
County Primary	\$221,813	\$205,078	\$188,343	\$186,061	\$168,362	\$153,026	\$140,052	\$137,917	\$124,221
CAWCD	\$25,784	\$23,838	\$21,893	\$21,628	\$19,570	\$17,788	\$16,280	\$16,032	\$14,439
Fire District Assistance Tax	\$1,492	\$1,379	\$1,267	\$1,251	\$1,132	\$1,029	\$942	\$928	\$835
Flood Control	\$28,288	\$26,154	\$24,020	\$23,729	\$21,472	\$19,516	\$17,861	\$17,589	\$15,842
Library District	\$8,987	\$8,309	\$7,631	\$7,539	\$6,822	\$6,200	\$5,675	\$5,588	\$5,033
Maricopa Special Health District	\$50,020	\$46,246	\$42,473	\$41,958	\$37,967	\$34,508	\$31,583	\$31,101	\$28,013
Community College District	\$209,731	\$193,908	\$178,084	\$175,926	\$159,192	\$144,691	\$132,423	\$130,405	\$117,455
Maricopa County	\$546,116	\$504,913	\$463,711	\$458,091	\$414,517	\$376,758	\$344,815	\$339,560	\$305,838
Mobile Elementary	\$1,468,470	\$1,357,679	\$1,246,888	\$1,231,778	\$1,114,608	\$1,013,077	\$927,185	\$913,055	\$822,379
Grand Total	\$2,334,119	\$2,158,017	\$1,981,916	\$1,957,900	\$1,771,659	\$1,610,276	\$1,473,752	\$1,451,292	\$1,307,163
	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26
Total taxable value	\$9,431,662	\$8,804,402	\$7,488,729	\$6,921,470	\$6,354,210	\$5,786,950	\$3,694,753	\$3,247,494	\$2,800,234
Goodyear	\$163,639	\$152,756	\$129,929	\$120,087	\$110,246	\$100,404	\$64,104	\$56,344	\$48,584
County Primary	\$113,595	\$106,040	\$90,194	\$83,362	\$76,530	\$69,698	\$44,500	\$39,113	\$33,726
CAWCD	\$13,204	\$12,326	\$10,484	\$9,690	\$8,896	\$8,102	\$5,173	\$4,546	\$3,920
Fire District Assistance Tax	\$764	\$713	\$607	\$561	\$515	\$469	\$299	\$263	\$227
Flood Control	\$14,487	\$13,524	\$11,503	\$10,631	\$9,760	\$8,889	\$5,675	\$4,988	\$4,301
Library District	\$4,603	\$4,297	\$3,654	\$3,378	\$3,101	\$2,824	\$1,803	\$1,585	\$1,367
Maricopa Special Health District	\$25,616	\$23,913	\$20,339	\$18,799	\$17,258	\$15,717	\$10,035	\$8,820	\$7,605
Community College District	\$107,408	\$100,265	\$85,282	\$78,822	\$72,362	\$65,902	\$42,076	\$36,982	\$31,889
Maricopa County	\$279,677	\$261,077	\$222,063	\$205,242	\$188,421	\$171,600	\$109,561	\$96,298	\$83,035
Mobile Elementary	\$752,034	\$702,019	\$597,114	\$551,883	\$506,653	\$461,422	\$294,601	\$258,939	\$223,277
Grand Total	\$1,195,350	\$1,115,852	\$949,107	\$877,213	\$805,320	\$733,427	\$468,266	\$411,581	\$354,896
	Year 27	Year 28	Year 29	Year 30	Year 31	Year 32	Year 33	Year 34	Total
Total taxable value	\$2,352,975	\$2,100,176	\$1,847,377	\$1,594,578	\$758,397	\$758,397	\$758,397	\$758,397	
Goodyear	\$40,824	\$36,438	\$32,052	\$27,666	\$13,158	\$13,158	\$13,158	\$13,158	\$6,001,986
County Primary	\$28,339	\$25,295	\$22,250	\$19,205	\$9,134	\$9,134	\$9,134	\$9,134	\$4,166,451
CAWCD	\$3,294	\$2,940	\$2,586	\$2,232	\$1,062	\$1,062	\$1,062	\$1,062	\$484,310
Fire District Assistance Tax	\$191	\$170	\$150	\$129	\$61	\$61	\$61	\$61	\$28,021
Flood Control	\$3,614	\$3,226	\$2,838	\$2,449	\$1,165	\$1,165	\$1,165	\$1,165	\$531,357
Library District	\$1,148	\$1,025	\$902	\$778	\$370	\$370	\$370	\$370	\$168,817
Maricopa Special Health District	\$6,391	\$5,704	\$5,017	\$4,331	\$2,060	\$2,060	\$2,060	\$2,060	\$939,562
Community College District	\$26,796	\$23,917	\$21,038	\$18,159	\$8,637	\$8,637	\$8,637	\$8,637	\$3,939,517
Maricopa County	\$69,773	\$62,277	\$54,780	\$47,284	\$22,489	\$22,489	\$22,489	\$22,489	\$10,258,034
Mobile Elementary	\$187,614	\$167,458	\$147,301	\$127,144	\$60,471	\$60,471	\$60,471	\$60,471	\$27,583,190
Grand Total	\$298,211	\$266,172	\$234,133	\$202,094	\$96,118	\$96,118	\$96,118	\$96,118	\$43,843,210
NOTES									
1 The total may not equal the sum of the impacts due to rounding.									
2 All dollar figures are in constant dollars. Inflation has not been included in these figures.									
3 Depreciation uses a 30 year straight line depreciation for solar and 15 year for battery storage in this analysis as advised by the Arizona Department of Revenue.									
4 Through 12/31/40 the full cash value of "renewable energy equipment" is 20% of the depreciated cost of the equipment per ARS 42-14155. This report assumes the statute will be extended to cover the life of the project.									
5 The figures for County as a whole are based on the current tax rates and assume the Project would not impact these rates.									
6 The above analysis is based on currently available information and estimates from the assessor and each districts' respective budgets. The forecasts are subject to uncertainty and variation. Accordingly, we do not represent them as results that will be achieved. Changes in rates would alter the findings of this analysis.									
Source: Elliott D. Pollack & Company; IMPLAN; Arizona Department of Revenue; Arizona Tax Research Association; EDF Renewables									



APPENDIX 2: Limiting Conditions

This study prepared by Elliott D. Pollack & Company is subject to the following considerations and limiting conditions.

- It is our understanding that this study is for the client's due diligence and other planning purposes. Neither our report, nor its contents, nor any of our work were intended to be included and, therefore, may not be referred to or quoted in whole or in part, in any registration statement, prospectus, public filing, private offering memorandum, or loan agreement without our prior written approval.
- The reported recommendation(s) represent the considered judgment of Elliott D. Pollack & Company based on the facts, analyses and methodologies described in the report.
- Except as specifically stated to the contrary, this study will not give consideration to the following matters to the extent they exist: (i) matters of a legal nature, including issues of legal title and compliance with federal, state and local laws and ordinances; and (ii) environmental and engineering issues, and the costs associated with their correction. The user of this study will be responsible for making his/her own determination about the impact, if any, of these matters.
- This study is intended to be read and used as a whole and not in parts.
- This study has not evaluated the feasibility or marketability of any site for planned uses.
- All estimates regarding construction and operating data were provided by the client. Assumptions and data inputs were current as of the date of this report and should be considered preliminary. Data has been reviewed and verified to determine its reasonableness and applicability to the project(s).
- This economic and fiscal impact study evaluates the potential "gross impacts" of construction and operations activities. The term "gross impacts" as used in this study refers to the total revenue, jobs and economic output that would be generated by the construction and operations. The study does not consider the potential impact on other businesses in the trade area that may occur as a result of the proposed project.
- This analysis does not consider the costs to local governments associated with providing services to the project. Such analysis is beyond the scope of this study. In addition, the analysis is based on the current tax structure and rates imposed by the State, counties, and local governments. Changes in those rates would alter the findings of this study.



- Many dollar amounts are stated in current dollars and, unless indicated, do not take into account the effects of inflation.
- Our analysis is based on currently available information and estimates and assumptions about immediate as well as long-term future development trends. Such estimates and assumptions are subject to uncertainty and variation. Accordingly, we do not represent them as results that will be achieved. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary materially from the forecasted results. The assumptions disclosed in this study are those that are believed to be significant to the projections of future results.

