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Exhibit G

UAW Comments on Elmore North Geothermal Project PSA



REVISED

CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY

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California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)

Sales and Use Tax Exclusion ("STE") Program Application Part A

Legal Name of Applicant: _____

Total Estimated Cost of Qualified Property¹: _____

For Applicants capped at \$10M in STE – Would the Applicant like to be considered for additional STE?²

Yes _____ No _____ If yes, what would the total Qualified Property request be?: _____

Please place a check next to each document included with this Application submission.

Electronic Submission

- Application Part A
Project Narrative
Legal Status Questionnaire
Trade Secrets and Confidential Information (if applicable)
Application Part B Worksheet (in Excel format)
Documentation the Project is to rebuild or relocate due a fire, flood, storm, or earthquake identified in a state of emergency proclamation made by the California State Governor within two years of the time of application (if applicable)

Mailed to CAEATFA Office

- Application Fee made payable to CAEATFA (must be received within five (5) business days of the electronic submission of the Application)

1 In accordance with STE Program Regulations Section 10032(a)(5), Applicants are limited to \$10 million in sales and use tax exclusion based on the current statewide average sales tax rate (8.36%). As such, the cost of Qualified Property shall not exceed \$119,617,224.88.

2 In the first application round, \$15 million in STE will be available to award to Applicants on a competitive basis, in addition to the \$10 million cap, up to \$10 million in STE for a potential total award of \$20 million in STE (\$239,234,449.76) in Qualified Property). Additionally, if STE will be available at the last application period of the calendar year after all Applications are considered, the Authority may provide additional STE to Applicants that qualified for additional STE but were capped. For additional details, see STE Program Regulations Sections 10032(a)(5)(A)-(B).

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Introduction

The Sales and Use Tax Exclusion Program (the “Program”) excludes sales and use taxes from purchases of Qualified Property used in an Advanced Manufacturing process, used to manufacture Alternative Source products or Advanced Transportation Technologies, or used at least 50% of the time either to process recycled feedstock that is intended to be reused in the production of another product or using recycled feedstock in the production of another product or soil amendment. Eligible manufacturers planning to construct a new manufacturing facility in California or expand or upgrade an existing manufacturing facility in California may apply to CAEATFA for a sales and use tax exclusion award, and if approved, purchases of Qualified Property for the Project are not subject to state and local sales and use tax.

CAEATFA staff reviews each Application for completeness and reasonableness of assumptions and makes a recommendation to the Board. The Board then considers and votes whether to approve an Application.

Submission of Application

- All Application documents must be submitted electronically via e-mail to CAEATFA@treasurer.ca.gov. Application periods and deadlines may be found at: <https://www.treasurer.ca.gov/caeatfa/ste/amended.pdf>
- The Application Fee must be received at the CAEATFA office within five (5) business days of submission of the electronic version of the Application (see Application Documents Checklist). CAEATFA staff will not begin the review process until a complete Application package, including the Application Fee, is received.
- If you do not have information for one or more required items, please state in your Application why and when you expect to submit those items. In the event the Authority asks an Applicant for additional information or requests clarification of errors, the Applicant shall be given up to three (3) business days from the date of receipt of notification to provide the additional information without redetermining the date of receipt.
- **If your Application is not complete, the Applicant may correct any deficiency and resubmit the Application, with the date of Application submission determined based on the date the Authority receives the resubmitted Application.**
- Additional information may be obtained on the CAEATFA website at: <http://www.treasurer.ca.gov/caeatfa> or by calling (916) 651-8157.

Application Documents

A complete Application package includes all of the following documents:

- Application Part A
 - Application Part A should be filled out and signed by a senior company official with primary responsibility for financing the Project certifying, to the best of his or her knowledge, that the Application contains no false or incorrect information and that the Application, including all exhibits and attachments, is truly descriptive and representative of the Project.
- Legal Status Questionnaire (see page 19)
 - Financial Viability: disclose any material information relating to any legal or regulatory proceeding or investigation in which the Applicant (or any parent company, subsidiary, or affiliate that is involved in the management, operation, or development of the Project) is or has been a party that might have a material impact on the financial viability of the Project or the Applicant.
 - Fraud, Corruption, or Serious Harm: disclose any civil, criminal, or regulatory action in which the Applicant (or any current board members, partners, limited liability corporation members, senior officers, or senior management personnel) has been named a defendant (including any action that remains pending, has been dismissed, or was found in favor of the Applicant) in the past ten years involving any of the following:
 - fraud;
 - corruption;
 - matters related to employment conditions (including, but not limited to allegations of wage issues, discrimination, or harassment);
 - allegations of involving health and safety where there are allegations of serious harm to employees (such as Cal/OSHA violations); and
 - allegations involving health and safety where there are allegations of serious harm to the public or the environment (such as air permit or air quality violations).
 - The information provided should include:
 - relevant dates;
 - the nature of the allegation(s), charters, complaint or filing; and
 - the outcome. If matters are still pending, the Applicant should provide the current status of the matter and any upcoming events (e.g., hearings, filings, etc.).
 - The Applicant may also provide an explanation and any mitigating information or subsequent remedial steps taken by the Applicant.
 - To be eligible for an STE award, the Applicant must not have been found guilty of a willful violation by the Occupational Safety and Health Administration or have a case under the Occupational Safety and Health Administration's Severe Violator Enforcement Program.
- Trade Secrets and Confidential Information (see page 21)
 - If elements of this Application (Part A and Part B) contain information the Applicant considers to be trade secret, confidential, privileged or otherwise exempt from disclosure under the Public Records Act (California Government Code Section 6250, et seq.), the Applicant must assert a claim of exemption at the time of Application by identifying in an accompanying letter each of the items to be restricted. The asserted claim must be very specific as to what information is considered exempt from disclosure (e.g., Box C4 of Part B) and why the information is exempt from disclosure.

- Project Narrative – starts on page 8 and specifies the information that must be included in the Project Narrative.
- Documentation that the Project is to rebuild or relocate due a fire, flood, storm, or earthquake identified in a state of emergency proclamation made by the California State Governor within two years of the time of application (if applicable).
- Application Part B Worksheet (in Excel format).

Additionally, the Application Fee, made payable to CAEATFA, must be received within five (5) business days of the electronic submission of the Application.

Applicant Responsibilities

- The Applicant must meet the relevant requirements of Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8.
- The Applicant must review the California Alternative Energy and Advanced Transportation Financing Authority Act (Division 16 of the Public Resources Code, Section 26000 et seq.) and Title 4, Division 13 of the California Code of Regulations.
- A senior company official with primary responsibility for financing the Project must certify, to the best of his or her knowledge, that the Application contains no false or incorrect information and that the Application, including all exhibits and attachments, is truly descriptive and representative of the Project.
- The Applicant has a continuing duty to inform CAEATFA when any information in the Application or supplemental material is no longer accurate and immediately supply CAEATFA with updated information.
- The Applicant must provide an updated Legal Status Questionnaire for any action requiring CAEATFA Board approval.

Program Fees

The Program’s fee schedule is established in California Code of Regulations Title 4, Division 13, Section 10036.

All fees shall be paid in the form of checks payable to CAEATFA. A fee calculator can be found on the [CAEATFA website](#).

- **Application Fee:** The Applicant must pay an Application Fee upon submission of the Application.
 - The Application Fee is equal to 0.0005 (0.05%) of the total amount of Qualified Property identified in the Application as originally submitted. If during the Application process, the Applicant reduces the amount of Qualified Property listed in the Application as submitted, the Applicant will not be entitled to a refund. If the Applicant makes a request to increase the amount of Qualified Property listed in a revised or amended Application, CAEATFA will require an additional Application Fee to be submitted.
 - The Application Fee shall be a minimum of \$250 and shall not exceed \$10,000.
 - The Application Fee is non-refundable, except in the event an Application is (1) only reviewed to determine its Competitive Criteria ranking and (2) is not fully reviewed by staff due to the Applicant’s Competitive Criteria ranking and the oversubscription of the Statutory Cap. Then 75% of the Application Fee will be refunded.
 - If the Applicant can demonstrate the Project is to relocate or rebuild the Applicant’s Facility due a fire, flood, storm, or earthquake identified in a state of emergency proclamation made by the California State Governor within two years of the time of application, the Application Fee is waived.
- **Administrative Fee:** The Authority shall charge approved Applicants an Administrative Fee to cover the costs associated with the Program, including costs of compliance monitoring.

- The Administrative Fee amount shall be calculated as follows:
 - The total Administrative Fee amount shall be 0.004 (0.4%) of the total amount of Qualified Property actually purchased during the term of the award.
 - The total Administrative Fee shall be a minimum of \$15,000 and shall not exceed \$350,000.
- The \$15,000 minimum Administrative Fee is due upon the execution of the Regulatory Agreement and is credited towards the back-end of the total Administrative Fee due.
- The Applicant’s Administrative Fee shall be payable at the time of each semi-annual report submission in an amount equal to 0.004 of the Qualified Property purchase amount for that semi-annual reporting period until the total Administrative Fee is paid.
- If an Applicant overpays the total Administrative Fee amount (typically when the Applicant does not use the full Qualified Property amount approved), the Applicant will be refunded the excess Administrative Fees paid.
- The total Administrative Fee is not refundable.

Example Administrative Fee Scenario:

- Qualified Property Amount Approved: \$14,500,000.00
- Estimated Total Administrative Fee Due: \$58,000.00

	Amount of Qualified Property Purchased	Administrative Fee Paid	Estimated Total Administrative Fee Balance
Regulatory Agreement	N/A	\$15,000.00	\$43,000.00
Semi-Annual Report 1	\$0.00	\$0.00	\$43,000.00
Semi-Annual Report 2	\$2,000,000.00	\$8,000.00	\$35,000.00
Semi-Annual Report 3	\$5,000,000.00	\$20,000.00	\$15,000.00
Semi-Annual Report 4	\$3,100,000.00	\$12,400.00	\$2,600.00
Semi-Annual Report 5	\$2,500,000.00	\$2,600.00	\$0.00
Semi-Annual Report 6	\$1,700,000.00	\$0.00	\$0.00

- Actual Amount of Qualified Property Purchased: \$14,300,000.00
 - Actual Total Administrative Fee Due: \$57,200.00
 - Total Administrative Fee Paid: \$58,000.00
 - Refund Due: \$800.00
- **Other Fees:** The Authority shall charge additional fees to cover the costs associated with other Applicant requests.
 - An Applicant that requests a modification to its Regulatory Agreement or authorizing resolution to extend the 15% purchase requirement timeframe pursuant to STE Program Regulation Section 10035(b)(1), shall pay an additional fee of \$1,500.
 - An Applicant that requests a modification to its Regulatory Agreement or authorizing resolution to extend the three-year initial term pursuant to STE Program Regulation Section 10035(b)(1), shall pay an additional fee of \$2,000.
 - An Applicant that requests a modification to its Regulatory Agreement or authorizing resolution to extend the 15% purchase requirement and the three-year initial term pursuant to STE Program Regulation Section 10035(b)(1) for consideration at the same Authority Board meeting, shall pay an additional fee of \$2,250.
 - For all other requests for a modification to its Regulatory Agreement or authorizing resolution that must be approved by the Authority, an Applicant shall pay an additional administrative fee of \$500.

- An Applicant that requests a modification to its Regulatory Agreement or authorizing resolution that requires a revised application to be considered by the Authority shall pay 0.00005 (0.005%) of the total amount of Qualified Property identified in the Authority resolution approved by the board.
 - In no case shall this fee be less than \$500 nor more than \$2,000.

Definitions

The following is a list of terms frequently referred to in this Application.³ Please refer to Section 10031 of Title 4 of the California Code of Regulations for additional terms and definitions.

1. Advanced Manufacturing

(A) “Advanced manufacturing” means manufacturing processes that improve existing or create entirely new materials, products, and processes through the use of science, engineering, or information technologies, high-precision tools and methods, a high-performance workforce, and innovative business or organizational models utilizing any of the following technology areas:

- (i) Microelectronics and nanoelectronics, including semiconductors.
- (ii) Advanced materials.
- (iii) Integrated computational materials engineering.
- (iv) Nanotechnology.
- (v) Additive manufacturing.
- (vi) Industrial biotechnology.

(B) “Advanced manufacturing” includes any of the following:

- (i) Systems that result from substantive advancement, whether incremental or breakthrough, beyond the current industry standard, in the production of materials and products. These advancements include improvements in manufacturing processes and systems that are often referred to as “smart” or “intelligent” manufacturing systems, which integrate computational predictability and operational efficiency.
- (ii) (a) Sustainable manufacturing systems and manufacturing technologies that minimize the use of resources while maintaining or improving cost and performance.
- (b) Sustainable manufacturing systems and manufacturing technologies do not include those required to be undertaken pursuant to state or federal law or regulations, air district rules or regulations, memoranda of understanding with a governmental entity, or legally binding agreements or documents.

2. Advanced Transportation Technology

(A) “Advanced transportation technologies” means emerging commercially competitive transportation-related technologies identified by the authority as capable of creating long-term, high value-added jobs for Californians while enhancing the state’s commitment to energy conservation, pollution and greenhouse gas emissions reduction, and transportation efficiency.

(B) “Advanced transportation technologies” does not include those projects required to be undertaken pursuant to state or federal law or regulations, air district rules or regulations, memoranda of understanding with a governmental entity, or legally binding agreements or documents. The State Air Resources Board shall advise the authority regarding projects that are excluded pursuant to this subparagraph.

³ All defined terms have the meaning set forth in the California Code of Regulations, Title 4, Division 13.

3. Alternative Sources

(A) "Alternative sources" means devices or technologies used for a renewable electrical generation facility, as defined in paragraph (1) of subdivision (a) of Section 25741, a combined heat and power system, as defined in Section 2840.2 of the Public Utilities Code, distributed generation and energy storage technologies eligible under the self-generation incentive program pursuant to Section 379.6 of the Public Utilities Code, as determined by the Public Utilities Commission, or a facility designed for the production of renewable fuels, the efficient use of which reduce the use of fossil or nuclear fuels, and energy efficiency devices or technologies that reduce the need for new electric generation and reduce emissions of toxic and criteria pollutants and greenhouse gases.

(B) "Alternative sources" does not include a hydroelectric facility that does not meet state laws pertaining to the control, appropriation, use, and distribution of water, including, but not limited to, the obtaining of applicable licenses and permits.

4. Recycled Feedstock

"Recycled Feedstock" means materials that would otherwise be destined for disposal, having completed their intended end use and product lifecycle.

To qualify as a recycling Project, the tangible personal property purchased for the Project must be used at least 50% of the time to process Recycled Feedstock that is intended to be reused in the production of another product or using Recycled Feedstock in the production of another product or soil amendment.

Soil amendments may include "compost," as defined in Section 14525 of the Food and Agricultural Code, "fertilizing material," as defined in Section 14533 of the Food and Agricultural Code, "gypsum" or "phosphatic sulfate gypsum," as those terms are defined in Section 14537 of the Food and Agricultural Code, or a substance distributed for the purpose of promoting plant growth or improving the quality of crops by conditioning soils through physical means.

5. Facility

"Facility" or "Facilities" means a design, manufacturing, production, or assembly facility that includes or will include tangible personal property utilized for the design, manufacture, production, or assembly of Advanced Manufacturing, Advanced Transportation Technologies or Alternative Source products, components, or systems, or a facility that includes or will include tangible personal property that at least 50 percent of its use is either to process Recycled Feedstock that is intended to be reused in the production of another product or using Recycled Feedstock in the production of another product or soil amendment. Facilities involving more than one location may be combined in a single Application, provided the locations are part of a single process. Where facilities at multiple locations are performing the same or substantially similar operations they will require separate Applications.

6. Project

"Project" means tangible personal property if at least 50% of its use is either to process Recycled feedstock that is intended to be reused in the production of another product or using Recycled feedstock in the production of another product or soil amendment, or tangible personal property that is used in the state for the design, manufacture, production, or assembly of advanced manufacturing, advanced transportation technologies, or alternative source products, components, or systems.

7. Qualified Property

“Qualified Property” means the tangible personal property identified in the Application or Regulatory Agreement to be purchased for use in the Facility if at least 50 percent of its use is either to process Recycled feedstock that is intended to be reused in the production of another product or using Recycled feedstock in the production of another product or Soil amendment; or tangible personal property that is used in the state for the design, manufacture, production, or assembly of Advanced Transportation Technologies, or Alternative Source products, components, or systems or utilized in an Advanced Manufacturing process.

Generally, Qualified Property includes manufacturing machinery and equipment, including component parts and repair and replacement parts with an estimated useful lifespan of over one year, as well as information technology used to operate or control the machinery and equipment. Qualified purchases may also include tangible personal property required for infrastructure improvements to the manufacturing facility, such as foundation, reinforcement, piping, and fire safety.

Project Narrative

Each Applicant is required to submit a Project Narrative with all of the following information. The Applicant may choose to attach a separate document providing a Project Narrative but must be sure Sections A-I are addressed.

A. Applicant Description. Provide a description of the Applicant’s business including:

1. Product(s) produced;
2. Facility location(s);
3. Years in business; and
4. Any unique technological or environmental characteristics of the business or products.

B. Project Description.

Advanced Transportation Technology and Alternative Source Applicants:

Provide a description of the Advanced Transportation Technology or Alternative Source product, component, or system to be produced.⁴

⁴ In the case of a Facility producing property or products that, after further manufacture, will become the Green Component of an Advanced Transportation Technology or Alternative Source product or system, the Applicant must describe both the property or product produced by the Facility and the Green Component of the Advanced Transportation Technology or Alternative Source product or system for which the product produced will be used.

Advanced Manufacturing Applicants:

Provide a detailed explanation of how the Project meets the statutory definition of Advanced Manufacturing set out in Public Resources Code Section 26003(a)(1) and the eligibility requirements established by Program regulations, by providing an explanation of all of the following.

Please note that the Project Description for Advanced Manufacturing Applicants must directly address items 1–4 below and explicitly describe how the manufacturing process meets the requirements of 1.a–1.d, and uses at least one of the technology areas listed in item 2.

1. How the manufacturing process improves existing or creates entirely new materials, products, and processes through the use of:
 - a. Science, engineering, or information technologies; and
 - b. High-precision tools and methods; and
 - c. A high performance workforce, and
 - d. Innovative business or organizational models.

2. How the manufacturing process uses one or more of the following technology areas:
- a. Micro- and nanoelectronics, including semiconductors.
 - b. Advanced materials.
 - c. Integrated computational materials engineering.
 - d. Nanotechnology.
 - e. Additive manufacturing.
 - f. Industrial biotechnology.

3. How the manufacturing system results in a substantive advancement, whether incremental or breakthrough, beyond the current industry standard, in the production of materials and products. (These advancements include improvements in manufacturing processes and systems that are often referred to as “smart” or “intelligent” manufacturing systems, which integrate computational predictability and operational efficiency.)

4. How the proposed Project is a sustainable manufacturing system that minimizes the use of resources while maintaining or improving cost and performance. (See “Environmental Benefits Information” tab in Application Part B.)

Recycling Applicants:

Provide a description of how the Project processes Recycled Feedstock that is intended to be reused in the production of another product or is using Recycled Feedstock in the production of another product or soil amendment. Public Resources Code Section 26011.8(b)(2) defines Recycled Feedstock as materials that would otherwise be destined for disposal, having completed their intended end use and product lifecycle. Identify the Recycled Feedstock that is processed, and the product or soil amendment produced utilizing Recycled Feedstock, if applicable.

C. Facility Status/Timeline: Provide a description of the current Facility status and a schedule indicating the estimated Facility construction start date through the placed-in-service date for the Qualified Property identified in the Application. Additional facility milestones can be included, as well.

D. Required Permits/Timeline: Provide a description of the needed permits and their current status, including expected dates permits will be received.

E. Financing Sources/Timeline: Provide a description of the status of funding sources and additional financing necessary for Facility completion. Include information for any sources of government financing, including the provision of financial assistance from any local governments for the Project, as well as any state incentives or state financing the Applicant has applied for or received.

F. Wage Information: Provide the wage information requested below using the following wage categories:

- Up to \$20,000
- \$20,001–\$30,000
- \$30,001–\$40,000
- \$40,001–\$50,000
- \$50,001–\$60,000
- \$60,001–\$70,000
- \$70,001–\$80,000
- \$80,001–\$90,000
- \$90,001–\$100,000
- \$100,001–\$110,000
- \$110,001–\$120,000
- Over \$120,000

Wages include monetary compensation paid to the employee each year, not including tips, commissions, bonuses, stock options, overtime, or other compensation of any kind.

1. Average wage of each classification of full-time employees proposed to be hired.

2. Minimum wage of each classification of full-time employees proposed to be hired.

3. Average wage of each classification of full-time employees proposed not to be retained.

4. Minimum wage of each classification of full-time employees proposed not to be retained.

5. If any classification is being eliminated, provide an explanation of why the classification is being eliminated and if any existing employees in the classification will be retrained or reclassified.

G. Additional Applicant Information: To help CAEATFA better understand Program reach and impact, please answer the following (this information is not used in the scoring or evaluation process:

1. How did the Applicant learn about the Sales and Use Tax Exclusion Program?

2. Did the Applicant meet at least one of the following size requirements, on average, over the past three years (check all that apply):

- 100 or fewer employees, including affiliates
- Annual revenues of less than \$15 million, including affiliates
- The U.S. Small Business Administration's size standards for a Small Business matched to the North American Industry Classification System, found in Part 121.201 of Title 13 of the Code of Federal Regulations (1-1-20 Edition)
- None apply

H. Eligibility to use the exemptions established pursuant to Section 6377.1 of the Revenue and Taxation Code

(RTC): Is the Applicant a "qualified person" pursuant to Section 1525.4(b)(10) of Article 3 of Chapter 4 of Division 2 of Title 18 of the California Code of Regulations?

(<https://www.cdtfa.ca.gov/lawguides/vol1/sutr/1525-4.html>); see also:

<https://www.cdtfa.ca.gov/industry/manufacturing-exemptions.htm#Qualifications>)

Yes _____ No _____

1. The Applicant is primarily engaged in the line of business described in the North American Industry Classification System (NAICS) Code _____.
2. Is the Applicant an apportioning trade or business, other than an agricultural trade or business described in subdivision (c)(1) of RTC section 25128, that is required to apportion its business income pursuant to subdivision (b) of [RTC section 25128](#)?

Yes _____ No _____

3. Is the Applicant a trade or business conducted wholly within this state, other than an agricultural trade or business described in subdivision (c)(1) of RTC section 25128, that would be required to apportion its business income pursuant to subdivision (b) of [RTC section 25128](#) if it were subject to apportionment pursuant to [RTC section 25101](#).

Yes _____ No _____

I. **Emerging Strategic Industry:** Is the Project in an Emerging Strategic Industry?
(<https://www.treasurer.ca.gov/caeatfa/meeting/2021/20211116/staff/3.pdf>)

Product	NAICS
Lithium compounds	325180
Geothermal steam	221330
Lithium batteries, storage	335911
Lithium batteries, primary	335912

Yes _____ No _____

Product Produced: _____

Project NAICS Code: _____

(Application continues on following page)

Applicant Certification

We, the undersigned, hereby submit an Application to the California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA” or the “Authority”) for the purpose of securing a sales and use tax exclusion as described herein and have reviewed the CAEATFA Act and submit this Application in compliance with the Act and the implementing regulations.

We agree it is our responsibility to e-mail an electronic version of a complete, signed Application to the email address indicated on the cover sheet, accompanied by one check payable to CAEATFA in the amount per the Application Fee calculation indicated in the regulations within five (5) business days of submitting the electronic Application. We understand that thorough and complete answers and accurate data and information are required. We understand that if additional space is required, each additional page will be clearly labeled.

We understand that CAEATFA may verify the information provided, analyze materials submitted, and request Application-related documentation as well as conduct its own investigation to evaluate the Application. We understand that we have a continuing duty to inform CAEATFA when any information in the Application or supplemental materials is no longer accurate and will immediately supply CAEATFA with updated information.

We have read and understand all Public Resource Code sections relevant to the CAEATFA Sales and Use Tax Exclusion Program. We acknowledge that CAEATFA suggests that we seek advice from legal counsel on matters related to taxation. We acknowledge that all materials and requirements are subject to change by enactment of State legislation.

We agree that if this Application for sales and use tax exclusion is approved by the Authority, the Applicant will enter into a Regulatory Agreement with the Authority. In carrying out the development and operation of the proposed Project, we agree to comply with and will remain in compliance with all applicable State laws and will abide by all CAEATFA Program and regulatory requirements during the term of the Regulatory Agreement. We acknowledge that continued compliance with Program requirements, including ongoing reporting requirements and any costs associated with such requirements for the term of the Regulatory Agreement, is the responsibility of the Applicant.

We understand that at the time of the Authority’s approval of the Application, additional fees may be owed to CAEATFA. We represent that we have read the Program regulations regarding fees and all other Program requirements.

We agree to hold the Authority and its members, officers, agents, and employees harmless from any and all matters arising out of or related to our participation in the Sales and Use Tax Exclusion Program, including any action that ultimately results in the required payment of sales and use tax.

We acknowledge that the granting of a sales and use tax exclusion shall not be used by us as evidence of the opinion of, or approval by the Authority or any of its members, officers, agents or employees as to the financial or technical feasibility of the Project or Facility nor of the capabilities of the Applicant, any of its officers, members, agents or employees to finance, construct and operate the Project.

We declare under penalty of perjury that the information contained in the Application, exhibits, and attachments is true and correct to the best of the undersigned’s knowledge and belief. We understand that misrepresentation may result in the rescission of the Authority’s approval of the Application, and other actions, which the Authority is authorized to take. We understand that any further or supplemental information or documentation required to be provided shall be accompanied by a declaration under penalty of perjury that the supplemental information or documentation is true and correct to the best of the Applicant’s knowledge and belief.

We acknowledge that any materials provided to CAATFA may be considered public records subject to disclosure pursuant to the California Public Records Act (Government Code Sections 6250, et seq.).



Signature of Applicant's Senior Official

Original filed 01/10/2023

Print Name

Title

Date

(Application continues on following page)

Legal Status Questionnaire

Legal Applicant Name: _____

1. Financial Viability

Disclose material information relating to any legal or regulatory proceeding or investigation in which the Applicant is or has been a party and which might have a material impact on the financial viability of the project or the Applicant. Such disclosures should include any parent, subsidiary, or affiliate of the Applicant that is involved in the management, operation, or development of the project.

Response:


2. Fraud, Corruption, or Serious Harm

Disclose any civil, criminal, or regulatory action in which the Applicant, or any current board members (except for volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, matters related to employment conditions (including, but not limited to wage claims, discrimination, or harassment), or matters involving health and safety where there are allegations of serious harm to employees, the public or the environment.

Response:

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome. For a publicly-traded company, the relevant sections of the company's 10K, 8K, and 10Q most recently filed with the Securities and Exchange Commission may be attached in response to question #1. With respect to a response for question #2, previous 10K, 8K, and 10Q filings of the company may be attached if applicable.

I/We attest that we have provided full disclosure as indicated in response to the items #1 and #2 above



Signature of Principal, CEO, or Lead Administrator

Date

Print or Type Name

Signature of President or Chair of Governing Board

Date

Print or Type Name

Original filed 01/10/2023

(Application continues on following page)

Trade Secrets and Confidential Information

If elements of this Application (Part A and Part B) contain information the Applicant considers to be trade secret, confidential, privileged or otherwise exempt from disclosure under the Public Records Act (California Government Code Section 6250, et seq.), the Applicant shall assert a claim of exemption at the time of Application by identifying in an accompanying letter each of the items to be restricted.

The asserted claim shall indicate the specific information within the Application to which the claim is made (e.g., Box C4 of Part B, etc.). Upon receipt of a Public Records Act request for documents that may include information the Applicant has identified as trade secret, the Authority shall provide notice to the Applicant, and provide the Applicant with three business days to provide the Authority with an explanation as to why the information is not subject to disclosure pursuant to the Public Records Act. The Authority shall consider the claim and the basis for it, but retains the authority to make the final determination as to what information will be released under the Public Records Act. Applicants will be notified by the Authority prior to release of any such information.

If the Applicant chooses to assert such a claim, attach the claim to the Application.

Claim Attached

None Claimed

Other Application Types

Step 1

Step 2

Step 3

Instructions: Please enter the information requested in the white boxes below or select from the choices in the blue drop-down list. When requested, please explain calculations and assumptions used. If actual values are not known, good faith estimates are acceptable. All Applicant-provided values may be subject to verification.		
C. Facility Information		
C1	Value of capital stock used to produce Qualified Products. Enter the total value of all equipment and tangible personal property used to produce the output listed in Box D2 below. This should equal the value of anticipated Qualified Property purchases plus any existing capital stock. Do not include the value of land and structures. Value should be in current dollars inclusive of depreciation.	\$239,233,728
	If the total value of capital stock does not equal the total Qualified Property amount, provide a description the additional assets included in the calculation, as well as their values.	N/A
C2	Projected average number of employees (FTE) at Facility, assuming Qualified Property is utilized. Enter the estimated average number of employees employed each year to produce the output listed in Box D2 below, averaged over the Estimated Useful Lifespan of the Qualified Property (see Qualified Property List), taking into account any ramp up periods. Value should be in annual full time equivalents (FTE); part-time employees should be counted as a fraction of a full time employee. Do not include construction related FTEs.	25.00
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in C2 above.	Twenty four plant controller and operators for the geothermal resource and power plant facility; one operations manager; three plant engineers; one maintenance planner; four maintenance technicians; one chemist; two lab technicians; two instrumentation and electrical technician; one procurement specialist; one geoscientist; two drilling & resource technicians; two environmental professional; one safety specialist; and five administrative professionals. This level of staffing is similar to the existing geothermal resource and power facilities that operate 24 hours a day. Total FTE = 50. FTE's have been prorated at 50% for this application.
C2.1	Projected average number of employees (FTE) at Facility, assuming Qualified Property is not utilized. Enter the estimated average number of employees to be employed each year if the Qualified Property is not purchased. Value should be in annual full time equivalents (FTE); part-time employees should be counted as a fraction of a full time employee. Do not include construction related FTEs.	0.00
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in C2.1 above.	Facility would not be constructed or operated without Qualified Property
C3	Projected number of employees (FTE) employed for purposes of constructing facility or installing Qualified Property. Enter number of construction-related jobs used to build the production facility or install equipment. Do not include jobs associated with the on-going production of the Qualified Product(s). Value should be in annual full time equivalents (FTE); part-time employees should be counted as a fraction of a full time employee. Construction FTEs need not be directly employed by the Applicant; include all construction jobs used to build the Project.	503.75
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in C3 above.	Annualized FTE facility construction workers employed during facility construction is 921.06, and drilling - well construction workers employed is an annual 86.43 FTE. Total FTE = 1,007.49. FTE has been prorated at 50% for this application.
D. Product Information		
D1	Brief description/name of product to be produced with Qualified Property. Please provide a brief (<25 words) description of the product to be made with the Qualified Property.	Alternative source fuel capture, processing and production equipment for the geothermal resource production facility and wells. Captured and processed geothermal resources will subsequently be used in electric power generation (qualified property is exclusive of any property associated with the subsequent generation of electricity).
D2	Projected average annual number of Qualified Products to be sold or shipped (number of units). Enter total estimated average annual facility production that will be sold or shipped, assuming Qualified Property is utilized. Entry should reflect average annual sales over Estimated Useful Lifespan of the Qualified Property (i.e. should reflect any ramp up period and not just peak production). If units of multiple sizes or capacities are produced, enter the average value here or a standardized value (e.g. 1 watt of generation capacity for a solar panel). Note that units must be consistent throughout Sections D and E.	17,015,557
	Define the unit used and explain the values and assumptions (with calculations if relevant) used to arrive at the value in D2 above.	Metric Million British Thermal Unit (MMBTU); 396.97 BTU/lb x 10,294,219 lbs per hour of geothermal production brine flow x 24 hrs x 365.25 days x 95% capacity x 1MMBTU/1,000,000 BTU x 50%. Output prorated at 50%.
D3	Projected per unit sales price in dollars. Enter the average sales price of the product/component you are producing. If multiple products are produced, enter the average across all Qualified Products.	\$3.45
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D3 above.	Revenues for the brine and steam sales are based on the current financial model for project and demand generated by California Public Utilities Commission ("CPUC") Decision 21-06-035. Projected annual revenue generated by electricity sales prorated at 50% is multiplied by the ratio of [0.7452], equivalent to ((Capital Cost of the Resource Production Facility + wellfield)/total capital cost) divided by the annual MMBTU output (17,015,557) to yield \$3.45 per MMBTU.
D4	Per unit production-related purchases from suppliers, assuming Qualified Property is utilized/installed, in dollars. Include cost of materials, parts, containers, packaging, energy consumed, and products bought and sold without further processing. If multiple products are produced, enter the average across all products here. Entry should reflect average value over Estimated Useful Lifespan of Qualified Property. This information is used to calculate the value added by the Applicant.	\$0.54
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D4 above.	Operating and maintenance (O&M) costs support product production through support activities for both the Resource Production Facilities (RPF) and the Power Generation Facility (PGF). O&M support of the RPF includes activities for wells, cross county pipeline, pressure vessels, clarifiers and filter press. Support of the PGF includes activities on the turbine, generator, condenser, cooling tower and gas removal equipment. The RPF handles the scaling and corrosive brine, which require significantly more maintenance, chemicals and operational support than steam handling and power generation equipment in the PGF. An evaluation of 15-years of projected O&M costs is converted to a cost per MMBTU. Further evaluation identified a long-term average expenditure ratio of 25% towards PGF and 75% RPF. The formula is (average O&M cost prorated at 50% per year x 75%) / annual MMBTU production.
D5	Estimated percent of production costs from California suppliers. Estimate the fraction of the total production-related costs (from Box D4) from California suppliers. Entry should reflect average value over Estimated Useful Lifespan of Qualified Property.	32%
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D5 above.	Retail Power, Fuel and Water are the drivers for this cost and are purchased in California. Some of the tangibles are purchased from supplies outside of California.
D6	Projected per unit labor costs, assuming Qualified Property is utilized. Include total per unit salary costs. Do not include payroll taxes, fringe benefits, or other non-salary costs. Entry should reflect average value over Estimated Useful Lifespan of Qualified Property.	\$0.21
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D6 above.	Based on a project average annual salary of \$143,778 per employee, annualized labor costs is \$3,594,450 divided by 17,015,557 MMBTU.
D7	Estimated percent of total product sales in California. Enter the estimated percent of total sales to California customers. Value should be calculated over the Estimated Useful Lifespan of the Qualified Property.	100%
	Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D7 above.	Targeted customers are California's investor owned utilities, community choice aggregators, municipal utilities, State of California, and green hydrogen facilities
D8	Expected useful life of product, in years. Enter the number of years that the product is expected to last.	1

Other Application Types

D9	Is the product a sub-component of a Qualified Product? For example, if the product produced with the Qualified Property is a battery pack for an electric car drive train, enter "Yes" here. If the product is an end of supply chain product enter "No" here. (Note that cells in the rows below are intentionally shaded when "No" is selected in the box at right.)	No
D10	What is the total value of the efficiency or energy generation component of the end of supply chain product? For example, if the product is a battery pack for an electric car, enter the value of the electric drive train here and the value of the battery pack in box D3 above. Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D14 above.	
D11	Estimated percent of total end of supply chain product sales in California? Enter the estimated percent of the end product's total sales to California customers. Value should be calculated over the Estimated Useful Lifespan of the Qualified Property. Explain the values and assumptions (with calculations if relevant) used to arrive at the value in D15 above.	
D12	Does the end-of-supply-chain product generate California sales tax when purchased by the end user? Sales to the Federal Government, production for use in research and development or for internal company use, or sales/production not otherwise sold to consumers do not generate sales tax. (Select from list)	No
D12.1	Estimated percent of end-of-supply-chain product sales that generate sales tax? Enter the percent of sales/production that generates sales tax. Explain the value and assumptions (with calculations, if relevant) used to arrive at the value in D15.1	
E. Environmental Impact		
E23	Description of environmental benefits. Please provide a brief (<25 words) description of the environmental benefits produced by a unit of your product.	Geothermal steam to produce electrical power is compared to current California grid emissions from electrical power.
E24	Annual value of pollution benefits per unit. Enter the annual dollar value of allowable pollution benefits per unit. Explain the calculations and assumptions used.	\$0.28 Elmore North's geothermal power will emit 3.40 pounds (lbs) of CO2 per MMBTU, equivalent to 99.88 lbs/MWh; whereas current CA grid emits 420.4 lbs of CO2 per MWh. This results in a net reduction of 320.52 lbs of CO2 per MWh, equivalent to 10.91103 lbs of CO2 per MMBTU. The formula therefore is 10.91103 x \$0.026015 = \$0.28/MMBTU (product unit).
E25	Annual cost of off-setting energy use per unit. Enter the annual dollar value of any off-setting energy pollution costs from the production of one unit. Explain the calculations and assumptions used.	\$0.00 No off-setting energy is used to produce geothermal steam
F. Optional Supplemental Information		
F0	Does the product produce additional environmental benefits that are unrelated to the generation of additional electricity, production of additional alternative source fuels, reduction in energy use, or increase in efficiency?	No
F1	Additional environmental benefit description. Enter a narrative description of the additional environmental benefits from product use that are unrelated to the generation of additional electricity, production of additional alternative source fuels, reduction in energy use, or increase in efficiency.	
F2	Amount of pollution avoided per unit. State the amount of pollution avoided in standard mass or volume metrics for the pollution type. Explain calculations and assumptions.	
F3	Value of environmental benefits (pollution avoided) per unit. Enter the annual value of the pollution avoided in dollars. Explain calculations and assumptions.	
Research and Development Facilities.		
F4	Does your company have a facility located in California that performs research and development functions related to the product or production process at the facility that is the subject of this Application? Please briefly describe the research and development activities here and list the address of the R&D facility.	No
F5	Workforce Partnerships. Does the Facility have partnerships with educational institutions either for the purpose of training the workers at the Facility or for purposes of assisting in the training of potential future workers? Please briefly describe the nature of the workforce partnership and list the name of the partnering educational institution.	Yes BHE Renewables is partnering with Imperial Valley College for workforce development for geothermal power and lithium recovery operations at the Salton Sea Known Geothermal Resource Area
F6	Industry Cluster. Has the industry associated with this Application been identified by a California state or local government entity or regional economic development authority as an industry cluster, strategic cluster, or competitive cluster of the region within which the Applicant's project resides? Please identify the industry and the entity that has identified this industry as an Industry Cluster.	Yes The industry cluster is Lithium Valley and is recognized by the State of California. The geothermal resource will be used to supply the lithium recovery.
F7	Emerging Strategic Industry. Please indicate in the box at right if the Applicant is in one of the indicated Emerging Strategic Industries.	Yes
F8	Benefits and Fringe Benefits. Please indicate if any of the following are provided to employees (please indicate all that apply):	
	Medical	Yes
	Health	Yes
	Dental	Yes
	Vision	Yes
	Bonuses	Yes
	Pension plans	No
	Retirement contributions	Yes
	Profit sharing	No
	Dependent care & assistance reimbursement	No
	Transportation subsidies	No
	Education reimbursement	Yes
	Gym subsidies	No
	Employee discounts	Yes
	Paid leave	Yes

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