

Solar farm proposed for Pflugerville area

Facility would be largest solar array in the country.

By [Asher Price](#)

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A startup solar energy company with corporate backing from India has won tax breaks from the City of Pflugerville and is near a similar agreement with the Elgin school district to build a 60-megawatt solar plant.

The plant would be large enough to provide electricity to all the homes in Pflugerville and, if it were built today, would be the largest in the United States.

RRE Austin Solar could break ground by the end of the summer on the \$230 million plant on 600 or so acres of rural land about a dozen miles east of Pflugerville. But before the company moves forward, it wants tax breaks from Travis County.

The company would employ about a half-dozen people, long term, to operate the plant, said Angelos Angelou, an Austin-based consultant on the project. He said that if the company gets property tax breaks from the county, it will consider headquartering the startup, with about 20 employees, in Austin.

Angelou said RRE Austin Solar is backed by NEPC India Ltd. and ReGen Powertech, companies that have a 25-year history of developing renewable energy in India, mostly manufacturing wind turbines. He said the U.S. government will subsidize 30 percent of the capital costs of the plant.

On the local level, RRE Austin Solar won a tax break agreement in early June from Pflugerville. Under the agreement, RRE Austin Solar will install for Pflugerville and the Pflugerville school district up to \$750,000 in solar panels and small wind turbines and provide educational training to the school district. It has negotiated, but not yet finalized, a similar agreement with the Elgin school district, which is also likely to limit taxes.

Angelou said that despite the tax breaks, the local governments will benefit from the project. He said the Elgin district could gain close to \$1 million a year in tax revenue from the land; it now collects less than \$5,000. He said the county, which now collects less than \$1,000 a year, would get close to \$60,000. District and county officials corroborated those estimates.

Mayor Jeff Coleman said Pflugerville insisted that the solar farm carry the city's name as a branding strategy.

"Central Texans are very interested in green technology and being good to the environment," he said. "This is an opportunity for the city to create a name within the Central Texas green community."

Elgin school Superintendent Bill Graves said the project won his district's support because it "will not have any kind of strain on the environment, it will be a tremendous economic development program, and it

attracts people who are very employable, who are educated and who are likely to have children that will do well in school."

Travis County is still weighing whether to grant a tax break and, if so, what size, said Rodney Rhoades, executive manager for the county's Planning and Budget Office . He would not disclose the kinds of incentives RRE Austin Solar is requesting.

The 60-megawatt plant, which could be operational by 2014, could produce enough electricity to power about 40,000 homes, Angelou said.

The Pflugerville land, near Manda Carlson Road and Felder Lane, is under a pending contract with RRE Austin Solar. Angelou said the site is ideal because it is on the path of a transmission line. He said it was one of 60 or so sites the company examined across the country for the plant.

He said the company has no buyer in mind for the electricity generated by the plant.

The two Indian companies want to do strictly solar farms in the United States, Angelou said, with a goal of installing enough solar farms across the country in coming years to generate 600 megawatts at any given time, assuming favorable weather conditions.

Nationwide, the installed solar photovoltaic capacity in the United States is roughly 90 megawatts, according to the federal Energy Information Administration.

Another solar plant, in Webberville in eastern Travis County, remains under development. In 2009, the Austin City Council voted to spend \$10 million annually for 25 years to buy power from that solar array, which will be big enough to generate 30 megawatts. Austin Energy spokesman Ed Clark said the project could be completed by the end of 2011.

Tax break negotiations

Pflugerville: Has agreed not to annex the land where the solar plant is being planned, thus exempting the plant from state property taxes, until Jan. 1, 2040. Current property taxes amount to 60.4 cents per \$100 of assessed property value. RRE Austin Solar has agreed to pay the city a fee of a nickel per \$100 beginning in 2020, an amount city officials calculate will be worth \$125,000 a year between 2020 and 2040.

Mayor Jeff Coleman said the rural land would not have been annexed for decades in any case.

Elgin school district: Is likely to agree to a tax credit and an eight-year limitation on the appraised value of the property for the maintenance and operations portion of the school district property tax rate.

In exchange, the property owner would agree to create a specific number of jobs and build or install specified types of real and personal property worth a certain amount.

Travis County: RRE Austin Solar also is looking for tax breaks from Travis County before committing to building the plant.

Courtesy of JB Goodwin

