

STATE OF COLORADO
ANNUAL STATEMENT OF PROPERTY
2009 DECLARATION
ELECTRICAL GENERATION FROM SOLAR ENERGY FACILITY

COLORADO DIVISION OF PROPERTY TAXATION
STATE ASSESSED PROPERTY SECTION
1313 SHERMAN STREET, ROOM 419
DENVER, COLORADO 80203
FAX: (303) 866-4000

State Assessed Direct Numbers: Mark Walker (303)866-2824, Deb Myer (303)866-2682
E-mails: markd.walker@state.co.us, deb.myer@state.co.us

DUE APRIL 1, 2009

Company Name : _____	Type of State Assessed Company: <u>EN</u> Solar Electric Company
Contact / Dept. : _____ (first) (last)	Federal Employer Identification Number: _____
Street Address : _____	What is the average state-wide ratio of personal property to total property (real and personal)? _____ % Colorado descriptions of real and personal property are on pages 6 and 7.
Unit / Suite # : _____	
City, State, Zip : _____	
Is this a new address? _____	
<u>Colorado Registered Agent</u>	State of Incorporation: _____
Name: _____ (first) (last)	Year Colorado Operations Began: _____
<u>Company Contact for this report:</u>	<u>Tax agent contact for this report: (Note 1)</u>
Name: _____ (first) (last)	Name: _____ (first) (last)
Title: _____	Title: _____
Phone: _____	Phone: _____
Fax: _____	Fax: _____
Email: _____	Email: _____

DECLARATION

I declare under the penalty of perjury in the second degree that this statement, together with any accompanying exhibits or schedules, has been examined by me and, to the best of my knowledge, information, and belief, sets forth a full and complete list of all taxable property owned, in the possession or under the control of the reporting entity. I further declare that such property has been reasonable described with its value fairly represented, and that no attempt has been made to mislead the Property Tax Administrator as to its age, quality, or value.

(Signature) _____
(Name) _____
(Title) _____ (Date) _____

Note 1: If the reporting entity uses an agent to prepare or represent the reporting entity in matters related to this 2009 Annual Statement of Property, a letter of authorization signed by an officer of the reporting entity must be submitted as an addenda to this report.

GENERAL INSTRUCTIONS
ALL REQUESTED INFORMATION IS AS OF DECEMBER 31, 2008
THIS IS A CONFIDENTIAL DOCUMENT

This report with all attachments must be postmarked on or before April 1, 2009. Failure to file by April 1, 2009, results in a PENALTY OF \$100 PER DAY, beginning April 2, 2009, unless an extension is granted. When an extension is granted, filing is due on or before April 23, 2009, and penalties start on April 24, 2009. The total penalty cannot exceed \$3,000.

You must complete this report or an identical reproduction. Complete reports must include all requested information for all pages. Incomplete pages will be returned for completion. Failure to complete and return these pages within seven days will result in the commencement of a \$100 per day penalty and a Best Information Available valuation. The total penalty cannot exceed \$3,000.

The following documents **MUST BE FILED IN ADDITION** to this report if applicable to the parent or reporting company:

- (a) Balance sheet, income statement, statement of retained earnings and statement of cash flows.
- (b) Annual Report(s) to Colorado Public Utilities Commission (if required)

State the exact nature of the business activity of the REPORTING COMPANY in the State of Colorado:

Describe any important changes which occurred during the previous calendar year such as major acquisitions, divestitures, write-offs and sales of major properties for both the REPORTING COMPANY and its ultimate Parent. Attach additional sheets as necessary:

Is the REPORTING COMPANY a proprietorship, partnership, S corporation, corporation, association, joint venture, other?

Is the REPORTING COMPANY a subsidiary of another corporation? Yes No

What is the NAME of the ultimate PARENT company? _____

Are you providing power pursuant to a purchase power agreement or solar energy agreement? If so, you must enclose a current copy of the agreement.

Tax Agents must have a current letter of agency on file with the Division for each company represented.

 (Reporting Company Name)

INCOME STATEMENT - You must complete this page even if you attach an income statement and balance sheet

<u>ACCOUNT TITLE</u>	Colorado Income and Expenses					
	2008	2007	2006	2005	2004	
1 Operating Revenues						
2 Operating Expenses						
3 Depreciation and Amortization						
4 Operating income before taxes	0	0	0	0	0	
5 Income taxes on operating income						
6 Net Operating Income	0	0	0	0	0	
7 Total other income (deductions)						
8 Income taxes on non-operating income						
9 Interest expenses						
10 Income before extraordinary items						

SIX YEAR REPORTING COMPANY SYSTEM NET OPERATING SYSTEM

<u>ACCOUNT TITLE</u>		31-Dec-08	31-Dec-07	31-Dec-06	31-Dec-05	31-Dec-04	31-Dec-03
Net Operating Property (Page 4, Line 9, Middle Column)							

BALANCE SHEET - You must complete this page and attach a copy of your income statement and balance sheet.

Please complete a separate page for each of your Colorado facilities

<u>OWNED ASSETS</u>	<u>Colorado Assets</u>
1 Historical Cost of Plant in Service	_____
2 Construction work in progress (*)	_____
3 Intangibles (goodwill, acq adjustments, PPAs, etc.)	_____
4 Plant held for future use	_____
5 Capital leases and other property	_____
6 Inventories, materials and supplies (1)	_____
7 Total Operating Property	_____
8 Accumulated depreciation and amortization	_____
9 Net Operating Property (Line 7 - 8)	_____
<u>PROPERTY UNDER OPERATING LEASES</u>	
10 Net book value of leased property	_____
11 Original cost of leased property	_____
12 Lease payment	_____
13 Average age of leased property	_____
14 Average remaining life of leased property	_____ years

(*) Next year, construction work in progress will be requested to be split in to expansion and replacement.
 (1) Includes inventories held for resale, and materials and supplies held for consumption.

Line 3: Intangibles also includes solar purchase power agreements (PPA's) book value.

<u>SCHEDULE OF COLORADO DEDUCTIONS FROM OPERATING PROPERTY</u>	<u>Colorado Net Book Value</u>
1. Locally assessed property (note 1)	_____
2. Construction work in progress - personal property portion only (note 2)	_____
3. Licensed vehicles (note 3)	_____
4. Licensed special mobile machinery (SMM) (note 4)	_____
5. Inventories, materials and supplies (note 5)	_____
6. Other Property (note 6)	_____
Total Colorado Deductions	\$ _____

Notes

1. Only deductible if included in Operating Property Accounts (page 4) and documented on page 11.
 2. Attach details including a schedule with project description, county location, and accumulated cost as of 12-31-2008.
 3. Licensed vehicles and/or SMM machinery **MUST** be included as operating property on page 4 to be deductible.
 4. SMM machinery **MUST** be included as operating property on page 4 to be deductible.
 5. Includes inventories held for resale, and materials and supplies held for consumption.
 6. Attach details, including a schedule with property or project description, historical cost, net book value as of 12-31-08, location, and your reason why it should be deducted from your value.
- Otherwise, NO deduction will be allowed.**

<u>ELECTRICAL GENERATION INFORMATION</u>	
Location of Facility (address and city)	_____
Generating capacity (KW) - NAME PLATE or DESIGN CAPACITY	_____
Gross production in KWH the prior calendar year	_____
Date of Construction of Facility/Effective Age	_____
Date Operations Commenced	_____
Amount in \$ of rebates or any incentive payment paid to install the system	_____
Other Operation Factors you want us to consider, please provide	_____

It is required that Solar Purchase Power Agreements along with any amendments either be attached to this return or provided separately to the Division.

APPORTIONMENT TO COLORADO COUNTIES

County	Historic cost of operating property, less historical cost of Colorado deductions	Percent of Total Colo. property	County	Historic cost of operating property, less historical cost of Colorado deductions	Percent of Total Colo. property
Adams		0.0%	Kit Carson		0.0%
Alamosa		0.0%	La Plata		0.0%
Arapahoe		0.0%	Lake		0.0%
Archuleta		0.0%	Larimer		0.0%
Baca		0.0%	Las Animas		0.0%
Bent		0.0%	Lincoln		0.0%
Boulder		0.0%	Logan		0.0%
Broomfield		0.0%	Mesa		0.0%
Chaffee		0.0%	Mineral		0.0%
Cheyenne		0.0%	Moffat		0.0%
Clear Creek		0.0%	Montezuma		0.0%
Conejos		0.0%	Montrose		0.0%
Costilla		0.0%	Morgan		0.0%
Crowley		0.0%	Otero		0.0%
Custer		0.0%	Ouray		0.0%
Delta		0.0%	Park		0.0%
Denver		0.0%	Phillips		0.0%
Dolores		0.0%	Pitkin		0.0%
Douglas		0.0%	Prowers		0.0%
Eagle		0.0%	Pueblo		0.0%
El Paso		0.0%	Rio Blanco		0.0%
Elbert		0.0%	Rio Grande		0.0%
Fremont		0.0%	Routt		0.0%
Garfield		0.0%	Saguache		0.0%
Gilpin		0.0%	San Juan		0.0%
Grand		0.0%	San Miguel		0.0%
Gunnison		0.0%	Sedgwick		0.0%
Hinsdale		0.0%	Summit		0.0%
Huerfano		0.0%	Teller		0.0%
Jackson		0.0%	Washington		0.0%
Jefferson		0.0%	Weld		0.0%
Kiowa		0.0%	Yuma		0.0%
			TOTAL	\$ -	0.0%

REPORTING OF NEW CONSTRUCTION COSTS

Why Reporting New Construction Costs is Important

New construction plays an important role in both the 5.5 percent property tax limit and the TABOR local growth calculation. New construction also plays a key role in determining the target percentage used in the residential assessment rate calculation.

Section 20 of article X of the Colorado Constitution (**TABOR**) places several limits on the budgets of local and state governments. Two of these limits, the local government fiscal year spending limit and the property tax revenue limit, require the calculation of "local growth." For non-school taxing entities, "local growth" is the percentage change in the actual value of real property resulting from taxable new construction and other additions minus taxable destroyed property and other deletions. Most local taxing entities, other than school districts and home rule municipalities, are also subject to a statutory limitation found in § 29-1-301, C.R.S. This restriction, called the **5.5 percent property tax revenue limitation**, is similar in concept to the TABOR property tax limit, but it is calculated using a different set of data. Unlike TABOR, new construction for the 5.5% limit includes both newly constructed real property and associated personal property. Another difference is that the 5.5% limit calculation does not deduct for the removal or destruction any real property.

Definitions of Real and Personal Property that Apply

The detail is in § 39-1-102, C.R.S.: (14) for real property; (7) for improvements; and (11) for personal property. In summary, all fencing and walled roofed structures, custom or prefabricated, constitute real property. Fixture systems, like HVAC, plumbing, and electrical are real property. Right-of-way wires, cables, and pipes, above and below ground, are personal property. Furniture, trade fixtures, and equipment, including telecommunication towers, are personal property.

New Construction Costs to be Reported in the Annual Statement of Property

Report the installed net book value of qualified newly constructed real property and associated personal property, placed in service as operating property during the preceding calendar year up to and including December 31. New personal property is reported only when it is associated with qualified new construction real property.

Qualified new real property includes:

- New construction real property capitalized and reported as operating property or contributions in aid of construction (CIAC). These items are fencing and walled roofed structures affixed to the land regardless of permanence and access to utilities.
- Additions to real property if the addition costs are capitalized and reported as operating property or CIAC. An addition could be additional square feet to an existing building, or the expansion of an area enclosed by fencing.

New construction does not include:

- The acquisition of vacant land or land with existing improvements.
- The expansion, upgrade, or addition, of only personal property not associated with newly constructed real property.

New Real Property in One County, and Associated Personal Property in Multiple Counties

Pipelines and electrical transmission systems often span several counties. The pipelines and electrical lines themselves are personal property, but the system might also include real property structures. When a newly constructed system spans several Colorado counties, and it includes a new structure(s) constructed in at least one of the counties, the associated new personal property is itself new construction and shall be apportioned to all counties wherein the personal property is located. The new real property is only reported in the county with situs. Outside of this condition, a new construction worksheet is not required if new personal property is known not to be associated with new real property.

If you have additional questions regarding how new construction is incorporated into TABOR or the 5.5 percent revenue limit calculation, please contact the Administrative Resources Section of the Division of Property Taxation at 303-866-2371.

