UNIVERSITY of LOUISIANA LAFAYETTE

Kathleen Babineaux Blanco Public Policy Center

Economic Impact of First Solar's Iberia Parish Manufacturing Facility

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Executive Summary

First Solar is a U.S. based manufacturer of photovoltaic modules with its headquarters and manufacturing base in Ohio. The company is in the process of expanding its manufacturing operations in the United States, with new facilities being constructed in Alabama and Louisiana. The Louisiana facility, located in New Iberia, broke ground in 2023 with a total estimated construction budget of $1.1 billion including equipment. Once completed and fully operational, the 2.4 million square foot facility will employ over 800 workers and will be capable of producing 3.5 GW of solar panels per year.

This report summarizes the results of an analysis of the economic impacts of First Solar's Louisiana facility. The analysis includes the construction of the facility, which began in 2023, and 25-years of the company's operations in New Iberia. The key findings of the analysis are as follows:

Iberia Parish Economic Impacts

- The First Solar facility's construction activities between 2023 and 2025 are estimated to create a total of 1,895 jobs and $141.2 million in labor income. This comprises wages, employee benefits, and proprietor income for Iberia Parish including indirect and induced effects. These activities will bring $280.7 million in value added economic activity and $578.7 million in total economic output within the Iberia Parish economy.
- The manufacturing facility is supported by the construction of a new water treatment facility and improvements to the highway providing access to the facility. These municipal projects are estimated to bring impacts to Iberia Parish of 320 new employees with a total labor income of $13.5 million and will create $23.7 million in value added and $48.9 million of economic output.
- Once fully operational, the facility will support 826 direct jobs, with a total labor income of $75 million per year. In addition, the indirect and induced impacts of First Solar's operations will support an estimated 324 additional jobs and $13.7 million in labor income annually for the Iberia Parish economy.
- Over the next 25 years, First Solar's operations are expected to support a total of $3.0 billion in labor income, $5.0 billion in value added, and $11.2 billion in total economic output. Discounted to present value, the 25-year project benefits at the parish level are $1.6 billion in labor income, $2.7 billion in value added, and $6.1 billion in total output.
- From construction through 2050, the project is expected to generate up to $271.5 million in public revenues for Iberia Parish, at a present value of $163.3 million. Construction activities and equipment purchases are expected to net $47.8 million in revenue, while operations over 25-years are estimated to yield $120.4 million ($65.9 million discounted). "Payment in lieu of tax," or "PILOT" lease agreements

with the Iberia Economic Development Authority (IEDA) and the Iberia Parish Airport Authority (IPAA) will net $15.3 million and $30.6 million for those entities, respectively. First Solar's lease agreement with IEDA will end in 2045, after which the company will owe annual property taxes of $8.2 million for its facility and equipment. Further property taxes on First Solar's inventory will generate an additional $645,000 per year, for a total of $16.1 million by 2050.

Louisiana Economic Impacts

- Statewide, construction of the First Solar facility will create a total of 2,807 jobs and $231.6 million in labor income, including indirect and induced effects. Construction activities will also generate $231.6 million in value added to Louisiana's economy activity and $794.3 million of total economic output.
- Construction of the water treatment facility and roadway improvements supporting the First Solar facility will generate additional statewide impacts of 371 jobs, $20.3 million in labor income, $34 million in value added, and $611.8 million in economic output.
- In addition to the 826 direct jobs at the New Iberia facility. First Solar's operations are estimated to support 1,145 additional indirect and induced jobs in Louisiana.
- Over the next 25 years, the First Solar facility in Iberia Parish will create statewide impacts totaling $4.5 billion in labor income, $7.0 billion in added value to the economy, and $24.4 billion in total economic output. Discounted to present value, the 25-year benefits to Louisiana are $2.5 billion in labor income, $3.8 billion in value added, and $13.3 billion in total output.
- Construction activities and purchases for the First Solar facility are expected to generate $37.2 million in state taxes. First Solar's operations are expected to support $10.1 million in annual state tax revenues. Over the 25-year time horizon, the facility is estimated to net $379.5 million in state taxes. In present value, those taxes represent a total of $224.1 million in new revenues for Louisiana.

About the Blanco Center

The Kathleen Babineaux Blanco Public Policy Center (Blanco Center) is an interdisciplinary research center at the University of Louisiana at Lafayette. The Blanco Center advances evidence-based policy through research, technical assistance, and stakeholder engagement with a focus on education, poverty and economic opportunity, criminal justice reform, health and healthcare, the coast and environment, and governmental ethics. Within that broad portfolio of work, the Blanco Center manages a dedicated research program on Economic and Environmental Resilience, which focuses on the nexus between economic and environmental issues and their complex relationships including the energy transition and how those changes impact individuals, communities, and the state of Louisiana as a whole.

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Tables

Introduction

This report summarizes the economic impact of First Solar's New Iberia manufacturing facility, with analysis of the impacts within the economies of Iberia Parish and Louisiana. Founded in 1999, First Solar is an Ohio-headquartered manufacturer of photovoltaic modules that is unique in the solar industry for locating its large-scale manufacturing within the United States. The company employs a vertically integrated manufacturing process, enabling the transformation of raw materials and components to finished modules in about 4.5 hours. First Solar manufactures photovoltaic modules using a thin film of Cadmium Telluride (CdTe) that is applied to glass panels in a vapor deposition process. This process differentiates First Solar within the solar industry, which primarily utilizes crystalline silicon (c-Si) semiconductor material as the basis for modules. Typical c-Si panel manufacturing can require three to four different factories to produce and assemble modules, often with the first steps of producing silicon ingots and wafers taking place overseas in countries like China. In contrast, First Solar's entire process takes place under one roof. These factors enable the company to offer greater transparency, traceability, and localization of its supply chain.

In response to increasing demand for domestically produced solar modules—fueled by growth in electricity demand and tax credits in the Inflation Reduction Act—First Solar has pursued a rapid expansion of its U.S. operations. The company recently added to its manufacturing base in Ohio and has two facilities under construction in Alabama and Louisiana. In 2023, First Solar broke ground on a facility in New Iberia, Louisiana. The New Iberia facility is expected to be completed this year and fully operational within 2026. Once operating at full capacity, the 2.4 million square foot facility is expected to support over 800 employees and will be able to produce 3.5 GW of solar panels per year (Business Wire, 2023). Using regional economic impact models, this report summarizes the broader economic significance of the construction and operation of this facility including indirect and induced economic effects. In addition, the state and local taxes generated by these new activities are considered.

Inputs

Construction Inputs

Table 1 below summarizes the major capital expenditures for the First Solar facility in New Iberia. The facility has an estimated total cost of $1.1 billion, which can be further divided into $502 million for construction activities and $598 million for manufacturing equipment. First Solar and Rudolph Libbe, which is managing construction of the facility, provided expenditure details on the materials, equipment, and services in the facility's $502 construction budget, as well as an estimate of construction employment. This information was used to categorize spending within the impact model. In addition to

categorizing expenditures, this study accounts for the percentages spent in-parish and statewide for each activity. These estimates of state and local spending provide a more accurate assessment of how project spending impacts the parish and state economies.

Table 1. First Solar capital expenditures and construction employment

Construction Category	Input
Construction Employment	1,467
Construction Services	$502M
Manufacturing Equipment	$598M
Total Facility Construction Cost	**$1.1B**

In addition to the direct expenses for construction, the First Solar facility is supported by the construction of a new water treatment facility and improvements to the highway that services the facility. The water treatment facility and roadway improvements are estimated to cost $20 million and $16 million, respectively. The water treatment facility was funded via a bond issued by the Iberia Economic Development Authority (IEDA), which will be repaid as part of First Solar's first 15 years of lease payments.[1]

Operations Inputs

Table 2 includes estimates for annual operations expenditures. When the First Solar facility is operating at full capacity, it will employ 826 people and is expected to have total operating expenditures of $423.5 million.[2] First Solar's employees will comprise a variety of positions including equipment operators, technicians, engineers, supervisors, administrative staff, and executives.

Table 2. First Solar operations employment and expenditures

Operations Category	Input
Employment	826
Operations Payroll	$75M
Non-Labor Opex	$348.45M
Total Annual Opex	**$423.5M**

[1] More details on First Solar's lease agreement can be found in the Iberia Parish Public Revenue Impacts section.

[2] For the purposes of this analysis, it is assumed that First Solar's Iberia Parish facility will be operating at full capacity by 2026.

Total payroll is estimated to be $75 million per year. Non-labor expenses will total $348.45 million annually. Much of this figure represents materials and components that will be sourced from out-of-state, at least initially, but notably, $81.25 million per year will be spent to procure steel railings from ICE Industries in Jeff Davis Parish. That facility is expected to create an additional 70 direct and 142 indirect jobs in order to serve First Solar (Louisiana Economic Development, 2024). While the First Solar facility will initially not source any materials or components from within Iberia Parish, the facility is still expected to have local operating expenses for services like maintenance and repairs, utilities, fuel, and other supplies, which are captured in this study. Estimates of these expenditures were not provided by First Solar, so regional data on industry spending patterns were used as inputs. First Solar's existing operations in Ohio demonstrate the value of a local supply chain, which can improve operational efficiency and reduce transportation costs. Over time, a greater share of local capture may be attained than what is reflected in this study.

Economic Impact Methodology

Economic impact assessments capture more than a company's direct spending and employment—they capture the broader set of economic activities generated by an initial infusion of new dollars into the economy. When new economic activity occurs, businesses purchase additional inputs, jobs are created, and workers have additional dollars for purchasing goods and services. Economic impact studies account for indirect spending by businesses and induced spending by workers who benefit from additional dollars. Typically, these studies focus on how new dollars that enter a regional economy—whether a parish, state, or another geographic area—circulate and generate further economic activity.

This study assesses First Solar's economic impacts at both the parish level in Iberia Parish and the state level in Louisiana. The assessment considers only the portion of direct expenditures expected to be contained within each region. For instance, while the specific site requirements may limit the availability of local construction services in Iberia Parish, a broader range of related activities will draw from the larger pool of businesses operating statewide.

The full impact of the indirect and induced effects within a regional economy are quantified using a regional economic impact model including economic multipliers. Economic impact models estimate the total amount of economic activity associated with an initial round of spending using jobs, earnings, value added, and output multipliers. This methodology is based on measuring inter-industry linkages across the economy and relies on the commonly used input-output method developed by Wassily Leontief, for which he was awarded the Nobel Prize in Economics (NobelPrize.org, n.d.).

While input-output models have advanced considerably since the development of Leontief's methodology, the same fundamental principles apply. Relying on the assumption of linear relationships (and technology), the methodology captures commodity flows from producers to intermediate consumers to final consumers. IMPLAN is a tool that measures economic impact and provides the historical industry relationships. This tool, like other widely used tools for economic impact analyses, allows users to focus on constructing a model that aligns project inputs with the appropriate industries and helps researchers best reflect the expected flow of dollars through the economy. A full overview of input-output analysis is provided by Miller and Blair (Miller & Blair, 2009).

Results

The results of the economic impact analysis presented below illustrate First Solar's economic impacts within Iberia Parish and Louisiana, including an estimate of tax revenues associated with that new economic activity. Impacts are determined for both the one-time construction-related expenditures for First Solar's new manufacturing facility in Iberia Parish and the facility's operational activities over a 25-year time horizon.

Iberia Parish

Iberia Parish Construction Impacts

Table 3 contains results from the economic impact model demonstrating the total economic impacts to the Iberia Parish economy from the construction of the First Solar facility. The construction project is expected to generate $578.7 million in economic activity, resulting in $280.7 million of added value to the Iberia Parish economy. In addition to supporting 1,467 workers directly, construction of the facility is expected to create an additional 428 jobs in Iberia Parish via indirect and induced effects. In total, the project will add 1,895 new jobs and $141.2 million in labor income for workers in Iberia Parish.

Table 3. Economic impacts of First Solar facility construction, Iberia Parish

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	1,467	$124.0	$240.4	$502.2
Indirect + Induced	428	$17.2	$40.3	$76.5
Total	**1,895**	**$141.2**	**$280.7**	**$578.7**

Note: These figures represent impacts over the full duration of the facility's construction (2023-2025).

The water treatment facility and roadway improvement projects completed by the Iberia Parish government to support the First solar project also realize economic benefits for the parish. Those impacts are outlined below in **Table 4**. These projects are estimated to create an additional 246 direct jobs in Iberia Parish and another 74 indirect and induced jobs, for a total of 320 employees with a total labor income of $13.5 million. The projects will result in an additional $23.7 million in value added and output of $48.9.

Table 4. Water treatment facility and roadway improvement impacts, Iberia Parish

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	246	$10.1	$16.1	$36.0
Indirect + Induced	74	$3.4	$7.6	$12.9
Total	**320**	**$13.5**	**$23.7**	**$48.9**

The combined impacts of the construction of the First Solar facility and the supporting municipal projects are displayed in **Table 5**, with total direct, indirect, and induced employment of 2,215; labor income of $154.7 million; value added of $304.4 million; and output of $627.6 million.

Table 5. Total construction impacts, Iberia Parish

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	1,713	$134.1	$256.5	$538.2
Indirect + Induced	503	$20.7	$47.9	$89.4
Total	**2,215**	**$154.7**	**$304.4**	**$627.6**

Iberia Parish Operational Impacts

The projected annual economic impacts of First Solar's operations in Iberia Parish are presented in **Table 6**. In its first year of full operation, First Solar will generate a local economic output of $273.3 million in Iberia Parish, including $119.5 million of value added to the Iberia Parish economy. When indirect and induced impacts are included, the total value added to the Iberia Parish economy will be just over $150 million. This figure represents a 4.4% increase in Iberia Parish's annual GDP, which was $3.5 billion in 2023.[3]

[3] Parish GDP of Iberia Parish was $3,459,362,000 in 2023—the most recent data year (U.S. Bureau of Economic Analysis, 2023; U.S. Bureau of Economic Analysis, 2023)

First Solar will employ 826 workers directly, with a total labor income of $75 million, which is an average of $90,800 per worker.[4] For reference, the median household income in Iberia Parish is $53,400.[5] The indirect and induced impacts of First Solar's operations will result in an additional 324 jobs created in Iberia Parish, for a total of 1,150 new jobs. Together, these newly created jobs are tied to a total of $88.4 million in new labor income in Iberia Parish.

Table 6. Year-one impacts of First Solar operations in Iberia Parish

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	826	$75.0	$119.5	$273.3
Indirect + Induced	324	$13.7	$31.8	$62.8
Total	**1,150**	**$88.4**	**$151.3**	**$336.2**

The impacts of First Solar's New Iberia facility over a 25-year time horizon are demonstrated in **Table 7**. During those 25 years of operation, the facility's 826 jobs—plus the additional indirect and induced employment—will lead to just over $3 billion in labor income for Iberia Parish ($1.6 billion, when discounted to present value). A total of $5 billion ($2.7 billion, discounted) in economic value will be added to the Iberia Parish economy, and the facility will generate a total of $11.1 billion ($6.1 billion, discounted) in total output.

Table 7. 25-year impacts of First Solar operations in Iberia Parish

Year	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
2026	$88.4	$151.3	$336.2
2027	$92.9	$154.7	$343.8
2028	$95.0	$158.2	$351.7
2029	$97.2	$161.9	$359.7
⋮	⋮	⋮	⋮
2050	$156.1	$259.9	$577.4
Total	**$3,000.7**	**$5,022.3**	**$11,160.6**
Total discounted	**$1,648.3**	**$2,744.3**	**$6,098.3**

[4] Labor income includes all wages and salaries, as well as supplements to wages (bonuses and benefits) and payroll tax.

[5] Median household income in Iberia Parish was $53,352 in 2023—the most recent data year. (U.S. Census Bureau, 2023). The census measure of median income includes wages, salaries, commissions, cash bonuses, etc. before deductions.

Iberia Parish Public Revenue Impacts

First Solar's construction and operations will bring revenues to Iberia Parish through a number of sources. First, the construction of the facility will generate sales taxes through purchases of building materials and equipment, including First Solar's manufacturing equipment. Additional sales taxes will be collected during the operation of the facility. The land the facility sits on is owned by the Iberia Parish Airport Authority (IPAA)—and as such, is not subject to property taxation—however IPAA will collect public revenues from First Solar in the form of lease payments. First Solar will be liable for property taxes based on the value of the company's inventory as well as for on value of the building and its equipment. The latter category of property (building and equipment) will be exempt from taxation through 2045 as part of First Solar's lease agreement with First Solar, which utilizes a "payment in lieu of taxes" (PILOT) structure. After the lease with IEDA has ended, First Solar will be responsible for 100% of the property tax liability. In summary, First Solar will create revenues for Iberia Parish through three primary means: sales taxes during both construction and operations; property taxes; and PILOT payments as part of leases with IPAA and IEDA. The collection of parish revenues is described in more detail in the sections below and is displayed in **Table 8**.

Sales Tax Revenues

Throughout the construction period, First Solar is expected to pay $16.8 million in sales taxes on construction materials and facility equipment. Sales of First Solar's manufacturing equipment will generate an estimated $24.5 million in tax revenue. In addition, economic activity during the construction of First Solar's facility is expected to result in another $5.6 million in local sales taxes in Iberia Parish. In total, Iberia Parish is expected to gain $47.8 million in sales tax revenues from the construction of First Solar's facility and the purchase of manufacturing equipment.

Once operational, the facility will generate revenue for Iberia Parish through sales taxes from economic activities and via property taxes based on the value of First Solar's facility, equipment, and inventory. First Solar's operations are expected to produce $3.6 million in sales taxes annually for Iberia Parish. Through 2050, the facility's operations should yield $120.5 million in sales taxes ($65.9 million when discounted).

PILOT Revenues

As stated above, First Solar will be party to two "payment in lieu of taxes," or "PILOT" agreements for the Iberia Parish facility. The first, will compensate the Iberia Parish Airport Authority (IPAA) the use of 232.7 acres of airport land via a lease agreement. In the first two years of the lease agreement (2023-2024), First Solar paid IPAA a discounted

rate of $150,000 per year. Beginning in 2025, the company will owe a rate of $4,356 per acre each month, totaling just over $1 million per year. The lease with IPAA has a 10-year term with options to renew up to 40 years. Lease payments are scheduled to increase by 5% every five years. From 2023 through 2050, First Solar is expected to pay a total of $30.6 million in lease payments to IPAA. Discounted to present value, IPAA's lease revenues will total $18 million.

The second PILOT agreement involves a lease with the Iberia Economic Development Authority (IEDA)—a state chartered, tax-exempt entity, who will take possession of First Solar's equipment and facility and lease it back to the company as an alternative to the tax liability First Solar would be subject to under private ownership. During the first 15 years of the PILOT, First Solar will pay an annual lease payment of $2.5 million.[6] Those payments will cover the cost of debt service for the bond issued by IEDA to fund the water treatment plant, as well as some additional administrative expenses. Any excess amount after the bond payments and other expenses are subtracted is revenue for IEDA, to be used for economic development activities. During the debt service period, the excess collections (or revenue beyond the amount required for debt service) will range from $384,000 to over $490,000. Once the debt service on the bond has been paid (after 2040), First Solar's annual lease payment will be equal to 20% of the property tax liability for the facility and its equipment—around $1.6 million per year. With the cost of debt service and other expenses removed, IEDA will collect a total of $15.3 million in revenue from the First Solar PILOT payments ($8.5 million discounted to present value).

Property Tax Revenues

After the lease with IEDA has ended (in 2046), First Solar is expected to exercise a contract to purchase the facility and equipment from IEDA, after which the company will be responsible for 100% of the property tax liability on the facility and equipment. Through 2050, those payments will be $8.2 million per year, netting a total of $41.2 million ($13.7 million, discounted) in property tax revenues for Iberia Parish. In addition to those property taxes, First Solar will also pay an annual inventory tax based on the average value of the company's inventory. This amount is estimated to generate $645,693 per year and a total of $16.1 million ($9.3 million, discounted) over 25 years of operations.

[6] With exception to the first year of the lease, in which First Solar will pay $1.4 million. This payment is illustrated in **Table 8**.

Table 8. 25-year Iberia Parish property tax and lease revenues

Year	IPAA lease revenues	IEDA lease surplus revenues*	General property tax**	Property tax on inventory	Total
Pre-2026	$1,763,528	$0	$0	$0	$1,763,528
2026	$1,013,528	$384,778	$0	$644,963	$2,043,268
2027	$1,013,528	$479,428	$0	$644,963	$2,137,919
2028	$1,064,204	$477,968	$0	$644,963	$2,187,135
2029	$1,064,204	$478,772	$0	$644,963	$2,187,939
2030	$1,064,204	$479,864	$0	$644,963	$2,189,031
2031	$1,064,204	$483,611	$0	$644,963	$2,192,778
2032	$1,064,204	$478,532	$0	$644,963	$2,187,699
2033	$1,117,415	$484,910	$0	$644,963	$2,247,287
2034	$1,117,415	$487,583	$0	$644,963	$2,249,961
2035	$1,117,415	$488,513	$0	$644,963	$2,250,891
2036	$1,117,415	$487,000	$0	$644,963	$2,249,377
2037	$1,117,415	$490,989	$0	$644,963	$2,253,366
2038	$1,173,285	$492,775	$0	$644,963	$2,311,023
2039	$1,173,285	$493,543	$0	$644,963	$2,311,791
2040	$1,173,285	$493,532	$0	$644,963	$2,311,780
2041	$1,173,285	$1,690,588	$0	$644,963	$3,508,836
2042	$1,173,285	$1,642,604	$0	$644,963	$3,460,852
2043	$1,231,950	$1,604,217	$0	$644,963	$3,481,129
2044	$1,231,950	$1,594,620	$0	$644,963	$3,471,533
2045	$1,231,950	$1,594,620	$0	$644,963	$3,471,533
2046	$1,231,950	$0	$8,246,086	$644,963	$10,122,998
2047	$1,231,950	$0	$8,246,086	$644,963	$10,122,998
2048	$1,293,547	$0	$8,246,086	$644,963	$10,184,596
2049	$1,293,547	$0	$8,246,086	$644,963	$10,184,596
2050	$1,293,547	$0	$8,246,086	$644,963	$10,184,596
Total	**$30,605,496**	**$15,308,449**	**$41,230,431**	**$16,124,063**	**$103,268,438**

* IEDA lease revenues are after bond debt service and other expenses.

** General property taxes are for building & equipment only. Land is owned by the airport and is exempt from taxation.

Table 8 outlines the revenue streams described in the sections above. IPAA's lease revenues prior to 2026 include two years of discounted payments at $150,000 and one year of monthly rental payments based on the land acreage. IPAA's lease revenues increase by 5% every five years (in 2028, 2033, 2038, 2043, and 2048). IEDA's lease revenues from 2026-2040 represent the remaining value of First Solar's lease payments after removing the cost of debt service for the water treatment bond and other expenses. From 2041-2045, First Solar will make lease payments to IEDA for 20% of the facility's tax liability. After 2045, First Solar will take ownership of the facility and be liable for the full tax amount on its facility and equipment. Inventory tax revenues remain constant at $644,963 in each year after operations begin. The total amount of estimated public revenues from the construction of First Solar's facility and 25 years of operations are summarized in **Table 9**. Altogether, Iberia Parish is expected to collect $271.5 million in revenues resulting from the First Solar project. Discounted to present value, this amount is equal to $163.3 million.

Table 9. Iberia Parish public revenues from construction and operations through 2050

Category of Local Revenue	Local Tax Revenue (in millions)	Discounted Revenue (in millions)
Construction & equipment sales tax (2023-2025)	$47.8	$47.8*
Operations sales tax (2026-2050)	$120.4	$65.9
Inventory property tax (2026-2050)	$16.1	$9.3
General property tax (2046-2050)	$41.2	$13.7
IEDA lease payments (2026-2050)	$15.3	$8.5
IPAA lease payments (2023-2050)	$30.6	$18.0
Total	**$271.5**	**$163.3**

* Construction tax collections are past/present expenses and thus are not discounted.

Louisiana

Louisiana Construction Impacts

At the statewide level, construction of the First Solar manufacturing facility has a somewhat larger economic impact, which is to be expected as more materials, equipment, and other construction services can be sourced from Louisiana companies outside of Iberia Parish. The statewide construction impacts can be seen in **Table 10** below. First Solar's construction activities are estimated to create a total of 2,807 jobs through direct, indirect, and induced activities. The project will generate $231.6 million in labor income and will add $424.1 million in value to the Louisiana economy. The facility's construction will yield $794.3 million in total economic output.

Table 10. Economic impacts of First Solar facility construction, Louisiana

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	1,467	$150.5	$269.9	$502.2
Indirect + Induced	1,340	$81.2	$154.2	$292.2
Total	**2,807**	**$231.6**	**$424.1**	**$794.3**

Note: These figures represent impacts over the full duration of the facility's construction (2023-2025).

Impacts from the construction of the water treatment facility and roadway improvements by Iberia Parish are included below in **Table 11**. In addition to the 246 direct jobs, the projects are expected support another 125 employees in Louisiana. Total labor income from all direct, indirect, and induced activities is $20.3 million. The projects will add $34.0 million in value to the state economy with a total output of $61.8 million.

Table 11. Water treatment facility and roadway improvement impacts, Louisiana

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	246	$13.1	$19.6	$36.0
Indirect + Induced	125	$7.2	$14.3	$25.8
Total	**371**	**$20.3**	**$34.0**	**$61.8**

Altogether, construction of the First Solar facility and the supporting municipal projects will result in 1,713 new jobs in the state of Louisiana. As seen in **Table 12**, the resulting increase in labor income is $252 million, with a total added economic value of $458.1 million. Total output across all of the construction projects is estimated to be $856.1 million.

Table 12. Total construction impacts, Louisiana

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	1,713	$163.5	$289.6	$538.2
Indirect + Induced	1,465	$88.4	$168.6	$317.9
Total	**3,178**	**$252.0**	**$458.1**	**$856.1**

Louisiana Operational Impacts

The projected annual economic impacts of First Solar's operations in Louisiana are presented in **Table 13.** In its first year of full operation, the facility will generate a

statewide economic output of $734.2 million, including $211.1 million of value added to the Louisiana economy. First Solar will employ 826 workers directly, and the indirect and induced impacts of their operations will result in an additional 1,145 jobs created in Louisiana, for a total of 1,789 new jobs. Those new jobs are tied to a total of $132.2 million in new labor income in Louisiana.

Table 13. Year-one impacts of First Solar operations in Louisiana

Impact	Employment	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
Direct	826	$75.0	$96.3	$452.8
Indirect + Induced	1,145	$57.2	$114.8	$281.5
Total	**1,789**	**$132.2**	**$211.1**	**$734.2**

The impacts of First Solar's New Iberia facility over a 25-year time horizon are demonstrated in
Table 14. During those 25 years of operation, the facility's 826 jobs—plus the additional indirect and induced employment—will lead to $4.5 billion in labor income for Louisiana ($2.5 billion, when discounted to present value). A total of $7.0 billion ($3.8 billion, discounted) in economic value will be added to the Louisiana economy, and the facility will generate a total of $24.4 billion ($13.3 billion, discounted) in total output.

Table 14. 25-year impacts of First Solar operations in Louisiana

Year	Labor Income (in millions)	Value Added (in millions)	Output (in millions)
2026	$132.2	$211.1	$734.2
2027	$138.3	$215.9	$751.0
2028	$141.5	$220.9	$768.1
2029	$144.7	$225.9	$785.6
⋮	⋮	⋮	⋮
2050	$232.4	$362.7	$1,261.3
Total	**$4,487.8**	**$7,009.3**	**$24,377.0**
Total discounted	**$2,451.0**	**$3,830.0**	**$13,319.9**

Louisiana Tax Impacts

The state of Louisiana does not collect taxes on the sale of manufacturing machinery and equipment. However, sales of materials and building equipment as part of the

construction of the First Solar facility are subject to taxation. Over the course of the construction period, the state is estimated to receive $19.5 million in sales tax revenue. Other spending and indirect and induced activities are expected to result in $17.7 million of additional state tax revenues during the construction phase. In total, construction of the facility will create an estimated $37.2 million

In its first year of operations, the facility is expected to net tax revenues of $10.1 million for the state. Over 25 years, the operation of First Solar's facility are likely to net $342.3 in state tax revenues, equal to $186.9 million in present value.

Total state tax revenues from construction and operations over the 25-year time horizon are expected to total $379.5 million. When discounted, the 25-year state tax revenues have a present value of $224.1 million.

Table 15. 25-year state tax revenues from construction and operations

Project Phase	State Tax Revenue (in millions)	Discounted Revenue (in millions)
Construction (2023-2025)	$37.2	$37.2*
Operations (2026-2050)	$342.3	$186.9
Total	**$379.5**	**$224.1**

* Construction tax collections are past/present expenses and thus are not discounted.

Conclusion

First Solar's new solar module manufacturing facility represents a $1.1 billion capital investment in the nearby community; what Iberia Parish President, M. Larry Richard, has called, "the largest investment in Iberia Parish history" (Fischer, 2025). The construction of the facility alone will have created over 1,400 jobs during the construction phase and added $424 million of value to the Louisiana economy, $281 million of which will stay in Iberia Parish. The construction of a new water treatment facility and roadway improvements servicing the First Solar facility are estimated to generate an output of $48.9 million—including $23.7 million of added value, $13.5 million of labor income, and 246 jobs—for the Iberia Parish economy.

In addition to the initial capital investment, First Solar's operational activities will deliver an ongoing economic impact to the region. The 2.4 million square foot facility will employ over 800 people in Iberia Parish. Those employees will spend their salaries on food, housing, and other services that will bring additional economic activity to the area. At a higher level, First Solar's investment has already prompted another manufacturer, ICE Industries, to expand their production in Louisiana as a supplier, which add to the economic benefits for the state economy.

The results of this study demonstrate the direct, indirect, and induced economic impacts of First Solar's operations over 25 years. Those impacts can be quantified as an economic output of $24.3 billion, including $7 billion in added value and $4.5 billion in labor income for 1,789 newly created jobs. In Iberia parish, 25 years of First Solar operations are expected to generate $11.1 billion in economic output, $5 billion in added value, and $3 billion in labor income. In addition to the 826 workers expected to be employed at First Solar, the operating activities are estimated to create another 324 new jobs.

Furthermore, the construction of First Solar's facility—including the purchase of manufacturing equipment—is expected to yield $47.8 million in local sales taxes for Iberia Parish and $37.2 million in state tax revenues. Over 25 years, the operation of the facility is expected to yield to $120.4 million in sales tax collections. An additional $103.3 million in local revenues are estimated to flow to Iberia Parish government entities. Those revenues include PILOT payments to the Iberia Parish Airport Authority, PILOT payments to the Iberia Economic Development Authority, and property taxes based on the value of First Solar's inventory, facility, and equipment. In total, Iberia Parish is expected to net $271.5 million in public revenues from the construction First Solar facility and the first 25 years of operations, while the state is expected to collect a total of $379.5 million.

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