



# Chapter 313 Annual Eligibility Report Form

## SECTION 1: Applicant and District Information

- Tax year covered by this report: 2015  
**NOTE:** This report must be completed and submitted to the school district by May 15 of every year using information from the previous tax (calendar) year.
- Application number: 101  
**NOTE:** You can find your application number and all agreement documents and reports on the website [www.texasahead.org/tax\\_programs/chapter313/applicants](http://www.texasahead.org/tax_programs/chapter313/applicants)
- Name of school district: Robert Lee ISD
- Name of project on original application (or short description of facility): Capricorn Ridge Wind II, LLC
- Name of applicant on original application: Capricorn Ridge Wind II, LLC
- Name the company entering into original agreement with district: Capricorn Ridge Wind II, LLC
- Amount of limitation at time of application approval: 10,000,000 (total)
- If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships.  
(Use attachments if necessary.)

N/A

## SECTION 2: Current Agreement Information

- Name of current agreement holder(s) Capricorn Ridge Wind, LLC
- Complete mailing address of current agreement holder 700 Universe Blvd., PSX/JB, Juno Beach, FL 33408
- Company contact person for agreement holder:  

<u>Madeline Manelski</u>	<u>Tax Project Manager</u>
Name	Title
<u>561-691-7379</u>	<u>madeline.manelski@nee.com</u>
Phone	Email
- Texas franchise tax ID number of current agreement holder: 13645968556
- If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:  

<u>NextEra Energy Power Marketing, Inc.</u>	<u>32002608134</u>
Name	Tax ID
- If the authorized company representative (same as signatory for this form) is different from the contact person listed above, complete the following:  

<u>N/A</u>	<u>N/A</u>
Name	Title
<u>N/A</u>	<u>N/A</u>
Complete Mailing Address	
<u>N/A</u>	<u>N/A</u>
Phone	Email
- If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. (Use attachments if necessary.)

Capricorn Ridge II assigned to Capricorn Ridge Wind

**SECTION 3: Applicant Eligibility Information**

1. Does the business entity have the right to transact business with respect to Tax Code, Chapter 171? (Attach printout from Comptroller Web site: <http://www.window.state.tx.us/taxinfo/coasintr.html>) .....  Yes  No
  2. Is the business entity current on all taxes due to the State of Texas? .....  Yes  No
  3. Is the business activity of the project an eligible business activity under Section 313.024(b)? .....  Yes  No
- 3a. Please identify business activity: Renewable energy electric generation

**SECTION 4: Qualified Property Information**

1. Market value for reporting year: ..... \$ 5,042,600.00
2. I&S taxable value for reporting year: ..... \$ 5,042,600.00
3. M&O taxable value for reporting year: ..... \$ 5,000,000.00

**SECTION 5A: Wage and Employment Information for Applications Prior to Jan. 1, 2014 (#1 Through 999)**

ONLY COMPLETE THE WAGE SECTION (5A or 5B) THAT APPLIES TO YOUR APPLICATION. You can find your application number on the website at [www.texasahead.org/tax\\_programs/chapter313/applicants](http://www.texasahead.org/tax_programs/chapter313/applicants).

**NOTE:** All statutory references in Section 5A are for statute as it existed prior to Jan. 1, 2014. For job definitions see TAC §9.1051(14) and Tax Code, §313.021(3). If the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), then please provide the definition "new job" as used in the agreement. Notwithstanding any waiver by the district of the requirement for the creation of a minimum number of new jobs, or any other job commitment in the agreement, Tax Code §313.024(d) requires that 80 percent of all new jobs be qualifying jobs.

1. How many new jobs were based on the qualified property in the year covered by this report? (See note above) ..... 5
2. What is the number of new jobs required for a project in this school district according to §313.021(2)(A)(iv)(b), §313.051(b), as appropriate? ..... 3
3. Did the applicant request that the governing body waive the minimum job requirement, as provided under Tax Code §313.025(f-1)? .....  Yes  No
  - 3a. If yes, how many new jobs must the approved applicant create under the waiver? ..... 5
4. Calculate 80 percent of new jobs (0.80 x number of new jobs based on the qualified property in the year covered by this report.) ..... 4
5. What is the minimum required annual wage for each qualifying job in the year covered by the report? ..... \$ 41,854.00
6. Identify which of the four Tax Code sections is used to determine the wage standard required by the agreement:
   
 §313.021(5)(A) or  §313.021(5)(B) or  §313.021(3)(E)(ii) or  §313.051(b)
  - 6a. Attach calculations and cite exact Texas Workforce Commission data source as defined in TAC §9.1051.
7. Does the agreement require the applicant to provide a specified number of jobs at a specified wage? .....  Yes  No
  - 7a. If yes, how many qualifying jobs did the approved applicant commit to create in the year covered by the report? ..... N/A
  - 7b. If yes, what annual wage did the approved applicant commit to pay in the year covered by the report? ..... \$ 0.00
  - 7c. If yes, how many qualifying jobs were created at the specified wage in the year covered by the report? ..... N/A
8. How many qualifying jobs (employees of this entity and employees of a contractor with this entity) were based on the qualified property in the year covered by the report? ..... 4
  - 8a. Of the qualifying job-holders last year, how many were employees of the approved applicant? ..... 4
  - 8b. Of the qualifying job-holders last year, how many were employees of an entity contracting with the approved applicant? ..... 0
  - 8c. If any qualifying job-holders were employees of an entity contracting with the applicant, does the approved applicant or assignee have documentation from the contractor supporting the conclusion that those jobs are qualifying jobs? .....  Yes  No  N/A

**SECTION 5B: Wage and Employment Information for Applications After Jan. 1, 2014 (#1000 and Above)**

ONLY COMPLETE THE WAGE SECTION (5A or 5B) THAT APPLIES TO YOUR APPLICATION. You can find your application number on the website at [www.texasahead.org/tax\\_programs/chapter313/applicants](http://www.texasahead.org/tax_programs/chapter313/applicants).

NOTE: For job definitions see TAC §9.1051(14) and Tax Code, §313.021(3).

**QUALIFYING JOBS**

1. What is the number of new qualifying jobs the applicant committed to create in the year covered by this report? .....           N/A
2. Did the applicant request that the governing body waive the minimum qualifying job requirement, as provided under Tax Code §313.025(f-1)? .....  Yes  No  
 2a. If yes, how many new qualifying jobs must the approved applicant create under the waiver? .....           N/A
3. Which Tax Code section are you using to determine the wage standard required for this project? ....  §313.021(5)(A) or  §313.021(5)(B)  
 3a. Attach calculations and cite exact Texas Workforce Commission data sources as defined in TAC §9.1051.
4. What is the minimum required annual wage for each qualifying job in the year covered by this report? ..... \$           N/A
5. What is the annual wage the applicant committed to pay for each of the qualifying jobs in the year covered by this report? ..... \$           N/A
6. Do the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? .....  Yes  No

**NON-QUALIFYING JOBS**

7. What is the number of non-qualifying jobs the applicant had on Dec. 31 of the year covered by this report? .....           N/A
8. What was the average wage you were paying for non-qualifying jobs on Dec. 31 of the year covered by this report? .. \$           N/A
9. What is the county average weekly wage for non-qualifying jobs, as defined in TAC §9.1051? ..... \$           N/A

**MISCELLANEOUS**

10. Did the applicant rely on a determination by the Texas Workforce Commission under the provisions §313.024(3)(F) in meeting the minimum qualifying job requirements? .....  Yes  No  
 10a. If yes, attach supporting documentation to evidence that the requirements of §313.021(3)(F) were met.
11. Are you part of a Single Unified Project (SUP) and relying on the provisions in Tax Code §313.024(d-2) to meet the qualifying job requirements? .....  Yes  No  
 11a. If yes, attach supporting documentation from the Texas Economic Development and Tourism Office including a list of the other school district(s) and the qualifying jobs located in each.

**SECTION 6: Qualified Investment During Qualified Time Period**

ENTITIES ARE NOT REQUIRED TO COMPLETE THIS SECTION IF THE YEAR COVERED BY THE REPORT IS AFTER THE QUALIFYING TIME PERIOD OF THEIR AGREEMENT.

1. What is the qualified investment expended by this entity from the beginning of the qualifying time period through the end of the year covered by this report? ..... \$           N/A
2. Was any of the land classified as qualified investment? .....  Yes  No
3. Was any of the qualified investment leased under a capitalized lease? .....  Yes  No
4. Was any of the qualified investment leased under an operating lease? .....  Yes  No
5. Was any property not owned by the applicant part of the qualified investment? .....  Yes  No

**SECTION 7: Partial Interest**

THE FOLLOWING QUESTIONS MUST BE ANSWERED BY ENTITIES HAVING A PARTIAL INTEREST IN AN AGREEMENT. For limitation agreements where there are multiple company entities that receive a part of the limitation provided by the agreement: 1) each business entity not having a full interest in the agreement should complete a separate form for their proportionate share of required employment and investment information; and, 2) separately, the school district is required to complete an Annual Eligibility Report that provides for each question in this form a sum of the individual answers from reports submitted by each entity so that there is a cumulative Annual Eligibility Report reflecting the entire agreement.

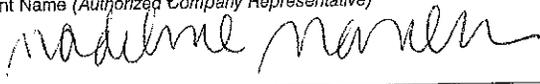
1. What was your limitation amount (or portion of original limitation amount) during the year covered by this report? . . . . N/A
2. Please describe your interest in the agreement and identify all the documents creating that interest.

N/A

**SECTION 8: Approval**

*"I am the authorized representative for the Company submitting this Annual Eligibility Report. I understand that this Report is a government record as defined in Chapter 37 of the Texas Penal Code. The information I am providing on this Report is true and correct to the best of my knowledge and belief."*

**print here** ▶ Madeline Manelski  
Print Name (Authorized Company Representative)

**sign here** ▶   
Signature (Authorized Company Representative)

**print here** ▶ same as above  
Print Name of Preparer (Person Who Completed the Form)

Tax Project Manager  
Title

05-13-2016  
Date

561-691-7379  
Phone



## Franchise Tax Account Status

As of: 03/14/2016 03:22:19 PM

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<b>CAPRICORN RIDGE WIND, LLC</b>	
Texas Taxpayer Number	13645968556
Mailing Address	700 UNIVERSE BLVD C/O PSX/JB JUNO BEACH, FL 33408-2657
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	10/24/2006
Texas SOS File Number	0800725033
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST., STE. 900 DALLAS, TX 75201



## Franchise Tax Account Status

As of: 05/26/2016 01:31:59 PM

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<b>NEXTERA ENERGY POWER MARKETING, LLC</b>	
Texas Taxpayer Number	32002608134
Mailing Address	700 UNIVERSE BLVD C/O PSX/JB JUNO BEACH, FL 33408-2657
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	01/28/2009
Texas SOS File Number	0801079569
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST., STE. 900 DALLAS, TX 75201

FINDINGS OF THE ROBERT LEE ISD BOARD OF TRUSTEES  
UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT

Capricorn Ridge's total employment and payroll estimates with standard industry output ratios. The economic assumptions underlying the analysis are summarized in the tables below.

**Table 2: Capricorn Ridge Coke County Total Investment**

Year	Employment	Payroll	Average Salary per Job	Robert Lee ISD Investment Value	Starling City ISD Investment Value
2008	0	\$0	\$0	\$82,000,000	\$27,333,333
2009	3	\$83,226	\$27,742	\$81,000,000	\$27,000,000
2010	3	\$85,385	\$28,462	\$79,000,000	\$26,333,333
2011	3	\$87,600	\$29,200	\$76,000,000	\$25,333,333
2012	3	\$89,872	\$29,957	\$73,000,000	\$24,333,333
2013	3	\$92,204	\$30,735	\$70,000,000	\$23,333,333
2014	3	\$94,595	\$31,532	\$67,000,000	\$22,333,333
2015	3	\$97,049	\$32,350	\$64,000,000	\$21,333,333
2016	3	\$99,567	\$33,189	\$61,000,000	\$20,333,333
2017	3	\$102,150	\$34,050	\$58,000,000	\$19,333,333
<b>Average</b>	<b>3</b>	<b>\$93,553</b>	<b>\$31,134</b>	<b>\$63,300,000</b>	<b>\$21,766,667</b>

Source: TXP, Capricorn Ridge Wind II, LLO

\* TXP has applied an inflation factor to the payroll data based on growth in the county's average annual wage over the past ten years.

**Board Finding Number 4.**

The level of the applicant's average investment per qualifying job over the term of the Agreement is estimated to be approximately \$21.7 million on the basis of the goal of three new qualifying positions for the Capricorn Ridge Wind projects.

The benefits of Capricorn Ridge to Coke County economy consist of the day-to-day operation of the wind energy project, normal operating expenditures, purchases from local vendors, and spending of people employed by these businesses. The economic benefits of this economic activity materialize primarily in the form of increased Coke County employment and income.

As stated above, TXP has calculated the total economic impact of business activity of Capricorn Ridge based on annual investment and employment levels. Specifically, this analysis measures the anticipated economic impacts of Capricorn Ridge's wind energy project using the IMPLAN input-output economic system, RIMS II, and the Job and Economic Development Impact model (JEDI). TXP has customized the models by

**FINDINGS OF THE ROBERT LEE ISD BOARD OF TRUSTEES  
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**Table 1: Coke County Employment Trends (NAICS)**

Description	Employment 2002:Q1	Employment 2008:Q1	Employment 2007:Q1	Change 2008:Q1 2002:Q1	Change 2007:Q1 2002:Q1
Natural Resources & Mining	121	25	30	5	20.0%
Construction	0	12	20	0	68.7%
Manufacturing	5	0	0	0	0.0%
Trade, Transport & Utilities	121	81	70	-11	-13.6%
Information	6	4	5	0	25.0%
Financial Activities	50	33	33	0	0.0%
Professional & Bus. Services	0	0	0	0	0.0%
Education & Health Services	34	30	28	-2	-6.7%
Leisure & Hospitality	23	34	33	-1	-2.9%
Other Services	11	12	13	1	8.3%
Nonclassifiable	198	147	164	17	11.6%
Federal Government	17	16	15	-1	-6.3%
State Government	20	28	35	8	28.6%
Local Government	404	367	363	-4	-1.1%
<b>Total Employment</b>	<b>1,008</b>	<b>789</b>	<b>810</b>	<b>-21</b>	<b>-2.7%</b>

Source: Texas Workforce Commission

**Board Finding Number 3.**

The average salary level of qualifying jobs is expected to be at least \$27,742 per year. The review of the application by the State Comptroller's Office indicated that this amount—based on Texas Workforce Commission data—complies with the requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. Capricorn Ridge Wind II, LLC indicates that total employment will be approximately three (3) new jobs.

In support of Finding 3, the economic impact evaluation states:

The following table highlights the total employment for the wind farm project and allocates capital investment in Robert Lee ISD. Based on approved Texas Economic Development Act wind farm applications and industry standards, the typical wind farm employs one person per 15 wind turbines. Capricorn Ridge's project is consistent with this ratio.

For this analysis, TXP has focused on calculating the economic impact of Capricorn Ridge energy investment in Coke County. In part, the process entails combining