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December 12, 2014

John Villarreal
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

Re: App 1040-Canyon ISD –Happy Whiteface Wind, LLC
Amendment No. 001 to Application

Dear John,

Enclosed please find supplemental and revised pages provided by the Applicant for the Chapter 313 Application submitted by Happy Whiteface Wind, LLC to Canyon ISD (the "Application"). Specifically, the Applicant has provided:

- Revised wage data on page 8 of the Application;
- Revised wage data for Tab 13; and,
- Resolution/Order Designating Randall County Reinvestment Zone with color map for Tab 16c.

A CD containing these documents is also enclosed. This Amendment, dated December 12, 2014 and numbered 001, is the first amendment to the Application. Please let me know if you require any additional information.

Sincerely,

A handwritten signature in black ink that reads "Audie Sciumbato". The signature is written in a cursive, flowing style.

Audie Sciumbato, PhD

Enclosures
19KJNAJJ0D4ACP

cc: Melissa Miller, Miller Wind + Renewables LLC

Application for Appraised Value Limitation on Qualified Property

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2014
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

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

4. What is the number of new qualifying jobs you are committing to create? 5

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

- a. Average weekly wage for all jobs (all industries) in the county is 767.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is 1,166.00
- c. 110% of the average weekly wage for manufacturing jobs in the region is 727.27

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 37,818.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 37,818.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No

12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No

13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

- 1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
- 2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (*not required*)
- 3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Attachment 13

a. Average weekly wage for all jobs (all industries) in the county

Year	Quarter	Area	Ownership	Industry	Avg Weekly Wage
2014	1st	Randall	Private	All	\$823
2014	2nd	Randall	Private	All	\$727
2013	3rd	Randall	Private	All	\$701
2013	4th	Randall	Private	All	\$817
Mean Average					\$767.00

Source Data: Texas Workforce Commission:

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	3rd Qtr	Randall County	Private	00	0	10	Total, All Industries	\$701
2013	4th Qtr	Randall County	Private	00	0	10	Total, All Industries	\$817

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	1st Qtr	Randall County	Private	00	0	10	Total, All Industries	\$823
2014	2nd Qtr	Randall County	Private	00	0	10	Total, All Industries	\$727

b. 110% of the average weekly wage for manufacturing jobs in the county

Year	Quarter	Area	Ownership	Industry	Avg Weekly Wage
2014	1st	Randall	Private	Manufacturing	\$1175
2014	2nd	Randall	Private	Manufacturing	\$972
2013	3rd	Randall	Private	Manufacturing	\$1000
2013	4th	Randall	Private	Manufacturing	\$1093

Mean Average \$1060.00
110%

**110% County Average Weekly Wage
for Manufacturing Jobs \$1166.00**

Source Data: Texas Workforce Commission:

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	3rd Qtr	Randall County	Private	31	2	31-33	Manufacturing	\$1,000
2013	4th Qtr	Randall County	Private	31	2	31-33	Manufacturing	\$1,093

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	1st Qtr	Randall County	Private	31	2	31-33	Manufacturing	\$1,175
2014	2nd Qtr	Randall County	Private	31	2	31-33	Manufacturing	\$972

RESOLUTION NO. 2014-63

ORDER DESIGNATING REINVESTMENT ZONE

Motion by Commissioner Robinson; seconded by Commissioner Benton, that the following action be taken by the Randall County Commissioners Court:

- 1. That the County designate the following property as the "Randall County Reinvestment Zone" (Zone) under the Randall County Tax Abatement Guidelines and Criteria:

Sections 281, 282, 283, 284, 279, 278, 277, 242, 243, 244, 239, 238, 237, 201, 202, 203, 204, 199, 198, N/2 and SE/4 of 162, 159, 122, 123, and 124, all in Block M6, SK&K Survey, all in Randall County.

- 2. That the Court designates this reinvestment zone having determined that the designation will contribute to the retention or expansion of primary employment and will attract major investment in the Zone that will benefit the Zone and will contribute to the economic development of the County; and
- 3. That the County declare eligible for property tax abatement all eligible property now or thereafter located in the Zone as authorized by the Randall County Tax Abatement Guidelines and Criteria and Chapter 312 of the Texas Tax Code.

Passed and approved at this meeting of the Randall County Commissioners' Court, at which a quorum was present, on the 25th day of November, 2014.

Ernie Houdashell
Ernie Houdashell, County Judge

Attest:

Renee Calhoun
Renee Calhoun, County Clerk



APPLICATION FOR CREATION OF REINVESTMENT ZONE AND FOR ECONOMIC DEVELOPMENT INCENTIVES

Randall County, Texas

Applicant: Chermac Energy Corporation (on behalf of Happy Whiteface Wind, LLC)

Applicant's Address: P.O. Box 5466, Edmond, Oklahoma 73083

General Description of New Improvements for which Abatement will be Requested: Wind Energy Projects constructed all or in part on property within the Reinvestment Zone.

The first project ("Project One", known as the Happy Whiteface Wind Project) will consist of sixty-eight (68) two and three-tenths (2.3) MW Wind Turbine Generators, underground collection and overhead transmission lines (approximately seven (7) miles of overhead transmission line), roads, substations, laydown areas, an operations and maintenance building, meteorological towers, and related facilities, located in Randall County.

The second project ("Project Two", known as the Happy Hereford Wind Project) will consist of approximately twenty (20) 2.3 MW Wind Turbine Generators, underground collection, roads, laydown areas, and related facilities located in Randall County, Texas.

Property Description – Reinvestment Zone: Sections 122, 123, 124, and 159; the N/2 and SE/4 of Section 162; and Sections 198, 199, 201, 202, 203, 204, 237, 238, 239, 242, 243, 244, 277, 278, 279, 281, 282, 283, and 284, Block M-6, SK & K Survey, Randall County, Texas.

Property Description of Project One: Project Tracts: Sections 122, 123, 124, and 159; the N/2 and SE/4 of Section 162; Sections 198, 199, 201, 202, 203, 204, 237, 238, and 239; and the E/2 of Sections 242, 243, and 244; all in Block M-6, SK & K Survey, Randall County, Texas; Transmission Line Tracts (175-180 feet in width crossing the following sections): Sections 279, 282, and W/2 of Section 242, and/or, if required, Sections 281, Block M6, SK & K Survey, Randall County, Texas.

Property Description of Project Two: Project Tracts: Sections 281, 282, 283, 284, 277, 278, 279, and the W/2 of Sections 242, 243, and 244, Block M-6, SK & K Survey, Randall County, Texas.

PROJECT ONE:

Map of Improvements: See map enclosed herewith, showing proposed location of wind turbine generators and transmission line location within Randall County. Collection lines and roads will be added. The attached map is confidential and proprietary, and remains subject to change.

Time Schedule: To be commenced February 2015 and completed December 2015.

Total Estimated Taxable Value: \$190,000,000 to \$210,000,000

Retention or Expansion of Primary Employment: 120 - 135 construction jobs for one year, 10 permanent jobs plus 10-20 contract labor jobs per year for production life.

Productive Life of Proposed Improvements: Turbines: 25 years; Transmission Line: 50 years; O&M Building: 50 years; Collection Lines: 50 years; Substation: 50 years.

Estimated Total Annual Payroll: Construction period - \$6,000,000; Operation period \$450,000.

Estimate of Yearly Amount of Lease Payments, Etc., to County Landowners: Approximately \$840,000 Year 1 of operation escalating approximately 2.5% per year (inflation) for life of the Project.

Costs to be Incurred by County, if any, to Provide Facilities, Services or Roads: Less than \$50,000. Some road improvements may be necessary on unpaved county roads.

Estimate of Completed Construction Costs of Proposed Facility: Total project costs, including financing costs, is estimated to be \$258,400,000.

Estimate of annual operating budget of proposed facility: \$3.4 Million/yr escalating at estimated 2.5%/yr for inflation.

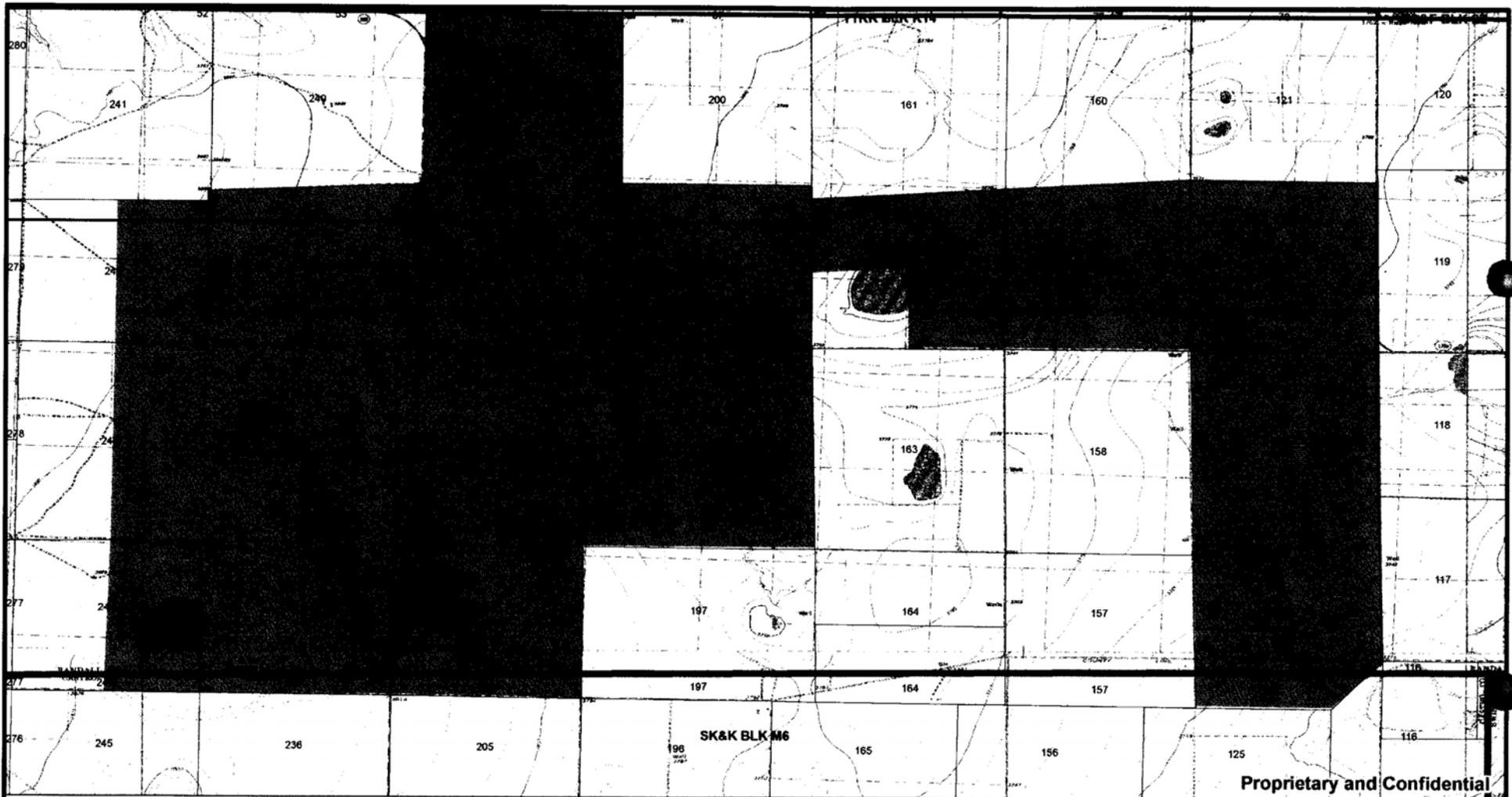
PROJECT TWO: To be provided by separate application.

Respectfully Submitted,

Wagstaff LLP

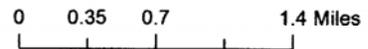
By: 
Charles E. Black

Attorneys for Chermac Energy Corporation



Proprietary and Confidential

- Proposed Substation—Proposed Transmission Line
- ▲ Turbine
- Easements



Turbine Type: 2.3MW
 Turbine Count: 68
 Nameplate Capacity: 156.4MW



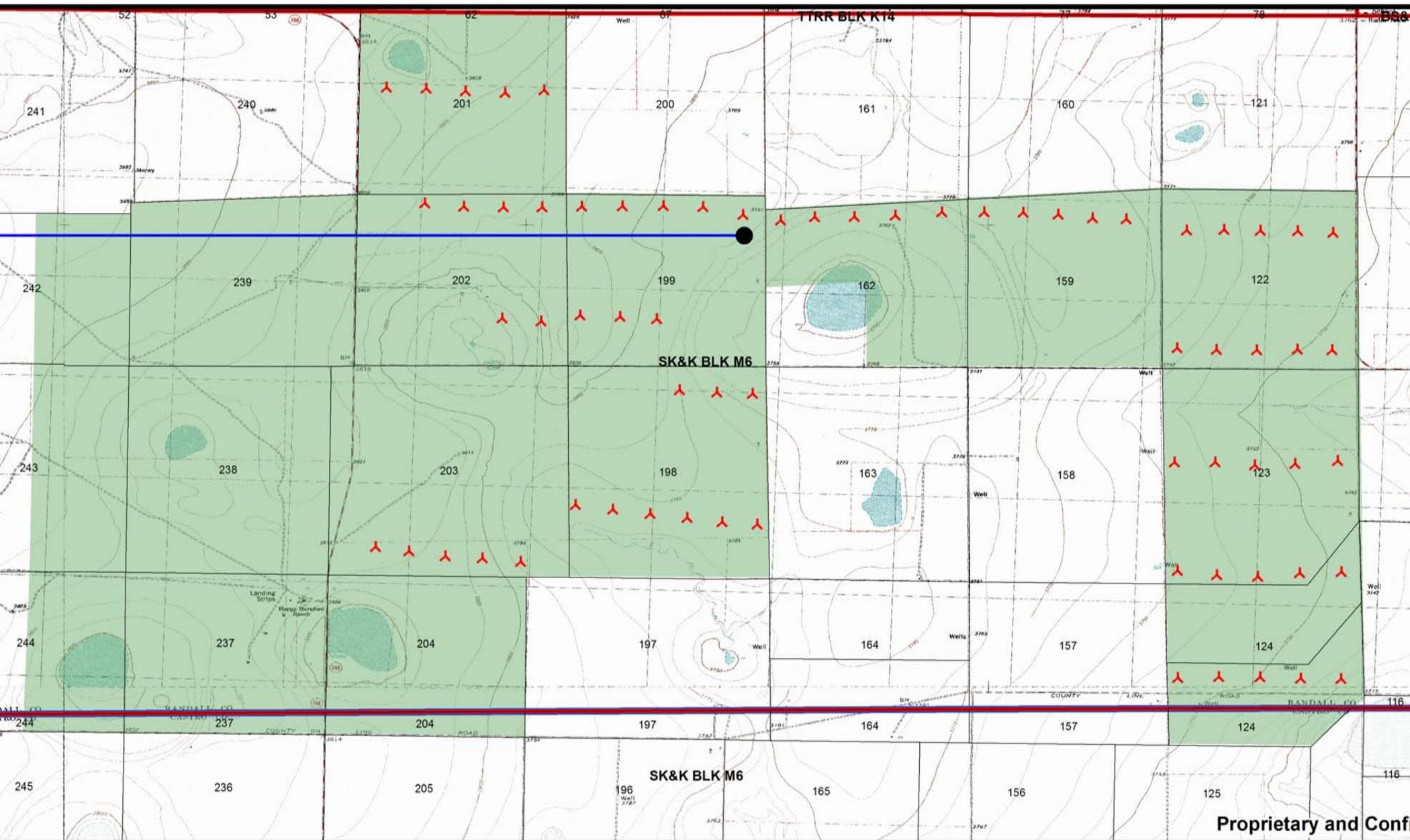
Chermac Energy Corporation

Happy Whiteface East - Castro, Randall Co. Tx
 Layout Plat

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Checked By	0/18/2014	Professional
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EXHIBIT 5



Proposed Substation — Proposed Transmission Line

Turbine

Easements



Turbine Type: 2.3MW
 Turbine Count: 68
 Nameplate Capacity: 156 MW

Chermac Energy Corporation

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 Layout Plat



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Brendan Hope	9/18/2014
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