

AMENDMENT NO. 1
TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES
BETWEEN REAGAN COUNTY INDEPENDENT SCHOOL DISTRICT
AND SANTA RITA WIND ENERGY LLC
(Comptroller Application No. 1103)

This **AMENDMENT NO. 1 TO THE AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES** (this “**Amendment No. 1**”) is entered into by and between **REAGAN COUNTY INDEPENDENT SCHOOL DISTRICT** (the “**District**”), a lawfully created independent school district of the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **SANTA RITA WIND ENERGY LLC**, a Texas limited liability company, Texas Taxpayer Identification Number 32057805403 (“**Applicant**”). The Applicant and the District may hereafter be referred together as the “**Parties**” and individually as a “**Party**.” Undefined capitalized terms herein shall have the meaning given to them in the Agreement (as defined below).

WHEREAS, on or about May 9, 2016, pursuant to Chapter 313 of the TEXAS TAX CODE, after conducting a public hearing on the matter, the District made factual findings (the “**Findings of Fact**”), and passed, approved, and executed that certain Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes dated May 9, 2016, by and between the District and the Applicant (the “**Agreement**”).

WHEREAS, due to a delay in the Applicant’s construction of the Project, the Applicant has requested that the start date of the Tax Limitation Period be postponed until January 1, 2018, and pursuant to Section 10.2 of the Agreement, the Parties desire and have agreed to postpone the start date of the Tax Limitation Period until January 1, 2018, and to amend Sections 2.3.D and 2.3.E and EXHIBIT 5 of the Agreement to reflect this change;

WHEREAS, the Parties notified the Comptroller of the Amended Application and the request for this Amendment No. 1 on November 18, 2016, and the Comptroller issued its notice of completeness letter on December 9, 2016, issued its amended certification of the Amended Application on December 12, 2016, and approved the form of this Amendment No. 1 on December 12, 2016; and

WHEREAS, on December 12, 2016, after conducting a public hearing and providing interested persons an opportunity to be heard on the matter, the Board of Trustees determined that this Amendment No. 1 is in the best interest of the District and the State of Texas and is consistent with and authorized by Chapter 313 of the TEXAS TAX CODE, and has hereby approved this Amendment No. 1 and authorized the District’s representative, whose signature appears below, to execute and deliver such Amendment No. 1 to the Applicant.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual benefits to be derived by the Parties and other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, and in compliance with Section 10.2 of the Agreement, the undersigned Parties intending to be legally bound, do hereby covenant and agree to amend the Agreement as follows:

1. **Amendments.** The Agreement is hereby amended as follows:
 - a. **Section 2.3.D.** Section 2.3.D of the Agreement is deleted in its entirety and replaced with the following:
 - D. The Tax Limitation Period for this Agreement:
 - i. Starts on January 1, 2019, first complete Tax Year that begins after the date of the commencement of Commercial Operation; and,
 - ii. Ends on December 31, 2028.
 - b. **Section 2.3.E.** Section 2.3.E of the Agreement is amended to reflect that the Final Termination Date for this Agreement is December 31, 2033.
 - c. **EXHIBIT 5.** Exhibit 5 of the Agreement shall be deleted and replaced with the Agreement Schedule attached hereto.

2. **Effect.** Except as modified and amended by the terms of this Amendment No. 1, all of the terms, conditions, provisions and covenants of the Agreement are ratified and shall remain in full force and effect, and the Agreement and this Amendment No. 1 shall be deemed to constitute a single instrument or document. Should there be any inconsistency between the terms of this Amendment No. 1 and the Agreement; the terms of this Amendment No. 1 shall prevail. A copy of this Amendment No. 1 shall be delivered to the Reagan County Appraisal District and to the Texas Comptroller to be posted to the Texas Comptroller's internet website. A copy of this Amendment shall be recorded with the official Minutes of the meeting at which it has been approved, and a copy of this Amendment shall also be recorded with the Findings of Fact in the official Minutes of the meeting of May 9, 2016.

3. **Binding on Successors and Assigns.** The Agreement, as amended by this Amendment No. 1, shall be binding upon and inure to the benefit of the Parties and each other person and entity having any interest therein during their ownership thereof, and their respective successors and assigns.

4. **Counterparts.** This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS HEREOF, the District and Applicant have caused this Amendment No. 1 to be executed and delivered by their duly authorized representatives as of the Effective Date.

[signatures follow in next page]

APPROVED AND EFFECTIVE as of the 12th day of December, 2016.

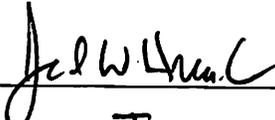
REAGAN COUNTY INDEPENDENT SCHOOL
DISTRICT

SANTA RITA WIND ENERGY LLC

BY: 
NAME: Mark D. Nolan
TITLE: President

BY: _____
NAME: _____
TITLE: _____

DISTRICT ATTEST:

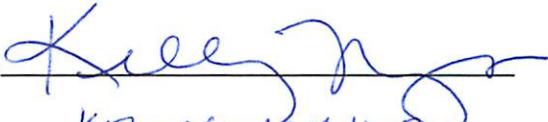
BY: 
NAME: JED W. HRUSKA
TITLE: Secretary of Board

APPROVED AND EFFECTIVE as of the 12th day of December, 2016.

REAGAN COUNTY INDEPENDENT SCHOOL
DISTRICT

SANTA RITA WIND ENERGY LLC

BY: _____
NAME: _____
TITLE: _____

BY: 
NAME: KELLY MEYER
TITLE: Vice President

DISTRICT ATTEST:

BY: _____
NAME: _____
TITLE: _____

EXHIBIT 5

AGREEMENT SCHEDULE

| | <u>Year of Agreement</u> | <u>Date of Appraisal</u> | <u>School Year</u> | <u>Tax Year</u> | <u>Summary Description</u> |
|--------------------------------------|---------------------------------|---------------------------------|---------------------------|------------------------|--|
| Limitation Pre-Years | 1 | January 1, 2016 | 2016-17 | 2016 | Limitation Pre-Year, QTP begins |
| | 2 | January 1, 2017 | 2017-18 | 2017 | Limitation Pre-Year |
| | 3 | January 1, 2018 | 2018-19 | 2018 | Limitation Pre-Year |
| Limitation Period (10 Years) | 4 | January 1, 2019 | 2019-20 | 2019 | \$25 million appraisal limitation |
| | 5 | January 1, 2020 | 2020-21 | 2020 | \$25 million appraisal limitation |
| | 6 | January 1, 2021 | 2021-22 | 2021 | \$25 million appraisal limitation |
| | 7 | January 1, 2022 | 2022-23 | 2022 | \$25 million appraisal limitation |
| | 8 | January 1, 2023 | 2023-24 | 2023 | \$25 million appraisal limitation |
| | 9 | January 1, 2024 | 2024-25 | 2024 | \$25 million appraisal limitation |
| | 10 | January 1, 2025 | 2025-26 | 2025 | \$25 million appraisal limitation |
| | 11 | January 1, 2026 | 2026-27 | 2026 | \$25 million appraisal limitation |
| | 12 | January 1, 2027 | 2027-28 | 2027 | \$25 million appraisal limitation |
| Maintain a Viable Presence (5 Years) | 13 | January 1, 2028 | 2028-29 | 2028 | \$25 million appraisal limitation |
| | 14 | January 1, 2029 | 2029-30 | 2029 | No appraisal limitation; must maintain a viable presence |
| | 15 | January 1, 2030 | 2030-31 | 2030 | No appraisal limitation; must maintain a viable presence |
| | 16 | January 1, 2031 | 2031-32 | 2031 | No appraisal limitation; must maintain a viable presence |
| | 17 | January 1, 2032 | 2032-33 | 2032 | No appraisal limitation; must maintain a viable presence |
| | 18 | January 1, 2033 | 2033-34 | 2033 | No appraisal limitation; must maintain a viable presence |

Agreement for Limitation on Appraised Value
 Between Reagan County ISD and Santa Rita Wind Energy LLC
 (App No. 1103), December 12, 2016
 Exhibit 5

*Texas Economic Development Act Agreement
 Comptroller Form 50-826 (January 2016)*