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March 16, 2016

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

Via Email and Federal Express

Re: App 1107-Panhandle ISD –Grandview Wind Farm III, LLC
Amendment No. 002

Dear Desiree:

Attached please find amended pages for the Chapter 313 Application submitted by Grandview Wind Farm III, LLC to Panhandle ISD (the "Application"), which includes pages 1 and 2 of the Application, a revised Tab 5, a revised Schedule C, and a signature page for this Amendment No. 002. Please also find enclosed the revised Schedules in Excel format, along with a CD containing these documents. This Amendment, dated March 15, 2016 and numbered 002, is the second 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 fluid and cursive, with a large initial "A" and a long, sweeping tail.

Audie Sciumbato, PhD

Encl.
JGQB4ZAH0D5W3S
cc: Dennis Stout, E.ON Climate & Renewables



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller’s website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller’s rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller’s website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

October 20, 2015

Date Application Received by District

Blair

First Name

Superintendent

Title

Panhandle Independent School District

School District Name

101 Elsie Avenue

Street Address

Mailing Address

Panhandle

City

(806) 537-3568

Phone Number

(806) 537-3568

Mobile Number (optional)

Brown

Last Name

TX

State

806-537-5553

Fax Number

blair.brown@region16.net

Email Address

79068

ZIP

2. Does the district authorize the consultant to provide and obtain information related to this application? Yes No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

James	Wester
First Name	Last Name
Attorney	
Title	
Underwood Law	
Firm Name	
806-379-0354	(806) 379-0316
Phone Number	Fax Number
806-570-1120	james.wester@uwlaw.com
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? October 22, 2015
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Paul	Bowman	
First Name	Last Name	
Senior Vice President	EC&R Development, LLC	
Title	Organization	
701 Brazos Street, Suite 1400		
Street Address		
Mailing Address		
Austin	TX	78701
City	State	ZIP
512-477-7024	512-494-9581	
Phone Number	Fax Number	
	paul.bowman@eon.com	
Mobile Number (optional)	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No

2a. If yes, please fill out contact information for that person.

Dennis	Stout	
First Name	Last Name	
Development Manager	EC&R Development, LLC	
Title	Organization	
701 Brazos Street, Suite 1400		
Street Address		
Mailing Address		
Austin	TX	78701
City	State	ZIP
512-482-4080	512-494-9581	
Phone Number	Fax Number	
512-413-1804	dennis.stout@eon.com	
Mobile Number (optional)	Business Email Address	

3. Does the applicant authorize the consultant to provide and obtain information related to this application? Yes No

Tab 5

Documentation to assist in determining if limitation is a determining factor.

Chapter 313.026(e) states “the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2).” If you answered “yes” to any of the questions in Section 8, attach supporting information in Tab 5.

2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?

Grandview Wind Farm III, LLC, a Delaware limited liability company (“**Applicant**”), was formed in 2013.

In support of its creation, the participating members and officers of the Applicant executed documents necessary to form the entity including an Operating Agreement.

Applicant and its parents, subsidiaries, and affiliates have entered into the following representative agreements and contracts for the development of a project phase within the Panhandle ISD, including the following:

- Grants of leases and easements covering approximately 29,607 acres with 84 landowners.
- Contracts for preliminary land work including work required to pre-qualify the Project for the Federal Production Tax Credit.
- The Tax Code Chapter 312 Tax Abatement Agreement and the other Applications for Chapter 313 Appraised Value Limitation described in Section 6 below.

All of these agreements are intended to be assigned to and held by the Applicant.

3. Does the applicant have current business activities at the location where the proposed project will occur?

The business activities at the Project location and initial investments are preliminary in nature and part of the pre-construction development of the Project by Applicant, and the determination by Applicant whether the Project location and the development and operation of the Project are financially feasible. Applicant has determined that a Chapter 313 Appraised Value Limitation with Panhandle ISD is an essential economic driver to allow for the return on investment necessary to finance and construct the Project.

6. Has the applicant received commitments for state or local incentives for activities at the proposed project site?

The Project has received a Tax Code Chapter 312 Tax Abatement Agreement from Carson County, Texas for a period of 10 years.

In addition to this Chapter 313 Application for Appraised Value Limitation with Panhandle ISD (Comptroller Application #1108), Applicant has also applied for two additional Chapter 313 Applications for Appraised Value Limitation with White Deer ISD (Comptroller Application #1109) and Panhandle ISD (Comptroller Application #1107).

7. Is the applicant evaluating other locations not in Texas for the proposed project?

Applicant is a Delaware limited liability company formed to develop, build, own and operate the Grandview III Project. Applicant is a wholly-owned subsidiary of E.ON Climate & Renewables North America, LLC, a Delaware limited liability company (“E.ON”). E.ON is one of the world’s largest developers and owners of renewable power projects and is rapidly expanding its wind and solar energy portfolio. E.ON develops, owns, and operates some of the most efficient, highest performing renewable energy projects in the United States. Already active in onshore wind, and photovoltaic renewable generation, E.ON currently operates over 2,700 MW of renewable capacity and has a current onshore wind development pipeline of over 5,000 MW of independent power assets located throughout the United States, of which, currently 3,062 MW have the opportunity to be developed in Texas. E.ON has already invested \$12.3 billion in renewable energy projects and will continue to expand the share of renewable energy in E.ON’s power generation portfolio. E.ON currently owns and/or operates renewable capacity in Texas, New York, Pennsylvania, Illinois, Indiana, Arizona, and California, and has undeveloped assets throughout the United States. Already a leader in the American wind industry, E.ON is also actively building utility scale solar generation projects.

E.ON is actively assessing and developing other projects that are competing for limited investment funds. The Grandview III Project is one of 12 mid to late-stage projects owned by E.ON (including 9 in Texas, 1 in Oklahoma, 1 in Illinois, and 1 in Pennsylvania) that have been pre-qualified for the Federal Production Tax Credit that E.ON is considering in its investment decisions. This PTC is critical to the successful development of a wind project as is the Chapter 313 Appraised Value Limitation. In fact, E.ON elected to not build a Texas project, which had been selected for a long term power purchase agreement, because of the inability to obtain a Chapter 313 Appraised Value Limitation for the project. The Chapter 313 Appraised Value Limitation is critical to the ability of the Grandview III Project to obtain long-term financing and to maintain the economic competitiveness of the Project with other projects currently being developed in Texas by others.

The development resources and capital necessary to advance the Grandview III Project could be redeployed to other renewable energy development projects in other power markets in the United States. E.ON selected the Grandview III Project in Texas for its favorable wind

resource, access to the ERCOT market, and favorable property tax incentives under the Tax Code Chapter 312 Tax Abatement and Chapter 313 Appraised Value Limitation. E.ON desires to develop and build the proposed Grandview III Project described in this Application, but since this Project is still in the mid to late-stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar wind projects.

10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?

The information provided in this Attachment and throughout the Application has been assembled to provide the reviewer with the best possible data on which to make an assessment and determination of the critical nature of the Chapter 313 Appraised Value Limitation to the feasibility of the Grandview III Project.

Schedule C: Employment Information

Applicant Name Grandview Wind Farm III, LLC
ISD Name Panhandle ISD

Form 50-296A

Revised Feb 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016	61 FTE	\$ 48,203.00	N/A	4	\$ 50,000.00
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2017-2018	2017			N/A	4	\$ 50,000.00
	2	2018-2019	2018			N/A	4	\$ 50,000.00
	3	2019-2020	2019			N/A	4	\$ 50,000.00
	4	2020-2021	2020			N/A	4	\$ 50,000.00
	5	2021-2022	2021			N/A	4	\$ 50,000.00
	6	2022-2023	2022			N/A	4	\$ 50,000.00
	7	2023-2024	2023			N/A	4	\$ 50,000.00
	8	2024-2025	2024			N/A	4	\$ 50,000.00
	9	2025-2026	2025			N/A	4	\$ 50,000.00
	10	2026-2027	2026			N/A	4	\$ 50,000.00
Years Following Value Limitation Period	11 through 26	2027-2042	2027-2042			N/A	4	\$ 50,000.00

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
 Only include jobs on the project site in this school district.

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25) Yes No
 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
 If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No



Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here Blair Brown
Print Name (Authorized School District Representative)

Superintendent
Title

sign here [Signature]
Signature (Authorized School District Representative)

3/17/2016
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

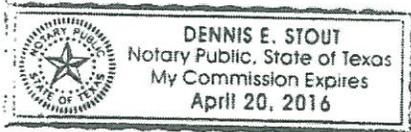
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here JOHN FRANKLINO
Print Name (Authorized Company Representative (Applicant))

Senior Vice President
Title

sign here [Signature]
Signature (Authorized Company Representative (Applicant))

March 14, 2016
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

14 day of MARCH 2016

Dennis E. Stout
Notary Public in and for the State of Texas

My Commission expires: 4-20-2016

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.