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TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

October 20, 2016

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Glasscock Independent School District from Bearkat Wind Energy I, LLC.

(First Qualifying Year 2018)

To the Local Government Assistance & Economic Analysis Division:

Please find attached Amendment #1 to Application No. 1148, submitted in response to the deficiency letter issued to Bearkat Wind Energy I, LLC.

Amendment #1 specifically addresses the deficiencies itemized in Attachment A to the letter.

- 1) Section 4 on Page 3 has been updated with the correct tax identification number
- 2) Page 7, questions 4 through 10 have been updated to match the most recent wage information provided in Tab 13
- 3) Applicant's response to Tab 5 has been updated to include the specific states where other projects are competing for financial resources
- 4) The map provided confidentially in response to Tab 10 identified the location of the 5 temporary meteorological towers listed in the non-confidential response to Tab 10. The temporary meteorological towers have not received appraisal account numbers from the Glasscock Central Appraisal District. However, the company has provided a copy of the 2016 personal property rendition information submitted to the Glasscock Central Appraisal District. The final page of the rendition identifies the location of the towers.

In accordance with 34 Tex. Admin Code §9.1054, a copy of the response will be submitted to the Glasscock County Appraisal District.

A hard copy and an electronic copy of the application will be hand delivered to your office today. Please feel free to contact me with questions.

Letter to Local Government Assistance & Economic Analysis Division

October 20, 2016

Page 2 of 2

Sincerely,

A handwritten signature in black ink, appearing to read "K. O'Hanlon", with a stylized flourish extending from the end.

Kevin O'Hanlon
School District Consultant

Cc: Glasscock County Appraisal District

Bearkat Wind Energy I, LLC.

Application for Appraised Value Limitation on Qualified Property

SECTION 2: Applicant Information (continued)**4. Authorized Company Consultant (If Applicable)**

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☐ No ☒ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Bearkat Wind Energy I, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32060820621
3. List the NAICS code 221115
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 4a. If yes, please list application number, name of school district and year of agreement

N/A

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Corporation
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☐ Yes ☒ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ Yes ☐ No ☒ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

N/A

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 2016
 (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 901.75
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 901.75
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,109.00
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? 57,668.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 57,700.00
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**.

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 limitation on appraised value to the feasibility of Bearkat Wind Energy, LLC.

Applicant continually evaluates locations outside of Texas for its project development activities. The project capital that is planned to be deployed for Applicant's project (dependent upon approval of the Appraised Value Limitation) has been considered for use in projects located in numerous states, which include Missouri, Kansas, and Nebraska.



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

Tom Weeaks
Print Name (Authorized School District Representative)

Superintendent
Title

sign
here

Tom Weeaks
Signature (Authorized School District Representative)

10/20/2016
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

CARL D. HOELSCHER
Print Name (Authorized Company Representative (Applicant))

President
Title

sign
here

Carl D Hoelscher
Signature (Authorized Company Representative (Applicant))

10-20-2016
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

20 day of October, 2016

Kristy Nicole Fuchs
Notary Public in and for the State of Texas

My Commission expires: August 23, 2020

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.