



Santa Rita East Wind Energy LLC
Chapter 313 Application to Irion County ISD

CHECKLIST ITEM #5

Documentation to assist in determining if limitation is a determining factor

Section 8, #2: Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?

Santa Rita East has begun typical due course, early stage due diligence to explore feasibility of constructing a wind facility at this site. As such, certain contracts have been executed, including agreements to site and install meteorological monitoring equipment, lease and easement agreements with landowners, contracts with environmental contractors to explore environmental impacts of the proposed project, and an Interconnection Agreement with the transmission provider. None of these contracts obligate Santa Rita East to construct the project.

Section 8, #7: Is the applicant evaluating other locations not in Texas for the proposed project?

Invenergy maintains a large portfolio of wind developments across the country, including in the nearby states of New Mexico, Oklahoma, and Kansas, all with similar wind resources and competitive regulatory environments. While the project entity, Santa Rita East Wind Energy LLC, is specific to this location in Texas, the economic return for the project is constantly compared to returns from other locations within and outside of Texas. Invenergy has limited capital, human, and turbine resources, and must pick the best projects to advance as a company each year. The economic return is a primary input for this decision.

Without the available tax incentives, the economics of the project become far less attractive and the likelihood of completing the project and selling the electricity at competitive prices becomes unlikely. If Santa Rita East was not able to obtain a value limitation agreement, the project would most likely be terminated and resources would be allocated to projects with more favorable economics.

Names and states of similar projects in consideration include:

A portion of this response related to competing wind sites has been redacted in accordance with the request of the applicant for confidentiality pursuant to Section 552.104 of the Texas Gov't Code

TO APPLICATION FOR CHAPTER 313 APPRAISED VALUE
LIMITATION BY SANTA RITA EAST WIND ENERGY LLC TO IRION COUNTY ISD

Invenergy
Santa Rita East Wind Energy LLC
One South Wacker Drive, Suite 1800
Chicago, IL 60606

Mr. Barnett, Superintendent
Irion County Independent School District
302 N. 3rd Street
Mertzon, Texas 76941

Re: Santa Rita East Wind Employment Estimate

Dear Mr. Barnett,

Please consider this letter to be Santa Rita East Wind LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

The governing body of a school district may waive the new jobs creation requirement in Section 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property that is described in this application. Wind energy projects create a large number of full-time jobs during the construction phase, but these jobs are temporary by nature. Once the project is in operation, a small crew of full-time employees will maintain and operate the facility. Based upon our experience in the wind industry, and an industry standard of one technician needed for every 15-20 turbines, we expect that five (5) employees would be needed to operate the 100 turbines sited in Irion County ISD. All would be qualifying jobs as described in Section 313.021(3) of the Texas Tax Code.

The applicant requests that the Irion County ISD's Board of Trustees make such a finding and waive the job creation requirement. This waiver request is in line with industry standards for the job requirements for a wind energy facility of this size, as evidenced by limitation agreement applications that have been filed by other wind energy developers, and by documentation related to the development and operation of wind generation facilities.

Sincerely,



Bryan Schueler,
Senior Vice President, Development

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 → Billy Barnett Title Superintendent
Print Name (Authorized School District Representative)

sign here → [Signature] Date 9/12/16
Signature (Authorized School District Representative)

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 → Bryan Schueter Title Vice President
Print Name (Authorized Company Representative (Applicant))

sign here → [Signature] Date 9/9/16
Signature (Authorized Company Representative (Applicant))



(Notary Seal)

GIVEN under my hand and seal of office this, the

9th day of September, 2016

Ruth M. Nadolny
 Notary Public in and for the State of ~~Texas~~ Illinois

My Commission expires: 3.8.2017

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.