

March 6, 2017

Dr. Paul Clore, Superintendent
Gregory-Portland Independent School District
608 College Street
Portland, TX 78374

Re: Chapter 313 Application – Corpus Christi Liquefaction, LLC, et al Train 5

Dear Dr. Clore,

Enclosed is the Application for Appraised Value Limitation for Corpus Christi Liquefaction, LLC, Corpus Christi Liquefaction Stage III, LLC, and Cheniere Land Holdings, LLC (“the Applicants”).

All of the property submitted in this application is specifically excluded from the Applicants’ application for Train 4 which is being submitted simultaneously with this application. All of the property in this application will be in a reinvestment zone created by San Patricio County or Gregory-Portland ISD for the Applicants at a later date.

This application replaces withdrawn application number 1077. Changes to this application from application number 1077 are listed below. As the below list of changes shows, issues such as interconnections and determining factor were considered in detail to the Comptroller's satisfaction in application 1077, the facts related to these issues have not changed, and the investment values upon which the economic impact analysis in application 1077 was based have not changed.

1. Form Page 2, Section 2, Question 1 – the Authorized Company Representative has been changed.
2. Form Page 3, Section 3, Question 1 – the payment of an application fee has been changed from “Yes” to “No”. Gregory-Portland ISD has waived the application fee. Please see Tab 2 of the application.
3. Form Page 3, Section 4, Question 1 – Additional companies have been added as Applicants. Please see Tab 5 for an explanation of the addition.
4. Form Page 3, Section 4, Question 2 – Texas taxpayer I.D. numbers for the additional applicants have been added.
5. Form Page 4, Section 8, Question 5 – The answer to this question has changed from “No” to “Yes” since the TCEQ air permit has been received.
6. Form Page 5, Section 9, Question 1 – The anticipated approval date by the school board has been updated.
7. Form Page 5, Section 10, Question 4 – The tax rates for San Patricio County and San Patricio County Drainage District have been updated to 2016 rates.
8. Form Page 6, Section 12, Question 3b – The anticipated date of creation of the new reinvestment zone has been updated.

9. Form Page 7, Section 14, Question 2 – The last complete quarter before the application review start date has been updated.
10. Form Page 7, Section 14, Question 7 – Wage rates have been updated.
11. Form Page 8, Section 16, Question 2 – The name of the Authorized Company Representative has been changed.
12. Tab 2 – has been changed to explain that the application fee has been waived and to attach a letter from Gregory-Portland ISD showing the waiver.
13. Tab 4 – Changes to the project description have been made as follows:
 - a. First paragraph – Additional companies have been added as Applicants and the new acreage of the proposed reinvestment zone has been updated.
 - b. Second paragraph – Reference is made to the project description being identical to that in withdrawn application 1077.
 - c. Fourth paragraph – A statement is added that Applicants have not made the final technology and equipment selection as of the date of this application.
 - d. Information has been added at the end of Tab 4 discussing feedstock sources, proposed output capacity, and interconnections with adjacent facilities.
14. Tab 5 – Changes to Documentation to assist in determining if limitation is a determining factor have been made as follows:
 - a. First paragraph – Reference is made to the construction of Trains 1 and 2 (the “Covered Project”) near Corpus Christi. In application number 1077, this construction had not started.
 - b. Second paragraph – Reference to the status of DOE permits is updated to state that DOE has approved the export of LNG to free trade countries but not to non-free trade countries and to state that construction could not start without DOE approval to export to non-free trade countries. Reference is made that the TCEQ air permit has been received. Reference is also made to attachments from Cheniere’s website and press releases.
 - c. Third paragraph – Reference is made to withdrawn application number 1077, which received a certificate package from the Comptroller, and the fact that Applicant continues to consider a value limitation agreement to be a determining factor.
 - d. Fifth paragraph – Language has been added to state that the interconnections described in this application are identical to those described in application number 1077 which received a certificate package from the Comptroller after detailed discussions and meetings between the Applicant and the Comptroller.
 - e. Seventh paragraph – Language has been added to explain the reasons why application number 1077 was withdrawn and replaced by this application.
15. Tab 6 tax rates have been revised to show 2016 tax rates.
16. Tab 7 language has been changed to conform to changes in Tab 4 discussed above.
17. Tab 8 language has been changed to conform to changes in Tab 4 discussed above.
18. Tab 9 has been changed as follows:

- a. Tract 3 has been added to the legal description
 - b. The land value and San Patricio County Appraisal District account numbers have been updated.
19. Tab 11 map with improvement layout has been changed to show the revised boundary line of the reinvestment zone and project boundary due to the additional land described as Tract 3 in Tab 9.
 20. Tab 13 has been changed to include the latest wage data available.
 21. Tab 14 – The only change to the schedules is updated land value information in Schedule B. The timing and amount of investment in proposed improvements remains unchanged from application number 1077.
 22. Tab 16 has been updated to include the land description of Tract 3 which is identical to the land description in Tab 9.

If you have questions, would you please contact me?

Sincerely,



D. Dale Cummings

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Daniel T.	Casey
First Name	Last Name
Partner	
Title	
Moak, Casey & Associates, LLP	
Firm Name	
512-485-7878	512-485-7888
Phone Number	Fax Number
	dcasey@moakcasey.com
	Email Address

4. On what date did the district determine this application complete? March 7, 2017
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)

Keith	Little	
First Name	Last Name	
Vice President, Business Development	Cheniere Energy, Inc.	
Title	Organization	
700 Milam Street, Suite 1900		
Street Address		
700 Milam Street, Suite 1900		
Mailing Address		
Houston	TX	77002
City	State	ZIP
713-375-5000	713-375-6000	
Phone Number	Fax Number	
	keith.little@cheniere.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.

Andrea	Carter-Virtanen	
First Name	Last Name	
Senior Counsel, Tax	Cheniere Energy, Inc.	
Title	Organization	
700 Milam Street, Suite 1900		
Street Address		
700 Milam Street, Suite 1900		
Mailing Address		
Houston	TX	77002
City	State	ZIP
713-375-5474	713-375-6474	
Phone Number	Fax Number	
	andrea.carter@cheniere.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

March 30, 2017



Gregory-Portland Independent School District

Office of the Superintendent

Dr. Paul Clore, Superintendent of Schools

Cindy Hartley, Administrative Assistant

Office: (361) 777-1091 ext. 1018

Fax: (361) 777-1094

29 March 2017

Mr. Keith Little
Vice President, Business Development
Cheniere Energy, Inc.
700 Milam Street, Suite 1900
Houston, TX 77002

RE: Application Fee for Application to the Gregory-Portland Independent School District
from Corpus Christi Liquefaction, LLC, et al

Mr. Little,

Corpus Christi Liquefaction, LLC, et al intends to submit two applications for appraised value limitation on qualified property for Trains 4 and 5 of their project. These Applications are for the same projects that had been assigned Comptroller Application Number 1076 and 1077. Corpus Christi Liquefaction, LLC, et al officially withdrew Applications 1076 and 1077. In accordance with Board Policy CCG (Local), a nonrefundable Application Fee must be paid by an Applicant to the District to cover the District's costs incurred in the processing and consideration of an Application for Appraised Value Limitation on Qualified Property. The Standard Application Fee is Seventy-Five Thousand Dollars (\$75,000.00) per application, due and payable at the time of the submission of an Application for consideration. Comptroller Application 1076 and 1077, which were accepted by the District on June 23, 2015, were accompanied by the required application fee. Proof of payment of the Application Fees is attached.

However, no costs were incurred by the District in processing this application as the company withdrew the application. Therefore, the District considers the application fee submitted for Comptroller Application 1076 and 1077 sufficient to cover any costs associated with the Applications to be submitted by Corpus Christi Liquefaction, LLC, et al. Therefore, a second application fee has not been assessed by the District.

Sincerely,

Paul Clore, Ph.D.
Superintendent, Gregory-Portland ISD

TAB 4

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

Description of Project

Corpus Christi Liquefaction, LLC (“Corpus Christi Liquefaction”), Corpus Christi Liquefaction Stage III, LLC, and Cheniere Land Holdings, LLC (collectively the “Applicants”), all wholly owned subsidiaries of Cheniere Energy Inc. (“Cheniere”), are evaluating the development of a liquefied natural gas (“LNG”) liquefaction and storage facility (the “Considered Project”) within the 888.289-acre reinvestment zone in San Patricio County, Texas. Corpus Christi Liquefaction is currently constructing an LNG liquefaction, storage and marine terminal facility, including three LNG liquefaction trains, which are covered by Chapter 313 Agreement Nos. 296, 297 and 298 (the “Covered Project”) (A “train” is an integrated collection of manufacturing equipment that is designed to operate independently as a unit.) This Considered Project, which will include a single LNG liquefaction train (“Train 5”), will operate largely independent from the Covered Project.

The Considered Project described herein is identical to the project described in Application 1077, which received a certificate of limitation from the Comptroller on January 13, 2016 (please see tab 5 for an explanation of the circumstances leading to the withdrawal of Application 1077 and resubmission of this application). The estimated capital investment cost of the Considered Project, as reflected in this application, is approximately \$1.92 billion. In addition to the Chapter 313 economic development incentives being sought with this application through Gregory-Portland ISD and the State of Texas, the Applicants intend to seek economic development incentives from San Patricio County and several other local jurisdictions. Each individual train of a LNG liquefaction facility has to stand on its own in terms of technical viability, regulatory approvals, long-term customer commitments for the LNG produced, and project financing. Construction could start as early as 2020 with commencement of commercial operations as early as 2024 if, and **only** if, the following conditions are met for the Considered Project: the technical viability of the project is confirmed, all necessary regulatory approvals are obtained, adequate customer commitments are secured, supportive economic development incentives are provided, sufficient project financing is arranged, and

corporate board approval is received.

The Considered Project would include LNG liquefaction facilities and supporting infrastructure, as described further below. "Train 5" is principally a LNG liquefaction train.

LNG Liquefaction Facility

Subject to final technology and equipment selection, which has not been finalized as of the date of this application, the LNG liquefaction facility constitutes one ConocoPhillips Optimized CascadeSM LNG liquefaction train, capable of processing up to approximately 700 million cubic feet per day of natural gas and with average liquefaction capacity of approximately 4.5 million tonnes per annum. This train includes, but is not limited to, the following:

- Six GE LM2500 aeroderivative natural gas turbines driving multiple compressors in order to cool the methane, ethylene and propane refrigerants;
- Two "cold boxes", hundreds of induced draft air coolers and various other heat exchangers that enable the refrigerants to cool the natural gas feedstock to -270 degrees Fahrenheit in order to produce LNG;
- Facilities which remove water, mercury, carbon dioxide (CO₂), hydrogen sulfide (H₂S), other sulfur compounds and heavy hydrocarbons from the natural gas feedstock; and
- Waste heat recovery systems for energy efficiency;
- The liquefaction facility will be built on numerous foundation pilings to support the equipment and will include electrical cables and interconnections to control equipment required to operate the liquefaction facility such as pumps, motors, vessels, intra-plant piping, and valves in addition to the above described compressors, cold boxes, natural gas inlet treating, and waste heat recovery systems.

Supporting Infrastructure

The supporting infrastructure includes, but is not limited to, the following:

- Intra-plant electrical, utility, and piping systems
- Firewater system
- Fire and gas detection system
- LNG spill containment facilities

Feedstock sources, proposed output capacity and final products, and interconnections with adjacent facilities are listed below.

Feedstock Sources

- Train 5 will use natural gas delivered by pipeline as feedstock and fuel. This feedstock is available from multiple sources and will require sources of natural gas from states other than Texas.

Proposed Output Capacity and Final Products

- Train 5 will have a design output capacity of approximately 4.5 million tonnes per annum of LNG.

Interconnections with Adjacent Facilities

- Like the other equipment described herein, the interconnection equipment discussed in this section is identical to that described in Application 1077. Applicants and the Comptroller had detailed discussions about the interconnection equipment in connection with the Comptroller's review and approval of Application 1077.
- An LNG transfer line or lines will interconnect the Considered Project with the Covered Project.
- The Considered Project intends to rely on the Covered Project's control room utilizing cable interconnections.
- The Considered Project will export LNG produced via the Covered Project's marine terminal.

- Otherwise, due largely to the spatial separation of the Covered and Considered Projects, the preliminary design calls for no other significant interconnections and for the Considered Project to rely solely on its own supporting infrastructure.

TAB 7

Description of Qualified Investment

Corpus Christi Liquefaction, LLC (“Corpus Christi Liquefaction”), Corpus Christi Liquefaction Stage III, LLC, and Cheniere Land Holdings, LLC (collectively the “Applicants”), all wholly owned subsidiaries of Cheniere Energy Inc. (“Cheniere”), are evaluating the development of a liquefied natural gas (“LNG”) liquefaction and storage facility (the “Considered Project”) within the 888.289-acre reinvestment zone in San Patricio County, Texas. Corpus Christi Liquefaction is currently constructing an LNG liquefaction, storage and marine terminal facility, including three LNG liquefaction trains, which are covered by Chapter 313 Agreement Nos. 296, 297 and 298 (the “Covered Project”) (A “train” is an integrated collection of manufacturing equipment that is designed to operate independently as a unit.) This Considered Project, which will include a single LNG liquefaction train (“Train 5”), will operate largely independent from the Covered Project.

The estimated capital investment cost of the Considered Project, as reflected in this application, is approximately \$1.92 billion. In addition to the Chapter 313 economic development incentives being sought with this application through Gregory-Portland ISD and the State of Texas, the Applicants intend to seek economic development incentives from San Patricio County and several other local jurisdictions. Each individual train of a LNG liquefaction facility has to stand on its own in terms of technical viability, regulatory approvals, long-term customer commitments for the LNG produced, and project financing. Construction could start as early as 2020 with commencement of commercial operations as early as 2024 if, and **only** if, the following conditions are met for the Considered Project: the technical viability of the project is confirmed, all necessary regulatory approvals are obtained, adequate customer commitments are secured, supportive economic development incentives are provided, sufficient project financing is arranged, and corporate board approval is received.

The Considered Project would include LNG liquefaction facilities and supporting infrastructure, as described further below. “Train 5” is principally a LNG liquefaction train.

LNG Liquefaction Facility

Subject to final technology and equipment selection, which has not been finalized as of the date of this application, the LNG liquefaction facility constitutes one ConocoPhillips Optimized CascadeSM LNG liquefaction train, capable of processing up to approximately 700 million cubic feet per day of natural gas and with average liquefaction capacity of approximately 4.5 million tonnes per annum. This train includes, but is not limited to, the following:

- Six GE LM2500 aeroderivative natural gas turbines driving multiple compressors in order to cool the methane, ethylene and propane refrigerants;
- Two “cold boxes”, hundreds of induced draft air coolers and various other heat exchangers that enable the refrigerants to cool the natural gas feedstock to -270 degrees Fahrenheit in order to produce LNG;
- Facilities which remove water, mercury, carbon dioxide (CO₂), hydrogen sulfide (H₂S), other sulfur compounds and heavy hydrocarbons from the natural gas feedstock; and
- Waste heat recovery systems for energy efficiency;
- The liquefaction facility will be built on numerous foundation pilings to support the equipment and will include electrical cables and interconnections to control equipment required to operate the liquefaction facility such as pumps, motors, vessels, intra-plant piping, and valves in addition to the above described compressors, cold boxes, natural gas inlet treating, and waste heat recovery systems.

Supporting Infrastructure

The supporting infrastructure includes, but is not limited to, the following:

- Intra-plant electrical, utility, and piping systems
- Firewater system
- Fire and gas detection system
- LNG spill containment facilities

Feedstock sources, proposed output capacity and final products, and interconnections with adjacent facilities are listed below.

Feedstock Sources

- Train 5 will use natural gas delivered by pipeline as feedstock and fuel. This feedstock is available from multiple sources and will require sources of natural gas from states other than Texas.

Proposed Output Capacity and Final Products

- Train 5 will have a design output capacity of approximately 4.5 million tonnes per annum of LNG.

Interconnections with Adjacent Facilities

- Like the other equipment described herein, the interconnection equipment discussed in this section is identical to that described in Application 1077. Applicants and the Comptroller had detailed discussions about the interconnection equipment in connection with the Comptroller's review and approval of Application 1077.
- An LNG transfer line or lines will interconnect the Considered Project with the Covered Project.
- The Considered Project intends to rely on the Covered Project's control room utilizing cable interconnections.
- The Considered Project will export LNG produced via the Covered Project's marine terminal.
- Otherwise, due largely to the spatial separation of the Covered and Considered Projects, the preliminary design calls for no other significant interconnections and for the Considered Project to rely solely on its own supporting infrastructure.

TAB 8

Description of Qualified Property

Corpus Christi Liquefaction, LLC (“Corpus Christi Liquefaction”), Corpus Christi Liquefaction Stage III, LLC, and Cheniere Land Holdings, LLC (collectively the “Applicants”), all wholly owned subsidiaries of Cheniere Energy Inc. (“Cheniere”), are evaluating the development of a liquefied natural gas (“LNG”) liquefaction and storage facility (the “Considered Project”) within the 888.289-acre reinvestment zone in San Patricio County, Texas. Corpus Christi Liquefaction is currently constructing an LNG liquefaction, storage and marine terminal facility, including three LNG liquefaction trains, which are covered by Chapter 313 Agreement Nos. 296, 297 and 298 (the “Covered Project”) (A “train” is an integrated collection of manufacturing equipment that is designed to operate independently as a unit.) This Considered Project, which will include a single LNG liquefaction train (“Train 5”), will operate largely independent from the Covered Project.

The estimated capital investment cost of the Considered Project, as reflected in this application, is approximately \$1.92 billion. In addition to the Chapter 313 economic development incentives being sought with this application through Gregory-Portland ISD and the State of Texas, the Applicants intend to seek economic development incentives from San Patricio County and several other local jurisdictions. Each individual train of a LNG liquefaction facility has to stand on its own in terms of technical viability, regulatory approvals, long-term customer commitments for the LNG produced, and project financing. Construction could start as early as 2020 with commencement of commercial operations as early as 2024 if, and **only** if, the following conditions are met for the Considered Project: the technical viability of the project is confirmed, all necessary regulatory approvals are obtained, adequate customer commitments are secured, supportive economic development incentives are provided, sufficient project financing is arranged, and corporate board approval is received.

The Considered Project would include LNG liquefaction facilities and supporting infrastructure, as described further below. “Train 5” is principally a LNG liquefaction train.

LNG Liquefaction Facility

Subject to final technology and equipment selection, which has not been finalized as

of the date of this application, the LNG liquefaction facility constitutes one ConocoPhillips Optimized CascadeSM LNG liquefaction train, capable of processing up to approximately 700 million cubic feet per day of natural gas and with average liquefaction capacity of approximately 4.5 million tonnes per annum. This train includes, but is not limited to, the following:

- Six GE LM2500 aeroderivative natural gas turbines driving multiple compressors in order to cool the methane, ethylene and propane refrigerants;
- Two “cold boxes”, hundreds of induced draft air coolers and various other heat exchangers that enable the refrigerants to cool the natural gas feedstock to -270 degrees Fahrenheit in order to produce LNG;
- Facilities which remove water, mercury, carbon dioxide (CO₂), hydrogen sulfide (H₂S), other sulfur compounds and heavy hydrocarbons from the natural gas feedstock; and
- Waste heat recovery systems for energy efficiency;
- The liquefaction facility will be built on numerous foundation pilings to support the equipment and will include electrical cables and interconnections to control equipment required to operate the liquefaction facility such as pumps, motors, vessels, intra-plant piping, and valves in addition to the above described compressors, cold boxes, natural gas inlet treating, and waste heat recovery systems.

Supporting Infrastructure

The supporting infrastructure includes, but is not limited to, the following:

- Intra-plant electrical, utility, and piping systems
- Firewater system
- Fire and gas detection system
- LNG spill containment facilities

Feedstock sources, proposed output capacity and final products, and interconnections with adjacent facilities are listed below.

Feedstock Sources

- Train 5 will use natural gas delivered by pipeline as feedstock and fuel. This feedstock is available from multiple sources and will require sources of natural gas from states other than Texas.

Proposed Output Capacity and Final Products

- Train 5 will have a design output capacity of approximately 4.5 million tonnes per annum of LNG.

Interconnections with Adjacent Facilities

- Like the other equipment described herein, the interconnection equipment discussed in this section is identical to that described in Application 1077. Applicants and the Comptroller had detailed discussions about the interconnection equipment in connection with the Comptroller's review and approval of Application 1077.
- An LNG transfer line or lines will interconnect the Considered Project with the Covered Project.
- The Considered Project intends to rely on the Covered Project's control room utilizing cable interconnections.
- The Considered Project will export LNG produced via the Covered Project's marine terminal.
- Otherwise, due largely to the spatial separation of the Covered and Considered Projects, the preliminary design calls for no other significant interconnections and for the Considered Project to rely solely on its own supporting infrastructure.

TAB 9

Description of Land

Please see the attached legal description of the land for the proposed project. Applicants own Tract 1, Tract 2, and Tract 3.

As of January 1, 2016, (the most current available valuation which is under appeal), San Patricio County Appraisal District valued the land at an average of \$20,133 per acre. Based on the 888.289 acres in the proposed reinvestment zone, the land is valued at \$17,883,785 (rounded). The San Patricio County Appraisal District account numbers are 2139-0139-0001-007 and 2139-0139-001-003. Copies of the San Patricio County Appraisal District parcel descriptions and valuations are attached.

The proposed reinvestment zone will contain both this project and a separate LNG liquefaction train which is the subject of a separate application for limitation of appraised value. Half of the value of the reinvestment zone land (\$8,941,893) has been included as qualified property in this application (see Tab 14, Schedule B), and the other half has been included as qualified property in the separate application for the other train.



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.

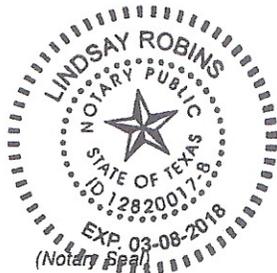
print here → Dr. Paul Clore Superintendent
Print Name (Authorized School District Representative) Title
sign here → Paul Clore 3-30-17
Signature (Authorized School District Representative) Date

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 → Keith Little Vice President, Business Development
Print Name (Authorized Company Representative (Applicant)) Title
sign here → Keith Little March 29, 2017
Signature (Authorized Company Representative (Applicant)) Date



GIVEN under my hand and seal of office this, the 29 day of March 2017
Lindsay Robins
Notary Public in and for the State of Texas
My Commission expires: March 8, 2018

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.