



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

August 31, 2017

Jose Rafael
Superintendent
Taft Independent School District
400 College Street
Taft, Texas 78390

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes by and between Taft Independent School District and Apex Midway Wind, LLC, Application 1201

Dear Superintendent Rafael:

On July 31, 2017, the Comptroller issued written notice that Apex Midway Wind, LLC (applicant) submitted a completed application (Application 1201) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on June 30, 2017, to the Taft Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.

¹ All Statutory references are to the Texas Tax Code, unless otherwise noted.

- Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
- Sec. 313.024(d-2) Not applicable to Application 1201.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem* tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2017.

Note that any building or improvement existing as of the application review start date of July 31, 2017, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,



Mike Reissig
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Apex Midway Wind, LLC (project) applying to Taft Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Apex Midway Wind, LLC.

Applicant	Apex Midway Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Taft ISD
2015-2016 Average Daily Attendance	1,027
County	San Patricio
Proposed Total Investment in District	\$81,533,700
Proposed Qualified Investment	\$81,533,700
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2018-2019
Number of new qualifying jobs committed to by applicant	2*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,142
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,142
Minimum annual wage committed to by applicant for qualified jobs	\$59,408.80
Minimum weekly wage required for non-qualifying jobs	\$925
Minimum annual wage required for non-qualifying jobs	\$48,101
Investment per Qualifying Job	\$40,766,850
Estimated M&O levy without any limit (15 years)	\$9,392,924
Estimated M&O levy with Limitation (15 years)	\$6,384,456
Estimated gross M&O tax benefit (15 years)	\$3,008,467

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Apex Midway Wind, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2018	76	91	167	\$3,434,408	\$7,666,692	\$11,101,100
2019	27	44	71.459	\$1,243,816	\$4,319,184	\$5,563,000
2020	2	14	16	\$118,816	\$1,887,684	\$2,006,500
2021	2	6	8	\$118,816	\$1,247,984	\$1,366,800
2022	2	1	3	\$118,816	\$783,184	\$902,000
2023	2	(1)	1	\$118,816	\$480,884	\$599,700
2024	2	(2)	0	\$118,816	\$307,884	\$426,700
2025	2	(2)	0	\$118,816	\$245,784	\$364,600
2026	2	(1)	1	\$118,816	\$249,584	\$368,400
2027	2	0	2	\$118,816	\$294,384	\$413,200
2028	2	1	3	\$118,816	\$359,084	\$477,900
2029	2	2	4	\$118,816	\$430,084	\$548,900
2030	2	3	5	\$118,816	\$473,684	\$592,500
2031	2	3	5	\$118,816	\$526,584	\$645,400
2032	2	3	5	\$118,816	\$573,484	\$692,300
2033	2	3	5	\$118,816	\$614,884	\$733,700
2034	2	4	6	\$118,816	\$643,884	\$762,700

Source: CPA REMI, Apex Midway Wind, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Taft ISD I&S Tax Levy	Taft ISD M&O Tax Levy	Taft ISD M&O and I&S Tax Levies	San Patricio County Tax Levy	San Patricio Drainage Tax Levy	Estimated Total Property Taxes
				0.3655	1.1694		0.4919	0.0579	
2019	\$78,905,900	\$78,905,900		\$288,401	\$922,726	\$1,211,127	\$388,157	\$45,677	\$1,644,961
2020	\$73,820,400	\$73,820,400		\$269,814	\$863,256	\$1,133,069	\$363,140	\$42,733	\$1,538,943
2021	\$69,064,400	\$69,064,400		\$252,430	\$807,639	\$1,060,069	\$339,744	\$39,980	\$1,439,794
2022	\$64,616,500	\$64,616,500		\$236,173	\$755,625	\$991,799	\$317,864	\$37,405	\$1,347,068
2023	\$60,456,700	\$60,456,700		\$220,969	\$706,981	\$927,950	\$297,401	\$34,997	\$1,260,348
2024	\$56,566,300	\$56,566,300		\$206,750	\$661,486	\$868,236	\$278,263	\$32,745	\$1,179,244
2025	\$52,927,800	\$52,927,800		\$193,451	\$618,938	\$812,389	\$260,365	\$30,639	\$1,103,392
2026	\$49,524,900	\$49,524,900		\$181,014	\$579,144	\$760,158	\$243,625	\$28,669	\$1,032,452
2027	\$46,342,200	\$46,342,200		\$169,381	\$541,926	\$711,306	\$227,968	\$26,827	\$966,101
2028	\$43,365,400	\$43,365,400		\$158,501	\$507,115	\$665,616	\$213,325	\$25,103	\$904,044
2029	\$40,581,300	\$40,581,300		\$148,325	\$474,558	\$622,882	\$199,629	\$23,492	\$846,003
2030	\$37,977,200	\$37,977,200		\$138,807	\$444,105	\$582,912	\$186,819	\$21,984	\$791,715
2031	\$35,541,500	\$35,541,500		\$129,904	\$415,622	\$545,526	\$174,837	\$20,574	\$740,938
2032	\$33,263,400	\$33,263,400		\$121,578	\$388,982	\$510,560	\$163,631	\$19,256	\$693,446
2033	\$31,132,600	\$31,132,600		\$113,790	\$364,065	\$477,854	\$153,149	\$18,022	\$649,025
2034	\$29,139,400	\$29,139,400		\$106,505	\$340,756	\$447,261	\$143,344	\$16,868	\$607,473
			Total	\$2,935,791	\$9,392,924	\$12,328,714	\$3,951,261	\$464,971	\$16,744,947

Source: CPA, Apex Midway Wind, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and San Patricio County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Taft ISD I&S Tax Levy	Taft ISD M&O Tax Levy	Taft ISD M&O and I&S Tax Levies	San Patricio County Tax Levy	San Patricio Drainage Tax Levy	Estimated Total Property Taxes
2019	\$78,905,900	\$78,905,900		0.3655	1.1694		0.4919	0.0579	
2019				\$288,401	\$922,726	\$1,211,127	\$0	\$45,677	\$1,256,804
2020	\$73,820,400	\$30,000,000		\$269,814	\$350,820	\$620,634	\$0	\$42,733	\$663,367
2021	\$69,064,400	\$30,000,000		\$252,430	\$350,820	\$603,250	\$0	\$39,980	\$643,230
2022	\$64,616,500	\$30,000,000		\$236,173	\$350,820	\$586,993	\$31,786	\$37,405	\$656,185
2023	\$60,456,700	\$30,000,000		\$220,969	\$350,820	\$571,789	\$29,740	\$34,997	\$636,527
2024	\$56,566,300	\$30,000,000		\$206,750	\$350,820	\$557,570	\$111,305	\$32,745	\$701,620
2025	\$52,927,800	\$30,000,000		\$193,451	\$350,820	\$544,271	\$104,146	\$30,639	\$679,056
2026	\$49,524,900	\$30,000,000		\$181,014	\$350,820	\$531,834	\$146,175	\$28,669	\$706,677
2027	\$46,342,200	\$30,000,000		\$169,381	\$350,820	\$520,201	\$136,781	\$26,827	\$683,808
2028	\$43,365,400	\$30,000,000		\$158,501	\$350,820	\$509,321	\$213,325	\$25,103	\$747,749
2029	\$40,581,300	\$30,000,000		\$148,325	\$350,820	\$499,145	\$199,629	\$23,492	\$722,266
2030	\$37,977,200	\$37,977,200		\$138,807	\$444,105	\$582,912	\$186,819	\$21,984	\$791,715
2031	\$35,541,500	\$35,541,500		\$129,904	\$415,622	\$545,526	\$174,837	\$20,574	\$740,938
2032	\$33,263,400	\$33,263,400		\$121,578	\$388,982	\$510,560	\$163,631	\$19,256	\$693,446
2033	\$31,132,600	\$31,132,600		\$113,790	\$364,065	\$477,854	\$153,149	\$18,022	\$649,025
2034	\$29,139,400	\$29,139,400		\$106,505	\$340,756	\$447,261	\$143,344	\$16,868	\$607,473
				Total	\$2,935,791	\$6,384,456	\$9,320,247	\$1,794,667	\$11,579,885
				Diff	\$0	\$3,008,467	\$3,008,467	\$2,156,594	\$5,165,062
Assumes School Value Limitation and Tax Abatements with the County.									

Source: CPA, Apex Midway Wind, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that Apex Midway Wind, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2017	\$0	\$0	\$0	\$0
	2018	\$0	\$0	\$0	\$0
	2019	\$922,726	\$922,726	\$0	\$0
Limitation Period (10 Years)	2020	\$350,820	\$1,273,546	\$512,436	\$512,436
	2021	\$350,820	\$1,624,366	\$456,819	\$969,255
	2022	\$350,820	\$1,975,186	\$404,805	\$1,374,060
	2023	\$350,820	\$2,326,006	\$356,161	\$1,730,221
	2024	\$350,820	\$2,676,826	\$310,666	\$2,040,887
	2025	\$350,820	\$3,027,646	\$268,118	\$2,309,005
	2026	\$350,820	\$3,378,466	\$228,324	\$2,537,329
	2027	\$350,820	\$3,729,286	\$191,106	\$2,728,435
	2028	\$350,820	\$4,080,106	\$156,295	\$2,884,730
	2029	\$350,820	\$4,430,926	\$123,738	\$3,008,467
Maintain Viable Presence (5 Years)	2030	\$444,105	\$4,875,031	\$0	\$3,008,467
	2031	\$415,622	\$5,290,653	\$0	\$3,008,467
	2032	\$388,982	\$5,679,635	\$0	\$3,008,467
	2033	\$364,065	\$6,043,700	\$0	\$3,008,467
	2034	\$340,756	\$6,384,456	\$0	\$3,008,467
Additional Years as Required by 313.026(c)(1) (10 Years)	2035	\$318,954	\$6,703,410	\$0	\$3,008,467
	2036	\$298,561	\$7,001,971	\$0	\$3,008,467
	2037	\$279,484	\$7,281,455	\$0	\$3,008,467
	2038	\$261,640	\$7,543,095	\$0	\$3,008,467
	2039	\$244,947	\$7,788,043	\$0	\$3,008,467
	2040	\$229,331	\$8,017,374	\$0	\$3,008,467
	2041	\$214,723	\$8,232,097	\$0	\$3,008,467
	2042	\$201,056	\$8,433,153	\$0	\$3,008,467
	2043	\$188,271	\$8,621,424	\$0	\$3,008,467
	2044	\$176,310	\$8,797,734	\$0	\$3,008,467

\$8,797,734

is greater than

\$3,008,467

Analysis Summary

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?

Yes

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levv directly related to this project.

Source: CPA, Apex Midway Wind, LLC

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Apex Midway Wind LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- This project was originally submitted to the Comptroller on August 9, 2013 and assigned application number 336.
- November 14, 2013, the Comptroller’s office issued a recommendation letter for application number 336.
- July 1, 2015, the Comptroller’s office received a termination letter request from Apex Midway Wind, LLC to Taft Independent School District stating, “Apex Midway Wind, LLC will fail to make the minimum qualified investment by December 31, 2015.”
- July 20, 2015, Taft Independent School District submitted to the Comptroller’s office from Apex Midway Wind, LLC a new application for the property described in application number 336 and assigned application number 1086.
- December 11, 2015, the Comptroller’s office issued a certificate letter for application number 1086.
- June 29, 2017, the Comptroller’s office received a withdrawal letter request from Apex Midway Wind, LLC to Taft Independent School District stating, “Apex has experienced considerable project delays due to some of the land for the project being used instead by a large multibillion dollar petrochemical complex.”

- July 7, 2017, Taft Independent School District submitted to the Comptroller's office from Apex Midway Wind, LLC a new application for the property described in application number 1086 and assigned application number 1201.
- Per Apex Midway Wind, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. "Apex is building one of the nation's largest, most diversified portfolios of renewable energy resources, capable of producing over 12,000 MW of clean energy. In 2015, Apex was the market leader in the United States, with 1,042 megawatts of new wind capacity installations, enough clean energy to supply the population of a city the size of Boston or San Francisco each year for the life of the facilities. With a team of over 200 professionals and the nation's largest wind energy project pipeline, Apex is a leader in the transition to a clean energy future."
 - B. "Apex has the ability to locate and develop wind farms in numerous locations throughout the United States. Apex has leased the land for the Midway project. However, a final investment decision has not been reached and no contracts for the sale of power have been executed."
 - C. "The decision to invest in a particular country or state depends on the economics of the investment in the particular jurisdiction. In the case of the investment in the proposed project in Texas, the decision will be based on a number of commercial and financial considerations, including the ability to obtain relief regarding local property taxes."
 - D. "Obtaining the Chapter 313 value limitation is a necessary part of the economic analysis for investment in Texas. The power generation market is very competitive and practically all of Apex's Texas competitors have Chapter 313 value limitation agreements. Without the Chapter 313 value limitation, siting the project in San Patricio County is significantly less attractive."
 - E. "The Apex Midway Wind project is in direct competition for internal capital expenditures with projects in the following locations: Curry and Quay, and Guadalupe County, New Mexico, Beckham, Caddo, Johnston, and Pontotoc County, Oklahoma, Yuma, County, Colorado, Graham County, Kansas, Nuckholls County, Nebraska, Clay and Dickinson County, Iowa, Newton County, Indian, Van Wert County, Ohio, Cottonwood County, Minnesota, Isabella County, Michigan, Bowman County, North Dakota."
- According to Apex Clean Energy website dated August 19, 2013, "Apex Clean Energy has acquired the Midway Farms Wind project. This project has the potential to support 165 MW of capacity in San Patricio County, Texas."
- An August 27, 2013 *North American WINDPOWER* article states that, "Virginia-based Apex Clean Energy has acquired the Midway Farms Wind project from TradeWind Energy. Midway Farms Wind is currently in development. No construction start date has been set at this time, and the company has not yet finalized a turbine supply agreement."
- According to a Special Meeting of the Commissioner's Court dated December 16, 2013, "Consideration and action on creating a re-investment zone for Apex Midway Wind, LLC."
- Supplemental information provided by the applicant stated the following:
 - A. "The ERCOT GINR number is 11INR0054 and is being amended to reflect the expected commercial operation date."

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

Section 8 of the Application for a Limitation on Appraised Value

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In Tab 4, attach 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.
2. Check the project characteristics that apply to the proposed project:

<input checked="" type="checkbox"/> Land has no existing improvements <input type="checkbox"/> Land has existing improvements (complete Section 13)
<input type="checkbox"/> Expansion of existing operation on the land (complete Section 13) <input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
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? Yes No

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.

Supporting Information

Attachments provided in Tab
5
of the Application for a
Limitation on Appraised
Value

TAB 5

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

Apex Clean Energy, Inc. is a leading U.S. - based developer of commercial-scale wind and solar energy facilities in North America. With a team of some of the most experienced renewable energy professionals in the industry, it has built a strong reputation for responsible development and quality projects constructed to the highest industry standards.

Prior to the formation of Apex, the management team had collectively developed, financed, constructed and managed more than \$10 billion in operating renewable energy facilities totaling nearly 10,000 megawatts of capacity. Its people have a proven track record working with communities and landowners to develop state-of-the-art facilities that produce jobs, income to landowners, revenue for local government, and clean sources of domestic energy.

Apex is building one of the nation's largest, most diversified portfolios of renewable energy resources, capable of producing over 12,000 MW of clean energy. In 2015, Apex was the market leader in the United States, with 1,042 megawatts of new wind capacity installations, enough clean energy to supply the population of a city the size of Boston or San Francisco each year for the life of the facilities. With a team of over 200 professionals and the nation's largest wind energy project pipeline, Apex is a leader in the transition to a clean energy future.

Apex has the ability to locate and develop wind farms in numerous locations throughout the United States. Apex has leased the land for the Midway project. However, a final investment decision has not been reached and no contracts for the sale of power have been executed.

The decision to invest in a particular country or state depends on the economics of the investment in the particular jurisdiction. In the case of the investment in the proposed project in Texas, the decision will be based on a number of commercial and financial considerations, including the ability to obtain relief regarding local property taxes. Obtaining the Chapter 313 value limitation is a necessary part of the economic analysis for investment in Texas. The power generation market is very competitive and practically all of Apex's Texas competitors have Chapter 313 value limitation agreements. Without the Chapter 313 value limitation, siting the project in San Patricio County is significantly less attractive.

The Apex Midway Wind project is in direct completion for internal capital expenditures with projects in the following locations:

Apex Midway Wind, LLC
Chapter 313 Application to Taft ISD
Cummings Westlake, LLC

- Curry and Quay, and Guadalupe County, New Mexico
- Beckham, Caddo, Johnston, and Pontotoc County, Oklahoma
- Yuma, County, Colorado
- Graham County, Kansas
- Nuckholls County, Nebraska
- Clay and Dickinson County, Iowa
- Newton County, Indiana
- Van Wert County, Ohio
- Cottonwood County, Minnesota
- Isabella County, Michigan
- Bowman County, North Dakota

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Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

THE STATE OF TEXAS

COMMISSIONERS COURT

COUNTY OF SAN PATRICIO

NOTICE OF MEETING

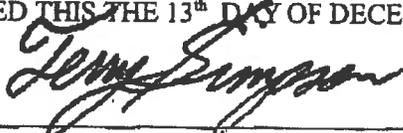
IN ACCORDANCE WITH VERNON'S TEXAS CODES ANNOTATED, GOVERNMENT CODE, CHAPTER 551 NOTICE IS HEREBY GIVEN THAT A SPECIAL MEETING OF THE COMMISSIONERS' COURT WILL BE HELD ON MONDAY, DECEMBER 16th, 2013 AT 2:30 P.M. IN THE SAN PATRICIO COUNTY COURTHOUSE, COMMISSIONERS COURTROOM, #230-SECOND FLOOR AT WHICH TIME THE FOLLOWING SUBJECTS WILL BE DISCUSSED, CONSIDERED, PASSED OR ADOPTED.

1. ADMINISTRATION

- 1.1 Call meeting to order
- 1.2 Pledge of allegiance
- 1.3 Consideration and action on creating a re-investment zone for Apex Midway Wind, LLC

2. ADJOURN

SIGNED THIS THE 13th DAY OF DECEMBER, 2013
POSTED THIS THE 13th DAY OF DECEMBER, 2013



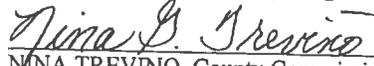
Judge Terry Simpson

PERSONS WITH DISABILITIES PLANNING TO ATTEND THIS MEETING WHO MAY NEED AUXILIARY AIDS OR SERVICES ARE ASKED TO CONTACT THE COUNTY JUDGE'S OFFICE AT 361-364-9301

2. ADJOURN

Judge Simpson made the motion seconded by Commissioner Nardini with no business before the Court the meeting adjourned. Motion Carried 4-0. Meeting was adjourned at 2:45 p.m.

TERRY SIMPSON, County Judge

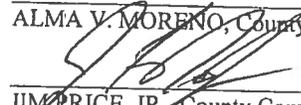


NINA TREVINO, County Commissioner, Precinct 1



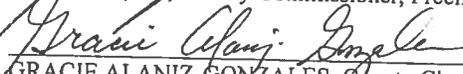
FRED P. NARDINI, County Commissioner, Precinct 2

ALMA V. MORENO, County Commissioner, Precinct 3



JIM PRICE, JR., County Commissioner, Precinct 4

ATTEST:



GRACIE ALANIZ-GONZALES, County Clerk, Ex Officio



APEX CLEAN ENERGY ACQUIRES MIDWAY FARMS WIND ENERGY PROJECT

Charlottesville, VA – August 19, 2013 – Apex Clean Energy has acquired the Midway Farms Wind project. This project has the potential to support 165 MW of capacity in San Patricio County, Texas.

###

About Apex

Apex Clean Energy is an independent renewable energy company based in Charlottesville, VA. Since its founding in 2009, Apex has completed 15 acquisitions and become one of the fastest-growing companies in the industry. In December 2012, Apex completed the development and construction of the 300 MW Canadian Hills Wind project outside Oklahoma City. The company has a diversified portfolio of wind energy facilities in development around the country and owns several operating solar PV assets in Colorado. The company's management team comprises experts from throughout the industry whose collective prior experience includes the development, financing, construction and operation of over \$10 billion in wind and solar energy facilities now operating in the United States.

Media Contact

Dahvi Wilson, 434-220-6351

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Apex Clean Energy Buys 165 MW Wind Project In Texas

Posted by **NAW Staff** on August 27, 2013

No Comments

Categories : [Projects & Contracts](#)

Virginia-based [Apex Clean Energy](#) has acquired the Midway Farms Wind project from TradeWind Energy. The project, to be located in San Patricio County, Texas, has the potential to reach 165 MW of capacity.

Midway Farms Wind is currently in development. No construction start date has been set at this time, and the company has not yet finalized a turbine supply agreement.

"The Midway project represents a valuable addition to our portfolio of projects on the Texas gulf coast, an area with growing demand and an excellent diurnal wind resource," Dahvi Wilson, communications manager of Apex, tells **NAW**.

Categories : [Projects & Contracts](#)

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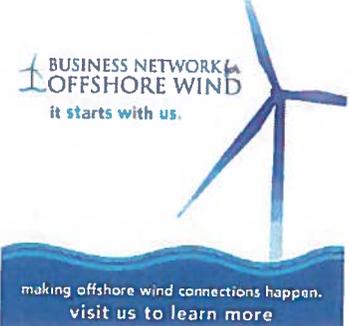
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POWERING A GREENER TOMORROW



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