



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

November 3, 2017

Thomas Weeaks
Superintendent
Glasscock County Independent School District
P.O. Box 9
Garden City, Texas 79739

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations Taxes by and between Glasscock County Independent
School District and Bearkat Wind Energy II, LLC, Application 1210

Dear Superintendent Weeaks:

On September 19, 2017, the Comptroller issued written notice that Bearkat Wind Energy II, LLC (applicant) submitted a completed application (Application 1210) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on June 12, 2017, to the Glasscock County 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 1210.

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).

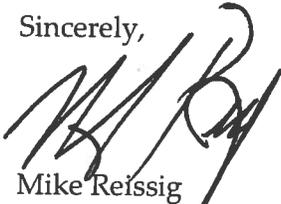
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed 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 September 19, 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

Table 2 is the estimated statewide economic impact of Bearkat Wind Energy II, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2018	150	143	293	\$7,854,600	\$11,432,500	\$19,287,100
2019	3	15	17,5781	\$178,500	\$2,262,900	\$2,441,400
2020	3	9	12	\$178,500	\$1,774,600	\$1,953,100
2021	3	7	10	\$178,500	\$1,286,300	\$1,464,800
2022	3	1	4	\$178,500	\$1,042,200	\$1,220,700
2023	3	5	8	\$178,500	\$1,164,300	\$1,342,800
2024	3	3	6	\$178,500	\$920,100	\$1,098,600
2025	3	9	12	\$178,500	\$676,000	\$854,500
2026	3	3	6	\$178,500	\$676,000	\$854,500
2027	3	7	10	\$178,500	\$1,042,200	\$1,220,700
2028	3	7	10	\$178,500	\$798,100	\$976,600
2029	3	3	6	\$178,500	\$798,100	\$976,600
2030	3	3	6	\$178,500	\$309,800	\$488,300
2031	3	1	4	\$178,500	\$553,900	\$732,400
2032	3	5	8	\$178,500	\$65,600	\$244,100
2033	3	1	4	\$178,500	\$65,600	\$244,100

Source: CPA REMI, Bearkat Wind Energy II, 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*	Glasscock County ISD I&S Tax Levy	Glasscock County ISD M&O Tax Levy	Glasscock County ISD M&O and I&S Tax Levies	Glasscock County Tax Levy	Glasscock County Underground Water District Tax Levy	Estimated Total Property Taxes
			0.0800		1.0371		0.4000	0.0100	
2019	\$210,795,000	\$210,795,000		\$168,636	\$2,186,155	\$2,354,791	\$843,180	\$21,080	\$3,219,050
2020	\$200,255,250	\$200,255,250		\$160,204	\$2,076,847	\$2,237,051	\$801,021	\$20,026	\$3,058,098
2021	\$189,715,500	\$189,715,500		\$151,772	\$1,967,539	\$2,119,312	\$758,862	\$18,972	\$2,897,145
2022	\$179,175,750	\$179,175,750		\$143,341	\$1,858,232	\$2,001,572	\$716,703	\$17,918	\$2,736,193
2023	\$168,636,000	\$168,636,000		\$134,909	\$1,748,924	\$1,883,833	\$674,544	\$16,864	\$2,575,240
2024	\$158,096,250	\$158,096,250		\$126,477	\$1,639,616	\$1,766,093	\$632,385	\$15,810	\$2,414,288
2025	\$147,556,500	\$147,556,500		\$118,045	\$1,530,308	\$1,648,354	\$590,226	\$14,756	\$2,253,335
2026	\$137,016,750	\$137,016,750		\$109,613	\$1,421,001	\$1,530,614	\$548,067	\$13,702	\$2,092,383
2027	\$126,477,000	\$126,477,000		\$101,182	\$1,311,693	\$1,412,875	\$505,908	\$12,648	\$1,931,430
2028	\$115,937,250	\$115,937,250		\$92,750	\$1,202,385	\$1,295,135	\$463,749	\$11,594	\$1,770,478
2029	\$105,397,500	\$105,397,500		\$84,318	\$1,093,077	\$1,177,395	\$421,590	\$10,540	\$1,609,525
2030	\$94,857,750	\$94,857,750		\$75,886	\$983,770	\$1,059,656	\$379,431	\$9,486	\$1,448,573
2031	\$84,318,000	\$84,318,000		\$67,454	\$874,462	\$941,916	\$337,272	\$8,432	\$1,287,620
2032	\$73,778,250	\$73,778,250		\$59,023	\$765,154	\$824,177	\$295,113	\$7,378	\$1,126,668
2033	\$63,238,500	\$63,238,500		\$50,591	\$655,846	\$706,437	\$252,954	\$6,324	\$965,715
			Total	\$1,644,201	\$21,315,011	\$22,959,212	\$8,221,005	\$205,525	\$31,385,742

Source: CPA, Bearkat Wind Energy II, LLC

*Tax Rate per \$100 Valuation

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Bearkat Wind Energy II, LLC (project) applying to Glascock County 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 Bearkat Wind Energy II, LLC.

Applicant	Bearkat Wind Energy II, LLC
Tax Code, 313.024 Eligibility Category	Renewable Electric Energy Generation
School District	Glascock County ISD
2016-2017 Average Daily Attendance	284
County	Glascock
Proposed Total Investment in District	\$210,795,000
Proposed Qualified Investment	\$210,795,000
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2018-2019
Number of new qualifying jobs committed to by applicant	3*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,144
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,144
Minimum annual wage committed to by applicant for qualified jobs	\$59,500
Minimum weekly wage required for non-qualifying jobs	\$835
Minimum annual wage required for non-qualifying jobs	\$43,434
Investment per Qualifying Job	\$70,265,000
Estimated M&O levy without any limit (15 years)	\$21,315,011
Estimated M&O levy with Limitation (15 years)	\$7,483,610
Estimated gross M&O tax benefit (15 years)	\$13,831,401

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

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Glasscock 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		Glasscock County ISD I&S Tax Levy	Glasscock County ISD M&O Tax Levy	Glasscock County ISD M&O and I&S Tax Levies	Glasscock County Tax Levy	Glasscock County Underground Water District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.0800	1.0371		0.4000	0.0100	
2019	\$210,795,000	\$30,000,000		\$168,636	\$311,130	\$479,766	\$843,180	\$21,080	\$1,344,026
2020	\$200,255,250	\$30,000,000		\$160,204	\$311,130	\$471,334	\$801,021	\$20,026	\$1,292,381
2021	\$189,715,500	\$30,000,000		\$151,772	\$311,130	\$462,902	\$758,862	\$18,972	\$1,240,736
2022	\$179,175,750	\$30,000,000		\$143,341	\$311,130	\$454,471	\$716,703	\$17,918	\$1,189,091
2023	\$168,636,000	\$30,000,000		\$134,909	\$311,130	\$446,039	\$674,544	\$16,864	\$1,137,446
2024	\$158,096,250	\$30,000,000		\$126,477	\$311,130	\$437,607	\$632,385	\$15,810	\$1,085,802
2025	\$147,556,500	\$30,000,000		\$118,045	\$311,130	\$429,175	\$590,226	\$14,756	\$1,034,157
2026	\$137,016,750	\$30,000,000		\$109,613	\$311,130	\$420,743	\$548,067	\$13,702	\$982,512
2027	\$126,477,000	\$30,000,000		\$101,182	\$311,130	\$412,312	\$505,908	\$12,648	\$930,867
2028	\$115,937,250	\$30,000,000		\$92,750	\$311,130	\$403,880	\$463,749	\$11,594	\$879,223
2029	\$105,397,500	\$105,397,500		\$84,318	\$1,093,077	\$1,177,395	\$421,590	\$10,540	\$1,609,525
2030	\$94,857,750	\$94,857,750		\$75,886	\$983,770	\$1,059,656	\$379,431	\$9,486	\$1,448,573
2031	\$84,318,000	\$84,318,000		\$67,454	\$874,462	\$941,916	\$337,272	\$8,432	\$1,287,620
2032	\$73,778,250	\$73,778,250		\$59,023	\$765,154	\$824,177	\$295,113	\$7,378	\$1,126,668
2033	\$63,238,500	\$63,238,500		\$50,591	\$655,846	\$706,437	\$252,954	\$6,324	\$965,715
			Total	\$1,644,201	\$7,483,610	\$9,127,811	\$8,221,005	\$205,525	\$17,554,341
			Diff	\$0	\$13,831,401	\$13,831,401	\$0	\$0	\$13,831,401

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Bearkat Wind Energy II, 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 Bearkat Wind Energy II, 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 and direct, indirect and induced tax effects from project employment 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	2016	\$0	\$0	\$0	\$0
	2017	\$0	\$0	\$0	\$0
	2018	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2019	\$311,130	\$311,130	\$1,875,025	\$1,875,025
	2020	\$311,130	\$622,260	\$1,765,717	\$3,640,742
	2021	\$311,130	\$933,390	\$1,656,409	\$5,297,152
	2022	\$311,130	\$1,244,520	\$1,547,102	\$6,844,253
	2023	\$311,130	\$1,555,650	\$1,437,794	\$8,282,047
	2024	\$311,130	\$1,866,780	\$1,328,486	\$9,610,533
	2025	\$311,130	\$2,177,910	\$1,219,178	\$10,829,712
	2026	\$311,130	\$2,489,040	\$1,109,871	\$11,939,583
	2027	\$311,130	\$2,800,170	\$1,000,563	\$12,940,146
	2028	\$311,130	\$3,111,300	\$891,255	\$13,831,401
Maintain Viable Presence (5 Years)	2029	\$1,093,077	\$4,204,377	\$0	\$13,831,401
	2030	\$983,770	\$5,188,147	\$0	\$13,831,401
	2031	\$874,462	\$6,062,609	\$0	\$13,831,401
	2032	\$765,154	\$6,827,763	\$0	\$13,831,401
	2033	\$655,846	\$7,483,610	\$0	\$13,831,401
Additional Years as Required by 313.026(c)(1) (10 Years)	2034	\$546,539	\$8,030,149	\$0	\$13,831,401
	2035	\$437,231	\$8,467,380	\$0	\$13,831,401
	2036	\$437,231	\$8,904,611	\$0	\$13,831,401
	2037	\$437,231	\$9,341,842	\$0	\$13,831,401
	2038	\$437,231	\$9,779,073	\$0	\$13,831,401
	2039	\$437,231	\$10,216,304	\$0	\$13,831,401
	2040	\$437,231	\$10,653,535	\$0	\$13,831,401
	2041	\$437,231	\$11,090,766	\$0	\$13,831,401
	2042	\$437,231	\$11,527,997	\$0	\$13,831,401
	2043	\$437,231	\$11,965,228	\$0	\$13,831,401

\$11,965,228

 is less than

 \$13,831,401

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?	No

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

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2018	150	143	293	\$7,854,600	\$11,432,500	\$19,287,100	991800	-534100	\$1,525,900
2019	3	15	17.5781	\$178,500	\$2,262,900	\$2,441,400	167800	213600	-\$45,800
2020	3	9	12	\$178,500	\$1,774,600	\$1,953,100	129700	221300	-\$91,600
2021	3	7	10	\$178,500	\$1,286,300	\$1,464,800	106800	190700	-\$83,900
2022	3	1	4	\$178,500	\$1,042,200	\$1,220,700	68700	167800	-\$99,100
2023	3	5	8	\$178,500	\$1,164,300	\$1,342,800	83900	137300	-\$53,400
2024	3	3	6	\$178,500	\$920,100	\$1,098,600	91600	114400	-\$22,800
2025	3	9	12	\$178,500	\$676,000	\$854,500	91600	99200	-\$7,600
2026	3	3	6	\$178,500	\$676,000	\$854,500	114400	91600	\$22,800
2027	3	7	10	\$178,500	\$1,042,200	\$1,220,700	129700	45800	\$83,900
2028	3	7	10	\$178,500	\$798,100	\$976,600	114400	38100	\$76,300
2029	3	3	6	\$178,500	\$798,100	\$976,600	106800	38100	\$68,700
2030	3	3	6	\$178,500	\$309,800	\$488,300	61000	0	\$61,000
2031	3	1	4	\$178,500	\$553,900	\$732,400	99200	-7600	\$106,800
2032	3	5	8	\$178,500	\$65,600	\$244,100	83900	-15300	\$99,200
2033	3	1	4	\$178,500	\$65,600	\$244,100	76300	-53400	\$129,700
2034	3	(1)	2	\$178,500	-\$178,500	\$0	45800	-53400	\$99,200
2035	3	1	4	\$178,500	-\$178,500	\$0	45800	-83900	\$129,700
2036	3	(3)	0	\$178,500	-\$422,600	-\$244,100	30500	-129700	\$160,200
2037	3	(1)	2	\$178,500	-\$422,600	-\$244,100	0	-175500	\$175,500
2038	3	(3)	0	\$178,500	-\$666,800	-\$488,300	0	-190700	\$190,700
2039	3	(3)	0	\$178,500	-\$666,800	-\$488,300	15300	-221300	\$236,600
2040	3	(3)	0	\$178,500	-\$910,900	-\$732,400	0	-267000	\$267,000
2041	3	1	4	\$178,500	-\$910,900	-\$732,400	-15300	-282300	\$267,000
2042	3	(3)	0	\$178,500	-\$1,155,100	-\$976,600	-15300	-289900	\$274,600
2043	3	(7)	-4	\$178,500	-\$1,643,300	-\$1,464,800	0	-320400	\$320,400
2044	3	(5)	-2	\$178,500	-\$1,643,300	-\$1,464,800	30500	-289900	\$320,400
2045	3	(3)	0	\$178,500	-\$1,643,300	-\$1,464,800	0	-373800	\$373,800
Total							\$2,654,900	-\$1,930,300	\$4,585,200
							\$16,550,428	is greater than	\$13,831,401

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

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 Bearkat Wind Energy II 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:

- Per Bearkat Wind Energy II, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Bearkat Wind Energy II LLC was formed in 2017. Since its formation, Bearkat Wind Energy II LLCs and its associate parties have entered into the following representative agreements and contracts for the development of a project phase within Glasscock County ISD and intend to assign these assets to Bearkat Wind Energy II LLC: Grants of leases and easements covering approximately 12,000 acres with 20 landowners Wind data measurement contract with Wireless Innovations for data transmission on two (2) met towers, Contract with ArcVera for data storage and verification for wind data collected, D&O and Public Liability insurance contract with MHBT Marsh & McLennan Agency LLC, Full wind study and contract with AWS Truepower, Avian study and contract with Westwood Professional Services.”
 - B. “The business activities these agreements and contracts listed above will determine with greater certainty and granularity the feasibility of completing development of an economic renewable energy project in Glasscock County ISD.”
 - C. “These contracts and initial investments are preliminary in nature as Bearkat Wind Energy II LLC has determined that a value limitation agreement with Glasscock County ISD is an essential economic driver to allow for the return on investment necessary to finance and construct the wind energy project.”

- D. "Tri Global Energy's team has extensive experience in markets across the country. Based on this experience, the management team evaluates all potential projects for feasibility, financeability, and the economic returns they represent in comparison to other project opportunities across the country. The Bearkat Wind Energy II LLC Project is currently in such a period of assessment to determine whether the identified site in Glasscock County ISD represents the best location or whether redeployment of its development resources and capital to other power markets within the United States is more advisable."
- E. "A 313 Limitation of Appraised Value Agreement is a key tax incentive agreement necessary to ensure the Project is on a level playing field with other wind projects with similar incentives and with alternative forms of generation that receive their own forms of economic support."
- F. "Without the requested limitation, the Project will be unable to generate sufficient operating margins and net income to produce economically competitive returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$200M needed to purchase wind turbines and other required infrastructure in addition to funding the construction and closing costs of the facility."
- G. "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 II LLC."
- H. "Applicant continually evaluates locations outside of Texas for its project development activities. The project capital that is planned to be developed for the Applicant's project (dependent upon approval of the Appraised Value Limitation) has been considered for use in projects located in numerous states. These project opportunities include but are not limited to the following sites: A 150 MW wind site located in Northwest Missouri, 125 MW wind site located in Southwestern Kansas, and A 100 MW wind site located in Southwestern Nebraska."
- Bearkat Wind Energy II, LLC (application # 1210) is the second phase of Bearkat Wind Energy I, LLC (application #1148).
 - According to *hubs* article dated January 5, 2017, "Wind Energy Transmission Texas LLC (WETT) on Jan. 5 filed with the Public Utility Commission of Texas a Generation Interconnection Agreement with Bearkat Wind Energy II LLC."
 - According to *PRNewswire* article dated May 4, 2017, "We are very pleased to collaborate with CIP on this project and support them in achieving this important milestone," said John Billingsley, Chairman and CEO of Tri Global Energy. "We look forward to supporting CIP on subsequent phases of the Bearkat Wind Project and expanding our relationship with them on several other community-sponsored utility scale renewable energy project developments."
 - According to a regular meeting of the Board of Trustees dated June 12, 2017, "Action to accept Bearkat Wind Energy II, LLC Application for an Appraised Value Limitation on Qualified Property, to authorize the Superintendent to review the Application for the completeness and submit to the Comptroller."
 - Supplemental information provided by the applicant stated the following:
 - A. "Bearkat Wind Energy II, LLC is the current formal name for the project. Internally it has been referred to as BK2, BKII, or Bearkat II, however has not been contracted under such names."
 - B. "The project has provided formal application materials to ERCOT. The GINR number is 15INR0064b."

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(a)(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, as 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 type="checkbox"/> Land has no existing improvements	<input checked="" 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

Attachment 5

Documentation to assist in determining if limitation is a determining factor

Chapter 313.026€ states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)."

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

Bearkat Wind Energy II LLC was formed in 2017. Since its formation, Bearkat Wind Energy II LLCs and its associate parties have entered into the following representative agreements and contracts for the development of a project phase within Glasscock County ISD and intend to assign these assets to Bearkat Wind Energy II LLC:

- Grants of leases and easements covering approximately 12,000 acres with 20 landowners
- Wind data measurement contract with Wireless Innovations for data transmission on two (2) met towers
- Contract with ArcVera for data storage and verification for wind data collected
- D&O and Public Liability insurance contract with MHBT Marsh & McLennan Agency LLC
- Full wind study and contract with AWS Truepower
- Avian study and contract with Westwood Professional Services

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

The business activities these agreements and contracts listed above will determine with greater certainty and granularity the feasibility of completing development of an economic renewable energy project in Glasscock County ISD.

These contracts and initial investments are preliminary in nature as Bearkat Wind Energy II LLC has determined that a value limitation agreement with Glasscock County ISD is an essential economic driver to allow for the return on investment necessary to finance and construct the wind energy project.

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

Tri Global Energy's team has extensive experience in markets across the country. Based on this experience, the management team evaluates all potential projects for feasibility, finance-ability, and the economic returns they represent in comparison to other project opportunities across the country.

The Bearkat Wind Energy II LLC Project is currently in such a period of assessment to determine whether the identified site in Glasscock County ISD represents the best location or whether redeployment of its development resources and capital to other power markets within the United States is more advisable.

A 313 Limitation of Appraised Value Agreement is a key tax incentive agreement necessary to ensure the Project is on a level playing field with other wind projects with similar incentives and with alternative forms of generation that receive their own forms of economic support.

Without the requested limitation, the Project will be unable to generate sufficient operating margins and net income to produce economically competitive returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$200M needed to purchase wind turbines and other required infrastructure in addition to funding the construction and closing costs of the facility.

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 II LLC.

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

These project opportunities include but are not limited to the following sites:

- A 150 MW wind site located in Northwest Missouri
- A 125 MW wind site located in Southwestern Kansas
- A 100 MW wind site located in Southwestern Nebraska

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

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ARTICLE

WETT files interconnect deals for 359 MW of Bearkat Wind projects in Texas

Phase I to go commercial in 2017, with Phase II to follow in 2018

SAVE IT

SHARE

Wind Energy Transmission Texas LLC (WETT) on Jan. 5 filed with the Public Utility Commission of Texas a Generation Interconnection Agreement with **Bearkat Wind Energy II LLC**.

This agreement covers Phase II of a project that has **Bearkat Wind Energy I LLC** as the developer of the first phase.

- This second phase, with 47 wind turbines for a total capacity of 162.15 MW, is due under this GIA for commercial operation around April 15, 2018. It will consist of **Vestas V126-3.45** wind turbines.
- The first phase includes 57 of the same wind turbines for a total of 196.65 MW.

The total size for both phases is 358.8 MW. The Point of Interconnection for both phases is the Bearkat Substation in Glasscock County, Texas.

Also filed on Jan. 5 at the Texas commission by WETT was an amended version

of an earlier GIA with Bearkat Wind Energy I LLC. That first GIA had been filed in September 2016. This new version calls for a commercial operations date for Phase I of Sept. 15, 2017.

A developer contact for both project companies is: **Tri Global Energy LLC**, attention Tom Carbone, 17300 Dallas Parkway, Suite 2020, Dallas, Texas 75248, phone 972-290-0825, tcarbone@triglobalenergy.com.



[Read the full article on GenerationHub](#)

[About GenerationHub](#) (*note you must have an account on GenerationHub to access the full archive of intelligence articles, supporting documents and detailed project profiles*)

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WebWire

Bearkat Wind Energy Project Developed by Tri Global Energy Begins Construction



U.S. Congressman Mike Conaway: "Wind energy projects like these positively impact local economies through job creation and increased tax revenues."

NEWS PROVIDED BY

Tri Global Energy 

May 04, 2017, 11:30 ET

SHARE THIS ARTICLE



DALLAS, May 4, 2017 /PRNewswire/ -- Tri Global Energy, a leading U.S. originator and developer of utility-scale wind energy projects, today announced the initial phase of 197.6 megawatts (MW) of the Bearkat Wind Energy Project (Bearkat) has reached financial close and begun construction.

"We are very pleased to collaborate with CIP on this project and support them in achieving this important milestone," said John Billingsley, Chairman and CEO of Tri Global Energy. "We look forward to supporting CIP on subsequent phases of the Bearkat Wind Project and expanding our relationship with them on several other community-sponsored utility-scale renewable energy project developments."

Comprised of 30,000 leased acres of privately owned farm and ranch land in Glasscock County, Texas, Bearkat is now owned by a fund managed by Copenhagen Infrastructure Partners (CIP), based in Denmark. Tri Global Energy

developed Bearkat using its proprietary business model, the Wind Force Plan, which allows local landowners and community investors the opportunity to partner with and have a substantial ownership in the wind project development that leased their land.

"Community-focused development, coupled with Texas' significant investments in infrastructure, abundant wind, solar and fossil resources, and supportive business environment contribute to our national leadership in all forms of energy generation," said Congressman Mike Conaway (R-Texas), who represents Glasscock County.

"Wind energy projects like these positively impact local economies through job creation and increased tax revenues."

Since founding the Bearkat community-sponsored wind energy project in September 2012, Tri Global Energy has been a manager, member and the exclusive project developer. In July 2016, CIP purchased Bearkat and another Tri Global Energy wind development, Blue Cloud Wind Energy. Since then, Tri Global Energy's project development team has worked closely with CIP to achieve financial closing and funding to start of construction.

About Tri Global Energy

Tri Global Energy (TGE) is a leading developer of wind energy in the U.S. The company is based in Dallas. Founded in 2009, TGE's goal is to develop clean energy at an affordable cost through the development of community-sponsored, utility-scale renewable energy projects. Since 2014, TGE concluded over 3,000 MW of transactions with sponsor equity partners and the represented projects are now either in operation, construction or project financing. For more information, visit <http://www.triglobalenergy.com>.

SOURCE Tri Global Energy

First Phase of Bearkat Wind Energy Project Begins Construction

The project, located in Glasscock County, Texas, will generate 197.6 megawatts of clean energy once the first phase is finalized. Upon completion, the project will total 380 megawatts.

by Anca Gagiuc | May 08, 2017

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Tri Global Energy, an originator and developer of utility-scale wind energy projects, announced the Bearkat Wind Energy Project has reached financial close and begun construction. Bearkat will be developed in phases, with the first one slated to bring online 197.6 megawatts of clean energy. Upon completion, the wind farm will total 380 megawatts.

The wind facility will occupy 30,000 leased acres of privately owned farm and ranch land in Glasscock County, Texas. To develop it, Tri Global Energy used its proprietary business model, the Wind Force Plan, which allows local landowners and community investors to become partners and have ownership in the wind project development that leased their land. A fund managed by Copenhagen Infrastructure Partners (CIP) of Denmark now owns Bearkat.



"We are very pleased to collaborate with CIP on this project and support them in achieving this important milestone," John Billingsley, chairman & CEO of Tri Global Energy, said in a prepared statement. "We look forward to supporting CIP on subsequent phases of the Bearkat Wind Project and expanding our relationship with them on several other community-sponsored utility-scale renewable energy project developments."

“Community-focused development, coupled with Texas’ significant investments in infrastructure, abundant wind, solar and fossil resources, and supportive business environment contribute to our national leadership in all forms of energy generation,” added Congressman Mike Conaway (R-Texas), who represents Glasscock County. *“Wind energy projects like these positively impact local economies through job creation and increased tax revenues.”*

Tri Global Energy has been a manager, member and the exclusive project developer of Bearkat since its founding in September 2012. In July 2016, CIP acquired Bearkat and Blue Cloud Wind Energy, another Tri Global Energy wind facility. Ever since, the two companies have worked together to achieve financial closing and funding to begin construction.

Image courtesy of Tri Global Energy

[Copenhagen Infrastructure Partners](#) [Tri Global Energy](#)

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GCISD Vision Statement- Glasscock County ISD, an exceptional district in which to learn, work and live.

GCISD Mission Statement- "Mining for Gold"

Notice is hereby given that a regular meeting of the Board of Trustees of the Glasscock County Independent School District will be held on Monday June 12th, 2017 beginning at 7:00 p.m. in the Administration Building. Subjects to be discussed or considered, or upon which any formal action may be taken are as follows: (Items do not have to be taken in the same order as shown on the meeting notice.)

Agenda
Glasscock County Independent School District
Regular Meeting
Monday June 12th, 2017
7:00 p.m.
(308 W. Chambers Garden City, Texas)

- I. Call to Order
- II. First Order of Business:
 - A. Invocation
 - B. Announcement of a Quorum Present
 - C. Approval of minutes from the previous meeting(s)
 - D. Audience with individuals- audience with individuals is for general public comments. Individuals wishing to speak must sign up before the meeting begins
 - E. Elementary Principal Report (Scott Bicknell)
 - 1. Preliminary STAAR Reports
 - F. Secondary Principal Report (Wayland Pierce)
 - 1. Preliminary STAAR Report
 - G. Athletic Director Report (Jeff Jones)
 - 1. Re-cap 2016-2017
 - H. Superintendent Report:
 - 1. Annual Dropout Summary Report (2015-2016)
 - 2. Update #108
 - 3. Registration/Reservation- SLI San Antonio
 - 4. Registration/Reservation- TREA FT. Worth
 - 5. CAD Proposed Budget
 - 6. Budget Update
 - 7. Purchasing Policy Review
- III. Discussion:
 - A. West Texas Benefits- David Morales
 - B. Jr. Class Trip- Wayland Pierce/ ReeAnn McKinnon
 - C. PSC- Joe Vincent
 - D. Sledge Engineering- Stephen Dorman

- IV. Discussion/Action Items:
- A. Discussion/Action- to approve CRW Consulting contract for E-Rate Program Year 2018
 - B. Discuss/Action- to accept the Jr. Class Trip guidelines as presented by Mr. Pierce and Ms. McKinnon.
 - C. Discussion/Action- to adopt revised Board Policy CCG (Local) and CCG (Exhibit)
 - D. Discuss/Action- to accept Bearkat Wind Energy II, LLC Application for an Appraised Value Limitation on Qualified Property, to authorize the Superintendent to review the Application for completeness and submit to the Comptroller, and to authorize the Superintendent to enter into an agreement to extend the deadline for Board action beyond 150 days, subject to Board ratification.
 - E. Discussion/Action- to retain consultants to assist the District in processing the Bearkat Wind Energy II, LLC Application for Appraised Value Limitation on Qualified Property.
 - F. Discussion/Action- to approve a "No Charge" local policy for the cafeteria meals.
 - G. Discussion/Action- to approve an extension of the district bank depository contract.
 - H. Discussion/Action- to approve the district Property and Casualty Insurance contract for 2017-2018 as presented by Mr. Weeaks
 - I. Discussion/Action- to approve the student transfer list for the 2017-2018 school year as presented by Glasscock County Administration.
 - J. Discussion/Action- to accept the Schertz Nursery proposal for landscaping as presented by Mr. Weeaks.
 - K. Discussion/ Action- to approve personnel matters: to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee. (Deliberation may be in closed session as authorized by Art. 551.074).
 - 1. Personnel Need
 - L. Discussion/Action- to review the monthly financial reports, quarterly reports, and bills for May 2017
- V. Set a date for the next regular meeting (July 10th ???)

VI. Adjourn

If, during the course of the meeting, discussion of any item on the agenda should be held in closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Gov't. Code, Chapter 551, Subchapters D and E. The board may also consult with its attorney in closed meeting (Tex.Gov't Code, 551.071). This meeting is posted in compliance with the Texas Open Meetings Act on Thursday June 8th, 2017 @ 8:00 a.m.

Respectfully Submitted,

Thomas Weeaks

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Glasscock County ISD – Bearkat Wind Energy II, LLC App. #1210

Comptroller Questions (via email on October 2, 2017):

1. *Is the Bearkat Wind Energy II, LLC project currently known by any other project names?*
2. *Has this project applied to ERCOT at this time? If so, please provide the project's GINR number.*

Applicant Response (via email on October 2, 2017):

1. *Bearkat Wind Energy II, LLC is the current formal name for the project. Internally it has been referred to as BK2, BKII, or Bearkat II, however has not been contracted under such names.*
2. *The project has provided formal application materials to ERCOT. The GINR number is 15INR0064b.*