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Tyler, Texas
John J. Janssen, Ph.D.
Corpus Christi, Texas
Geneva L. Taylor
Houston, Texas
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Pittsburg/Lewisville, Texas

July 27, 2018

Via Electronic Mail: Deisy.Perez@cpa.texas.gov

Via Hand Delivery

Ms. Deisy Perez
Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
Post Office Box 13528
Austin, Texas 78711-3528

Re: Application #1239 for a Chapter 313 Value Limitation Agreement between the Crockett County Consolidated Common School District and High Lonesome Wind Power, LLC

First Year of Qualifying Time Period: 2019

First Year of Limitation: 2020

Dear Ms. Perez:

Please find enclosed for your review a hardcopy and digital copy of Amendment #3 concerning the above referenced Application. The amended pages contain the following changes:

- **Tab 4:** Changed from 63 turbines and 198MW to 68 turbine and 210MW
- **Tab 7:** Changed from 63 turbines and 198MW to 68 turbine and 210MW
- **Tab 8:** Changed from 63 turbines and 198MW to 68 turbine and 210MW
- **Tab 11:** Revised map with 68 turbines, with two separate reinvestment zones depicted
- **Tab 14:** Revised investment amount and estimated values

Thank you so much for your kind attention to this matter.

Respectfully submitted,

A handwritten signature in blue ink that reads "Shelly Leung".

Shelly Leung
Paralegal

Encl.

cc: *Via Electronic Mail:* raul.chavarria@ozonascchools.net
Mr. Raul Chavarria, Superintendent of Schools
Crockett County Consolidated Common School District

Via Electronic Mail: wjackson@cnlp.net
Mr. Wes Jackson, Partner
Cummings Westlake LLC

1001 ESE Loop 323, Ste. 450 Tyler, Texas 75701 t: 903-526-6618 f: 903-526-5766	115 Wild Basin Rd., Ste. 106 Austin, Texas 78746 t: 512-494-1177 f: 512-494-1188	7324 Southwest Freeway, Ste. 365 Houston, Texas 77074 t: 713-779-7500 f: 713-485-0169	802 N. Carancahua, Ste. 665 Corpus Christi, Texas 78401 t: 361-452-2804 f: 361-452-2743
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www.powell-leon.com
Toll Free: 800-494-1971

High Lonesome Wind Power, LLC

Chapter 313 Application to Crockett County Consolidated CSD

Cummings Westlake, LLC

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

TAB 4

Detailed Description of the Project

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.

High Lonesome Wind Power, LLC (High Lonesome Wind) is requesting an appraised value limitation from Crockett County Consolidated Common School District (CCSD) for the High Lonesome Wind Project (the "Project"), a proposed wind powered electric generating facility in Crockett County. The proposed Crockett County CCSD Project (this application) will be constructed within two reinvestment zones, the first being Crockett County High Lonesome Wind Power Reinvestment Zone that was established by Crockett County on June 11, 2018 and a second to be established in August 2018. A map showing the location of the project is included in TAB 11.

The proposed Crockett County CCSD portion of the Project is anticipated to have a capacity of approximately 210.23 MW located in Crockett County CCSD. The exact number and location of wind turbines and size of each turbine will vary depending upon ongoing wind and siting analysis, turbine manufacturer's availability, prices, and the megawatt generating capacity of the Project when completed. Current estimated plans are to install 68 turbines that will be located in Crockett County CCSD. The Applicant requests a value limitation for all facilities and equipment installed for the Project, including but not limited to, wind turbines, towers, foundations, roadways, meteorological towers, collection system, electrical substation, communication system, electric switchyard, electric transformers, transmission line and associated towers, and interconnection facilities.

Full construction of the Project is anticipated to begin in December 2018 with completion by December 31, 2019.

**NOTE:* The map in TAB 11 shows the potential locations of 68 of the wind turbines within Crockett County CCSD boundaries; however, the final number of turbines and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

High Lonesome Wind Power, LLC

Chapter 313 Application to Crockett County Consolidated CSD

Cummings Westlake, LLC

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

TAB 7

Description of Qualified Investment

High Lonesome Wind Power, LLC plans to construct a 210.23 MW wind farm in Crockett County.

This application covers all qualified property within Crockett County CCSD necessary for the commercial operations of the proposed wind farm described in Tab 4. Two hundred and ten and twenty-three one-hundredths megawatts (210.23 MW) will be located in Crockett County CCSD. Turbine placement is subject to change but for purposes of this application, the Project anticipates using 68 turbines.

This application covers all qualified investment and qualified property necessary for the commercial operations of the wind farm.

Qualified Investment and qualified property includes, but is not limited to, turbines, towers, foundations, transformers, pad mounts, underground collection systems, electric substation, transmission lines, electrical interconnections, met towers, roads, and control systems necessary for commercial generation of electricity.

**NOTE:* The map in TAB 11 shows the potential locations of 68 of the wind turbines within Crockett County CCSD boundaries; however, the final number of turbines and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

High Lonesome Wind Power, LLC

Chapter 313 Application to Crockett County Consolidated CSD

Cummings Westlake, LLC

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

TAB 8

Description of Qualified Property

High Lonesome Wind Power, LLC plans to construct a 210.23 MW wind farm in Crockett County.

This application covers all qualified property within Crockett County CCSD necessary for the commercial operations of the proposed wind farm described in Tab 4. Two hundred and ten and twenty-three one-hundredths megawatts (210.23 MW) will be located in Crockett County CCSD. Turbine placement is subject to change but for purposes of this application, the Project anticipates using 68 turbines.

This application covers all qualified investment and qualified property necessary for the commercial operations of the wind farm.

Qualified Investment and qualified property includes, but is not limited to, turbines, towers, foundations, transformers, pad mounts, underground collection systems, electric substation, transmission lines, electrical interconnections, met towers, roads, and control systems necessary for commercial generation of electricity.

**NOTE:* The map in TAB 11 shows the potential locations of 68 of the wind turbines within Crockett County CCSD boundaries; however, the final number of turbines and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

High Lonesome Wind Power, LLC

Chapter 313 Application to Crockett County Consolidated CSD

Cummings Westlake, LLC

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

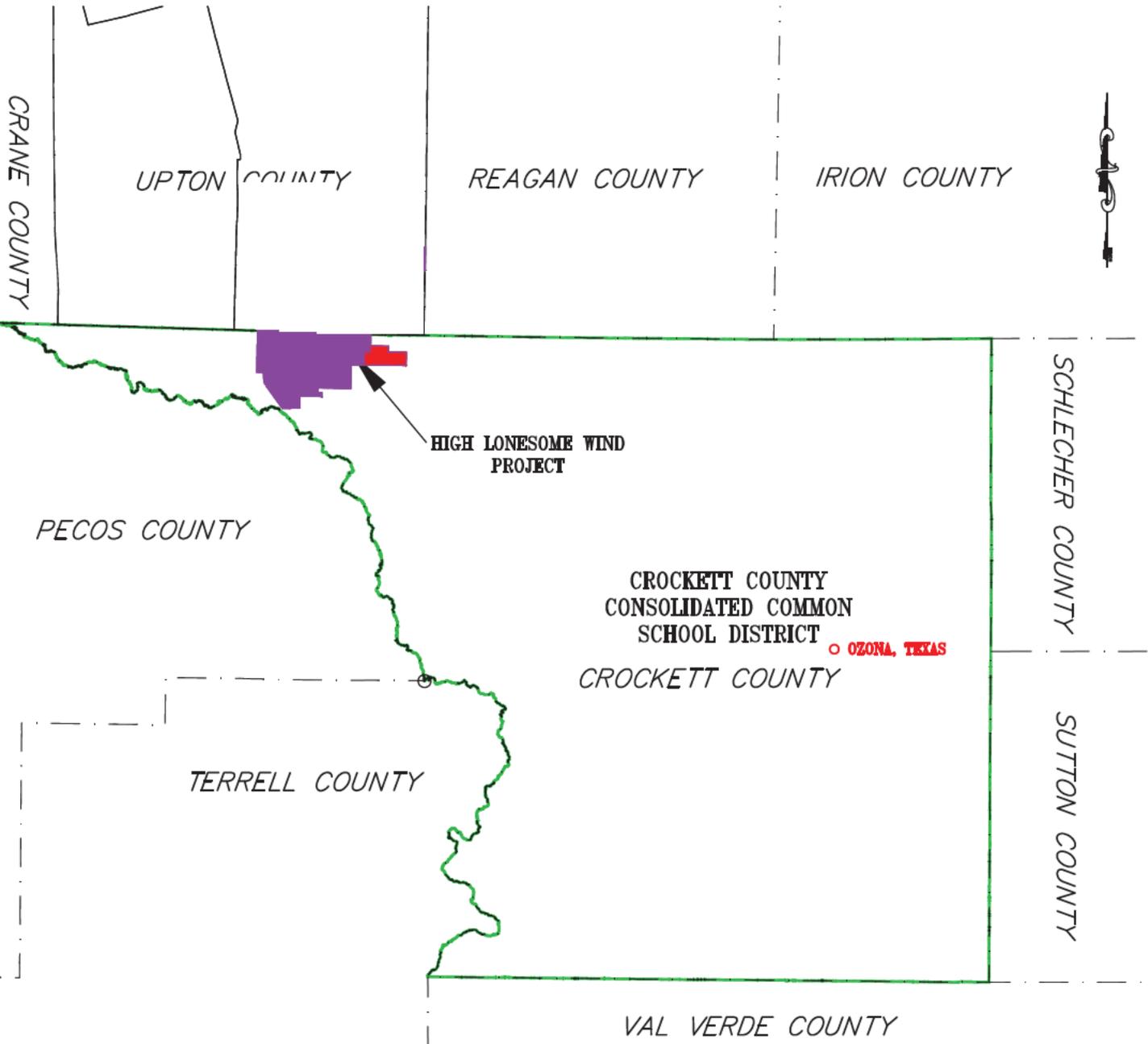
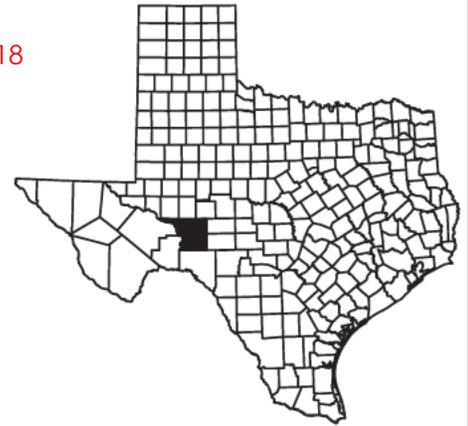
TAB 11

Maps that clearly show:

- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building or new improvements
- d) Existing property
- e) Land location within vicinity map
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

VICINITY MAP

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018



HIGH LONESOME WIND

PROJECT SITE MAP

Vicinity Map
Situated in
CROCKETT COUNTY CONSOLIDATED COMMON
SCHOOL DISTRICT

--- COUNTY LINE
— SCHOOL DISTRICT LINE

 PROJECT AREA AND REINVESTMENT ZONE 1
 PROJECT AREA AND REINVESTMENT ZONE 2

DATE: 07/16/2018

High Lonesome Wind Power, LLC

Chapter 313 Application to Crockett County Consolidated CSD

Cummings Westlake, LLC

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

TAB 14

Schedules A1, A2, B, C and D completed and signed Economic Impact (if applicable)

See attached Schedules A1, A2, B, C and D

			PROPERTY INVESTMENT AMOUNTS					
			(Estimated Investment in each year. Do not put cumulative totals.)					
			Column A	Column B	Column C	Column D	Column E	
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district	Year	School Year (YYYY-YYYY)						
Investment made after filing complete application with district, but before final board approval of application	-	Year preceding the first complete tax year of the qualifying time period (assuming no delinquency of qualifying time period)						
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								
Complete six years of qualifying time period	QTP-1	2019-2020	2019	231,253,000	0	0	0	231,253,000
	QTP-2	2020-2021	2020	0	0	0	0	0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			231,253,000	0	0	0	231,253,000	
Total Qualified Investment (sum of green cells)			Enter amounts from TOTAL row above in Schedule A2					
			231,253,000					

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings. Dollar value of other investment that may affect economic impact and total value. Examples of other investing property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property. Is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Column D: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

PROPERTY INVESTMENT AMOUNTS

					(Estimated Investment in each year. Do not put cumulative totals.)				
					Column A	Column B	Column C	Column D	Column E
					New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonmovable components of buildings that will become Qualified Property	Other investment made during this year that will NOT become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY			Enter amounts from TOTAL row in Schedule A1 in the row below				
TOTALS FROM SCHEDULE A1					231,253,000	0	0	0	231,253,000
Total Investment from Schedule A1*					--				
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>					2018-2019	2018	2018	2018	2018
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>					2019-2020	2019	2019	2019	2019
Value limitation period***					2020-2021	2020	2020	2020	2020
					2021-2022	2021	2021	2021	2021
					2022-2023	2022	2022	2022	2022
					2023-2024	2023	2023	2023	2023
					2024-2025	2024	2024	2024	2024
					2025-2026	2025	2025	2025	2025
					2026-2027	2026	2026	2026	2026
					2027-2028	2027	2027	2027	2027
					2028-2029	2028	2028	2028	2028
					2029-2030	2029	2029	2029	2029
Total Investment made through limitation					231,253,000	0	0	0	231,253,000
Continue to maintain viable presence					2030-2031	2030	2030	2030	2030
					2031-2032	2031	2031	2031	2031
					2032-2033	2032	2032	2032	2032
					2033-2034	2033	2033	2033	2033
					2034-2035	2034	2034	2034	2034
					2035-2036	2035	2035	2035	2035
					2036-2037	2036	2036	2036	2036
					2037-2038	2037	2037	2037	2037
					2038-2039	2038	2038	2038	2038
Additional years for 25 year economic impact as required by 313.026(c)(1)					2039-2040	2039	2039	2039	2039
					2040-2041	2040	2040	2040	2040
					2041-2042	2041	2041	2041	2041
					2042-2043	2042	2042	2042	2042
					2043-2044	2043	2043	2043	2043
					2044-2045	2044	2044	2044	2044

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the first row.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year)	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for 18S after all reductions	Final taxable value for M&O after all reductions
0	2018-2019	2018	2018	0	0	0	0	0	0
0	2019-2020	2019	2019	0	0	0	0	0	0
1	2020-2021	2020	2020	0	0	222,002,880	222,002,880	222,002,880	25,000,000
2	2021-2022	2021	2021	0	0	204,242,650	204,242,650	204,242,650	25,000,000
3	2022-2023	2022	2022	0	0	187,903,240	187,903,240	187,903,240	25,000,000
4	2023-2024	2023	2023	0	0	172,870,980	172,870,980	172,870,980	25,000,000
5	2024-2025	2024	2024	0	0	159,041,300	159,041,300	159,041,300	25,000,000
6	2025-2026	2025	2025	0	0	146,318,000	146,318,000	146,318,000	25,000,000
7	2026-2027	2026	2026	0	0	134,612,560	134,612,560	134,612,560	25,000,000
8	2027-2028	2027	2027	0	0	123,843,560	123,843,560	123,843,560	25,000,000
9	2028-2029	2028	2028	0	0	113,936,080	113,936,080	113,936,080	25,000,000
10	2029-2030	2029	2029	0	0	104,821,190	104,821,190	104,821,190	25,000,000
11	2030-2031	2030	2030	0	0	96,435,490	96,435,490	96,435,490	25,000,000
12	2031-2032	2031	2031	0	0	88,720,650	88,720,650	88,720,650	25,000,000
13	2032-2033	2032	2032	0	0	81,623,000	81,623,000	81,623,000	25,000,000
14	2033-2034	2033	2033	0	0	75,093,160	75,093,160	75,093,160	25,000,000
15	2034-2035	2034	2034	0	0	69,085,710	69,085,710	69,085,710	25,000,000
16	2035-2036	2035	2035	0	0	63,558,850	63,558,850	63,558,850	25,000,000
17	2036-2037	2036	2036	0	0	58,474,140	58,474,140	58,474,140	25,000,000
18	2037-2038	2037	2037	0	0	53,796,210	53,796,210	53,796,210	25,000,000
19	2038-2039	2038	2038	0	0	49,492,510	49,492,510	49,492,510	25,000,000
20	2039-2040	2039	2039	0	0	45,533,110	45,533,110	45,533,110	25,000,000
21	2040-2041	2040	2040	0	0	41,890,460	41,890,460	41,890,460	25,000,000
22	2041-2042	2041	2041	0	0	38,539,220	38,539,220	38,539,220	25,000,000
23	2042-2043	2042	2042	0	0	35,456,080	35,456,080	35,456,080	25,000,000
24	2043-2044	2043	2043	0	0	32,619,590	32,619,590	32,619,590	25,000,000
25	2044-2045	2044	2044	0	0	30,010,020	30,010,020	30,010,020	25,000,000

Additional years for 25 year economic impact as required by 313.026(c)(1)

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. Only include market value for eligible property on this schedule.

Date

7/19/2018

Applicant Name
ISD Name

High Lonesome Wind Power, LLC
Crockett County Consolidated CSD

Schedule C: Employment Information

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

Form 50-296A
Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs	
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2018-2019	2018	26 FTE	52,500	0	0	0	
	0	2019-2020	2019	250 FTE	52,500	0	0	0	
	1	2020-2021	2020	N/A	N/A	0	5	43,000	
	2	2021-2022	2021	N/A	N/A	0	5	43,000	
	3	2022-2023	2022	N/A	N/A	0	5	43,000	
	4	2023-2024	2023	N/A	N/A	0	5	43,000	
	5	2024-2025	2024	N/A	N/A	0	5	43,000	
	6	2025-2026	2025	N/A	N/A	0	5	43,000	
	7	2026-2027	2026	N/A	N/A	0	5	43,000	
	8	2027-2028	2027	N/A	N/A	0	5	43,000	
9	2028-2029	2028	N/A	N/A	0	5	43,000		
10	2029-2030	2029	N/A	N/A	0	5	43,000		
Years Following Value Limitation Period	11 through 25	2030-2045	2030-2044	N/A	N/A	0	5	43,000	

Notes: See TAC 9.1051 for definition of non-qualifying jobs. Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25) Yes No
If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Date

7/19/2018

Schedule D: Other Incentives (Estimated)

Applicant Name

High Lonesome Wind Power, LLC

Form 50-296A

ISD Name

Crockett County Consolidated CSD

AMENDMENT 003 | DATE SUBMITTED: 07.27.2018

Revised May 2014

State and Local Incentives for which the Applicant Intends to apply (Estimated)							
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy	
Tax Code Chapter 311	County:	N/A	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	County: Crockett County	2020	10 Years	Avg. \$1,007,000	100%	\$284,000	
	City:	N/A	N/A	N/A	N/A	N/A	N/A
	Other: Crockett County GCD	2020	10 Years	Avg. \$237,000	100%	\$71,000	
Local Government Code Chapters 380/381	County:	N/A	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A	N/A
Freepport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL				Avg. \$1,244,000		\$355,000	

Additional information on incentives for this project:

Crockett County Terms: No agreement has been signed or discussed.
 Crockett County GCD Terms: No agreement has been signed or discussed.



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 ▶ Raul Chavarria Superintendent
Print Name (Authorized School District Representative) Title

sign here ▶ *Raul Chavarria* 7-20-18
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 ▶ William Kelsey Partner
Print Name (Authorized Company Representative (Applicant)) Title

sign here ▶ *William Kelsey* 7/20/18
Signature (Authorized Company Representative (Applicant)) Date

GIVEN under my hand and seal of office this, the

26th day of July, 2018
[Signature]
Notary Public in and for the State of Texas.
 My Commission expires: 06/27/2020



If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.