GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

August 1, 2018

Raul Chavarria
Superintendent
Crockett County Consolidated Common School District
P.O. Box 400
Ozona, Texas 76943

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Crockett County Consolidated Common School District and High Lonesome Wind Power, LLC, Application 1239

Dear Superintendent Chavarria:

On May 4, 2018, the Comptroller issued written notice that High Lonesome Wind Power, LLC (applicant) submitted a completed application (Application 1239) for a limitation on appraised value under the provisions of Tax Code Chapter 313.[1] This application was originally submitted on February 21, 2018, to the Crockett County Consolidated Common 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 1239.

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, 2018.

Note that any building or improvement existing as of the application review start date of May 4, 2018, 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 High Lonesome Wind Power, LLC (project) applying to Rankin 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 High Lonesome Wind Power, LLC.

Applicant	High Lonesome Wind Power, LLC
Tax Code, 313.024 Eligibility Category	Renewable Electric Energy Generation
School District	Crockett County Consolidated CSD
2016-2017 Average Daily Attendance	720
County	Crockett
Proposed Total Investment in District	$231,253,000
Proposed Qualified Investment	$231,253,000
Limitation Amount	$25,000,000
Qualifying Time Period (Full Years)	2019-2020
Number of new qualifying jobs committed to by applicant	5*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	$827
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	$826
Minimum annual wage committed to by applicant for qualified jobs	$43,000
Minimum weekly wage required for non-qualifying jobs	$754
Minimum annual wage required for non-qualifying jobs	$39,196
Investment per Qualifying Job	$46,250,600
Estimated M&O levy without any limit (15 years)	$20,993,835
Estimated M&O levy with Limitation (15 years)	$7,006,155
Estimated gross M&O tax benefit (15 years)	$13,987,680

** 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 High Lonesome Wind Power, LLC (modeled).

	Employment			Personal Income		
Year	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2018	25	24	49	$1,312,500	$1,739,500	$3,052,000
2019	250	234	484.375	$13,125,000	$19,468,000	$32,593,000
2020	5	16	21	$215,000	$3,813,000	$4,028,000
2021	5	11	16	$215,000	$2,593,000	$2,808,000
2022	5	3	8	$215,000	$1,982,000	$2,197,000
2023	5	1	6	$215,000	$1,250,000	$1,465,000
2024	5	(1)	4	$215,000	$884,000	$1,099,000
2025	5	5	10	$215,000	$762,000	$977,000
2026	5	1	6	$215,000	$762,000	$977,000
2027	5	7	12	$215,000	$762,000	$977,000
2028	5	5	10	$215,000	$1,006,000	$1,221,000
2029	5	1	6	$215,000	$762,000	$977,000
2030	5	(1)	4	$215,000	$273,000	$488,000
2031	5	1	6	$215,000	$273,000	$488,000
2032	5	3	8	$215,000	$29,000	$244,000
2033	5	(1)	4	$215,000	-$215,000	$0
2034	5	(5)	0	$215,000	-$459,000	-$244,000

Source: CPA REMI, High Lonesome Wind Power, 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		Crockett County CCSD I&S Tax Levy	Crockett County CCSD M&O Tax Levy	Crockett County CCSD M&O and I&S Tax Levies	Crockett County Tax Levy	Crockett County Groundwater Conservation District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	**0.0540**	**1.0600**		**0.4782**	**0.2236**	
2020	$222,002,880	$222,002,880		$119,882	$2,353,231	$2,473,112	$1,061,698	$496,398	$4,031,208
2021	$204,242,650	$204,242,650		$110,291	$2,164,972	$2,275,263	$976,762	$456,687	$3,708,712
2022	$187,903,240	$187,903,240		$101,468	$1,991,774	$2,093,242	$898,621	$420,152	$3,412,015
2023	$172,870,980	$172,870,980		$93,350	$1,832,432	$1,925,783	$826,731	$386,540	$3,139,053
2024	$159,041,300	$159,041,300		$85,882	$1,685,838	$1,771,720	$760,593	$355,616	$2,887,929
2025	$146,318,000	$146,318,000		$79,012	$1,550,971	$1,629,983	$699,745	$327,167	$2,656,895
2026	$134,612,560	$134,612,560		$72,691	$1,426,893	$1,499,584	$643,766	$300,994	$2,444,343
2027	$123,843,560	$123,843,560		$66,876	$1,312,742	$1,379,617	$592,264	$276,914	$2,248,796
2028	$113,936,080	$113,936,080		$61,525	$1,207,722	$1,269,248	$544,883	$254,761	$2,068,892
2029	$104,821,190	$104,821,190		$56,603	$1,111,105	$1,167,708	$501,293	$234,380	$1,903,381
2030	$96,435,490	$96,435,490		$52,075	$1,022,216	$1,074,291	$461,189	$215,630	$1,751,110
2031	$88,720,650	$88,720,650		$47,909	$940,439	$988,348	$424,294	$198,379	$1,611,022
2032	$81,623,000	$81,623,000		$44,076	$865,204	$909,280	$390,351	$182,509	$1,482,140
2033	$75,093,160	$75,093,160		$40,550	$795,987	$836,538	$359,123	$167,908	$1,363,569
2034	$69,085,710	$69,085,710		$37,306	$732,309	$769,615	$330,393	$154,476	$1,254,483
			Total	**$1,069,497**	**$20,993,835**	**$22,063,332**	**$9,471,705**	**$4,428,511**	**$35,963,548**

Source: CPA, High Lonesome Wind Power, LLC
*Tax Rate per $100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Upton 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		Crockett County CCSD I&S Tax Levy	Crockett County CCSD M&O Tax Levy	Crockett County CCSD M&O and I&S Tax Levies	Crockett County Tax Levy	Crockett County Groundwater Conservation District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	**0.0540**	**1.0600**		**0.4782**	**0.2236**	
2020	$222,002,880	$25,000,000		$119,882	$265,000	$384,882	$0	$0	$384,882
2021	$204,242,650	$25,000,000		$110,291	$265,000	$375,291	$0	$0	$375,291
2022	$187,903,240	$25,000,000		$101,468	$265,000	$366,468	$0	$0	$366,468
2023	$172,870,980	$25,000,000		$93,350	$265,000	$358,350	$0	$0	$358,350
2024	$159,041,300	$25,000,000		$85,882	$265,000	$350,882	$0	$0	$350,882
2025	$146,318,000	$25,000,000		$79,012	$265,000	$344,012	$0	$0	$344,012
2026	$134,612,560	$25,000,000		$72,691	$265,000	$337,691	$0	$0	$337,691
2027	$123,843,560	$25,000,000		$66,876	$265,000	$331,876	$0	$0	$331,876
2028	$113,936,080	$25,000,000		$61,525	$265,000	$326,525	$0	$0	$326,525
2029	$104,821,190	$25,000,000		$56,603	$265,000	$321,603	$0	$0	$321,603
2030	$96,435,490	$96,435,490		$52,075	$1,022,216	$1,074,291	$461,189	$215,630	$1,751,110
2031	$88,720,650	$88,720,650		$47,909	$940,439	$988,348	$424,294	$198,379	$1,611,022
2032	$81,623,000	$81,623,000		$44,076	$865,204	$909,280	$390,351	$182,509	$1,482,140
2033	$75,093,160	$75,093,160		$40,550	$795,987	$836,538	$359,123	$167,908	$1,363,569
2034	$69,085,710	$69,085,710		$37,306	$732,309	$769,615	$330,393	$154,476	$1,254,483
			Total	**$1,069,497**	**$7,006,155**	**$8,075,652**	**$1,965,349**	**$918,902**	**$10,959,903**
			Diff	**$0**	**$13,987,680**	**$13,987,680**	**$7,506,356**	**$3,509,609**	**$25,003,645**

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, High Lonesome Wind Power, 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 High Lonesome Wind Power, 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	2017	$0	$0	$0	$0
	2018	$0	$0	$0	$0
	2019	$0	$0	$0	$0
Limitation Period (10 Years)	2020	$265,000	$265,000	$2,088,231	$2,088,231
	2021	$265,000	$530,000	$1,899,972	$3,988,203
	2022	$265,000	$795,000	$1,726,774	$5,714,977
	2023	$265,000	$1,060,000	$1,567,432	$7,282,409
	2024	$265,000	$1,325,000	$1,420,838	$8,703,247
	2025	$265,000	$1,590,000	$1,285,971	$9,989,218
	2026	$265,000	$1,855,000	$1,161,893	$11,151,111
	2027	$265,000	$2,120,000	$1,047,742	$12,198,853
	2028	$265,000	$2,385,000	$942,722	$13,141,575
	2029	$265,000	$2,650,000	$846,105	$13,987,680
Maintain Viable Presence (5 Years)	2030	$1,022,216	$3,672,216	$0	$13,987,680
	2031	$940,439	$4,612,655	$0	$13,987,680
	2032	$865,204	$5,477,859	$0	$13,987,680
	2033	$795,987	$6,273,846	$0	$13,987,680
	2034	$732,309	$7,006,155	$0	$13,987,680
Additional Years as Required by 313.026(c)(1) (10 Years)	2035	$673,724	$7,679,879	$0	$13,987,680
	2036	$619,826	$8,299,705	$0	$13,987,680
	2037	$570,240	$8,869,944	$0	$13,987,680
	2038	$524,621	$9,394,565	$0	$13,987,680
	2039	$482,651	$9,877,216	$0	$13,987,680
	2040	$444,039	$10,321,255	$0	$13,987,680
	2041	$408,516	$10,729,771	$0	$13,987,680
	2042	$375,834	$11,105,605	$0	$13,987,680
	2043	$345,768	$11,451,373	$0	$13,987,680
	2044	$318,106	$11,769,479	$0	$13,987,680

$11,769,479 is less than **$13,987,680**

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.

Source: CPA, High Lonesome Wind Power, LLC

	Employment			Personal Income			Revenue & Expenditure		
Year	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2018	25	24	49	$1,312,500	$1,739,500	$3,052,000	160000	-92000	$252,000
2019	250	234	484.375	$13,125,000	$19,468,000	$32,593,000	1648000	-847000	$2,495,000
2020	5	16	21	$215,000	$3,813,000	$4,028,000	168000	359000	-$191,000
2021	5	11	16	$215,000	$2,593,000	$2,808,000	137000	305000	-$168,000
2022	5	3	8	$215,000	$1,982,000	$2,197,000	107000	275000	-$168,000
2023	5	1	6	$215,000	$1,250,000	$1,465,000	92000	229000	-$137,000
2024	5	(1)	4	$215,000	$884,000	$1,099,000	99000	183000	-$84,000
2025	5	5	10	$215,000	$762,000	$977,000	99000	153000	-$54,000
2026	5	1	6	$215,000	$762,000	$977,000	145000	122000	$23,000
2027	5	7	12	$215,000	$762,000	$977,000	76000	53000	$23,000
2028	5	5	10	$215,000	$1,006,000	$1,221,000	92000	31000	$61,000
2029	5	1	6	$215,000	$762,000	$977,000	92000	8000	$84,000
2030	5	(1)	4	$215,000	$273,000	$488,000	61000	-31000	$92,000
2031	5	1	6	$215,000	$273,000	$488,000	46000	-46000	$92,000
2032	5	3	8	$215,000	$29,000	$244,000	38000	-76000	$114,000
2033	5	(1)	4	$215,000	-$215,000	$0	8000	-122000	$130,000
2034	5	(5)	0	$215,000	-$459,000	-$244,000	-46000	-145000	$99,000
2035	5	(3)	2	$215,000	-$459,000	-$244,000	-76000	-168000	$92,000
2036	5	(5)	0	$215,000	-$947,000	-$732,000	-145000	-244000	$99,000
2037	5	(5)	0	$215,000	-$1,436,000	-$1,221,000	-191000	-290000	$99,000
2038	5	(9)	-4	$215,000	-$1,680,000	-$1,465,000	-183000	-328000	$145,000
2039	5	(13)	-8	$215,000	-$1,924,000	-$1,709,000	-229000	-366000	$137,000
2040	5	(13)	-8	$215,000	-$3,145,000	-$2,930,000	-290000	-450000	$160,000
2041	5	(13)	-8	$215,000	-$2,901,000	-$2,686,000	-320000	-496000	$176,000
2042	5	(13)	-8	$215,000	-$2,901,000	-$2,686,000	-290000	-504000	$214,000
2043	5	(17)	-12	$215,000	-$3,145,000	-$2,930,000	-275000	-542000	$267,000
2044	5	(19)	-14	$215,000	-$3,145,000	-$2,930,000	-320000	-565000	$245,000
2045	5	(15)	-10	$215,000	-$3,633,000	-$3,418,000	-336000	-633000	$297,000
						Total	**$367,000**	**-$4,227,000**	**$4,594,000**
							$16,363,479	is greater than	**$13,987,680**

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

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 High Lonesome Wind Power 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 High Lonesome Wind Power, LLC. in Tab 5 of their Application for a Limitation on Appraised Value:
  A. "Swift Current Energy (SCE) is a clean energy focused development and investment firm. Founded in 2016 by industry veterans, Swift Current Energy has over a gigawatt of utility scale wind, solar, and energy storage power projects in development across North America. Swift Current Energy is headquartered in Boston, Massachusetts with offices in Illinois, Maine, Montana, New York, and Texas."
  B. "SCE is keen to develop and build the proposed High Lonesome Wind Project as per this application, but since this Project is still in the early stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar wind projects. SCE is active in states throughout the United States, where each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable."
  C. "SCE has many wind sites in development throughout the country and are continually comparing investment opportunities, rate of return, and market viability of each project based upon project financial metrics. For example, SCE currently has ongoing project developments in many states, including but not limited to, Illinois, Indiana, Iowa, Maine, Minnesota, and Oklahoma."
  D. "Due to the extremely competitive power market in ERCOT most if not all PPA's economic model assumptions are based on the Project securing this Chapter 313 appraised value limitation and other local tax incentives. The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a PPA. A signed PPA in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Both parties of the PPA have an escape

clause if the terms of the PPA cannot be met. Without the tax incentives in Texas, a project with a PPA becomes non-financeable."

E. "Therefore, this appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited."

- According to a Regular Board Meeting of the Board of Trustees of Crockett County Consolidated Common School District dated February 21, 2018, "Discussion and possible action to accept an Application for Value Limitation Agreement from High Lonesome Wind Power, LLC (Texas Taxpayer ID#32062092443)pursuant to Chapter 313 of the Texas Property Tax Code; authorize the Superintendent of Schools to review the Application for completeness and submit the Application to the Comptroller of Public Accounts; authorize the Superintendent of Schools to approve any request for extension of the deadline for Board action beyond the 150-day Board review period as may be required."
- According to a Notice of Public Hearing in the Commissioners Court of Crockett County dated February 26, 2018, "to consider the application of High Lonesome Wind Power, LLC to create the High Lonesome Wind Power Reinvestment Zone, at which time all interested persons are entitled to speak and present evidence for or against the proposed designation of the High Lonesome Wind Power Reinvestment Zone, under Chapter 312 of the Texas Tax Code."

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:
   - ☑ Land has no existing improvements
   - ☐ Land has existing improvements *(complete Section 13)*
   - ☐ Expansion of existing operation on the land *(complete Section 13)*
   - ☐ 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.

Swift Current Energy (SCE) is a clean energy focused development and investment firm. Founded in 2016 by industry veterans, Swift Current Energy has over a gigawatt of utility scale wind, solar, and energy storage power projects in development across North America. Swift Current Energy is headquartered in Boston, Massachusetts with offices in Illinois, Maine, Montana, New York and Texas.

SCE is keen to develop and build the proposed High Lonesome Wind Project as per this application, but since this Project is still in the early stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar wind projects. SCE is active in states throughout the United States, where each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable. SCE has many wind sites in development throughout the country and are continually comparing investment opportunities, rate of return, and market viability of each project based upon project financial metrics. For example, SCE currently has ongoing project developments in many states, including but not limited to, Illinois, Indiana, Iowa, Maine, Minnesota and Oklahoma.

Due to the extremely competitive power market in ERCOT most if not all PPA's economic model assumptions are based on the Project securing this Chapter 313 appraised value limitation and other local tax incentives. The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a PPA. A signed PPA in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Both parties of the PPA have an escape clause if the terms of the PPA cannot be met. Without the tax incentives in Texas, a project with a PPA becomes non-financeable. Therefore, this appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited.

Supporting Information

Additional information provided by the Applicant or located by the Comptroller

Agenda of Regular Board Meeting

The Board of Trustees
Crockett County Consolidated Common School District

A Regular Board Meeting of the Board of Trustees of Crockett County Consolidated Common School District will be held February 21, 2018, beginning at 6:30 PM in the Administration Office Board Room at 797 Avenue D, Ozona, Texas 76943.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to order by the President
   A. Establish a quorum - Members present/Members absent
   B. Employees/Guests present
2. Invocation/Pledges
3. Approval of Agenda for the February 21, 2018 Regular Meeting of the CCCCSD Board of Trustees
4. Open Forum/Public Comments
5. Acknowledgment of Conflict of Interest Policy BBFA (LEGAL) and (LOCAL)
6. Discussion and possible action to accept an Application for Value Limitation Agreement from High Lonesome Wind Power, LLC (Texas Taxpayer ID #32062092443)pursuant to Chapter 313 of the Texas Property Tax Code; authorize the Superintendent of Schools to review the Application for completeness and submit the Application to the Comptroller of Public Accounts; authorize the Superintendent of Schools to approve any request for extension of the deadline for Board action beyond the 150-day Board review period as may be required.
7. Discussion and possible action to retain attorneys/consultants Powell & Leon, LLP and Jigsaw School Finance Solutions, LLC to assist the District in the review and processing of the Application for Value Limitation Agreement from High Lonesome Wind Power, LLC (Texas Taxpayer ID # 32062092443) pursuant to Chapter 313 of the Texas Property Tax Code
8. March 27, District Early Dismissal due to Junior High District Track Meet
9. Discussion of Teacher Pay Step
10. School Safety Discussion and Measures
11. Media Honor Roll Nomination
    A. Approval to nominate the local newspaper and local radio station through the

TASB Media Honor Roll for their efforts to report school news in a manner that is fair, accurate, and balanced; and give a high-profile position to good news about our school.

12. Reports
    A. Transportation
    B. Maintenance
    C. Principals
        1. OES
        2. OMS
        3. OHS
    D. Athletic Director
    E. Technology Report
    F. Band Report
    G. Cafeteria / Food Service
    H. Special and Federal Programs
    I. Superintendent report
    J. Financial & Bills
        1. Bills
        2. Board Report
        3. Monthly Investment Report
        4. Student Activity Funds
13. Consider Letter of Engagement for the district's financial audit for the year ending August 2018 with Eckert & Company, CPA Firm
14. Consent Agenda - Approve minutes from the Regular Meeting held on January 17, 2018 .
15. Executive/Closed Session - Texas Government Code Chapter 551.074 Personnel Matters, and 551.072 Real Property
16. Possible action from Executive/Closed session
    A. Consider Administrator Contracts as recommended
17. Future Business - March Regular Board Meeting, suggested date March 21, 2018, 6:30 P.M.
18. Adjournment

The Ozona Stockman

PUBLIC NOTICE

Submitted by Edgar on Tue, 02/13/2018 - 16:38

NOTICE OF PUBLIC HEARING The Commissioners Court Of Crockett County, Texas will hold a Public Hearing on Monday, Feb. 26, 2018, at 11:00 a.m. in the Crockett County Courthouse Annex Courtroom at 909 Avenue D, Ozona, Texas, to consider the application of High Lonesome Wind Power, LLC to create the High Lonesome Wind Power Reinvestment Zone, at which time all interested persons are entitled to speak and present evidence for or against the proposed designation of the High Lonesome Wind Power Reinvestment Zone, under Chapter 312 of the Texas Tax Code. The proposed zone is located in Crockett County, Texas and as described in the attached. A map of the area is available for viewing at the office of the County Judge. If you have any questions regarding the proposed designation of the reinvestment zone, please call Crockett County Judge Fred Deaton at 325-392-2965.

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COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Crockett County CCSD – High Lonesome Wind Power, LLC App. #1239

Comptroller Questions (via email on July 30, 2018):

1. *Is the High Lonesome Wind Power, 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 and when was it assign.*

Applicant Response (via email on July 30, 2018):

1. *No. High Lonesome Wind Power, LLC is the only legal name of the project.*

2. *Yes, the application has applied with ERCOT. The project's GINR No. is 191NR0038. ERCOT assigned this number to the project on March 6, 2017.*