

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

June 18, 2018

Date Application Received by District

Dr. J. Glenn

First Name

Hambrick

Last Name

Superintendent of Schools

Title

Carthage Independent School District

School District Name

#1 Bulldog Dr.

Street Address

Mailing Address

Carthage

City

903-693-3806

Phone Number

TX

State

75633-2370

ZIP

Fax Number

ghambrick@carthageisd.org

Email Address

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application?



Yes



No

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-ASECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

| | |
|---------------------------------|-----------------------|
| Sara | Leon |
| First Name | Last Name |
| Attorney | |
| Title | |
| Powell & Leon, LLP | |
| Firm Name | |
| (512) 494-1177 | (512) 494-1188 |
| Phone Number | Fax Number |
| | sleon@powell-leon.com |
| | Email Address |
| Mobile Number <i>(optional)</i> | |

4. On what date did the district determine this application complete?
5. Has the district determined that the electronic copy and hard copy are identical? ☒ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

| | |
|---------------------------------|-------------------------|
| Curt | Tate |
| First Name | Last Name |
| Senior Tax Director | TECO Gas Processing LLC |
| Title | Organization |
| 1100 Louisiana Street | |
| Street Address | |
| P.O. Box 4018 | |
| Mailing Address | |
| Houston | Texas |
| City | State |
| 713-381-8071 | 77210-4018 |
| Phone Number | ZIP |
| | 713-887-7139 |
| | Fax Number |
| | ctate@eprod.com |
| | Business Email Address |
| Mobile Number <i>(optional)</i> | |

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? ☐ Yes ☒ No
- 2a. If yes, please fill out contact information for that person.

| | |
|---------------------------------|------------------------|
| First Name | Last Name |
| | |
| Title | Organization |
| | |
| Street Address | |
| | |
| Mailing Address | |
| | |
| City | State |
| | ZIP |
| Phone Number | Fax Number |
| | |
| Mobile Number <i>(optional)</i> | Business Email Address |
| | |

3. Does the applicant authorize the consultant to provide and obtain information related to this application? ☒ Yes ☐ No

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

| | |
|------------------------|--------------|
| Tim | Young |
| First Name | Last Name |
| Attorney | |
| Title | |
| Ikard Wynne LLP | |
| Firm Name | |
| 512-275-7894 | 512-275-7333 |
| Phone Number | Fax Number |
| tim@ikardwynne.com | |
| Business Email Address | |

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? TECO Gas Processing LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 17427531029
3. List the NAICS code 325120
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 4a. If yes, please list application number, name of school district and year of agreement
- Affiliates of Applicant are parties to active Chapter 313 Agreements. See attachment 4a attached as Exhibit 1.

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

N/A

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☐ Second Quarter ☒ Third Quarter ☐ Fourth Quarter of 2018
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 4,512
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3). *Permanent jobs attributable to affiliates of applicant
4. What is the number of new qualifying jobs you are committing to create? 3
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 906.50
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 907.23
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 927.08
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 48,208.16
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 50,000.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (not required)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab # 12

Request for Waiver of Job Creation



P.O. Box 4018 Houston, Texas 77210-4018 713.381.6500
 1100 Louisiana Street Houston, Texas 77002-41010 www.epplp.com

September 26, 2018

Dr. Glen Hambrick
 Carthage ISD
 1 # Bulldog Drive
 Carthage, Texas 75633-2370

**Re: Chapter 313 Job Waiver Request Chapter 313 Application
 Application No. 1270**

Dear Dr. Hambrick:

TECO Gas Processing LLC ("TECO") respectfully requests that the Carthage Independent School District Board of Trustees waive the job requirement provision as allowed in Section 313.025(f-1) of the TEXAS TAX CODE in connection with its Cryogenic Plant Chapter 313 Application No. 1270. This waiver would require that the school District make a finding that the jobs creation requirement (ten) exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility described in the TECO application for the Cryogenic Plant.

Enterprise Products LLC, an affiliate of TECO, currently operates multiple gas processing and manufacturing plants and expects to integrate the new facility with existing operations. Because of the way Enterprise operates and the integration with existing operations, Enterprise is able to operate its facilities with synergistic efficiencies. The chart below shows the current operational staffing of similar facilities owned and operated by Enterprise affiliates. The proposed cryogenic plant has similar functions to our Fractionator facilities located in Mont Belvieu, Texas. Accordingly, we have used those facilities, as well as other gas processing facilities noted in the chart as a basis for comparison.



P.O. Box 4018 Houston, Texas 77210-4018 713.381.6500
 1100 Louisiana Street Houston, Texas 77002-41010 www.epplp.com

| App. No. | Project Location | Company Name | Facility | Operating Employees |
|----------|-----------------------|------------------------------------|-----------------|---------------------|
| 166 | Mont Belvieu, Texas | Enterprise Products Operating LLC | Frac IV | 4 |
| 178 | Mont Belvieu, Texas | Enterprise Products Operating LLC | Frac V | 4 |
| 192 | Mont Belvieu, Texas | Enterprise Products Operating LLC | Frac VI | 4 |
| 253 | Mont Belvieu, Texas | Enterprise Products Operating LLC | Frac VII | 4 |
| 254 | Mont Belvieu, Texas | Enterprise Products Operating LLC | Frac VIII | 4 |
| N/A | Mont Belvieu, Texas | Enterprise Products Operating LLC | South Plant | 1.5 |
| N/A | Gaines County, Texas | Enterprise Products Operating LLC | Hobbs Frac | 1.5 |
| N/A | Port Allen, Louisiana | Enterprise Products Operating LLC | Port Allen Frac | 1.5 |
| | | | | |
| | | Average No. of Jobs Created | | 3 |

Based upon our operation experience with other gas processing facilities similar to the proposed cryogenic plant and the synergies that arise from the manner that Enterprise operates, three (3) is the number of employees reasonably necessary for the operation of the proposed project. The proposed project is expected to directly create approximately 420 jobs during construction, which will increase the need for local goods and services and generate incremental state and local tax revenue.

We believe this facility will promote economic growth and welfare to the community by creating permanent full-time positions. The wages for these positions will be at least above 110% of the Panola County average wage rate. Additionally, benefits such as medical, dental, and life insurance will be provided, as well as 401K and pension plans.

We appreciate your consideration of the job waiver request and if you have any questions, please feel free to contact me by telephone at 713-381-8071 or by email at ctate@eprod.com.

Sincerely,

Curt Tate

Sr. Tax Director

Tab # 13

**Calculation of three possible wage
requirements with TWC documentation**

Calculations of Wages for Panola County

Based on Most Recent Data Available

| Average Weekly Wage for all jobs (all Industries) in the County | | |
|--|---------|-----------------|
| Year | Period | Wages |
| 2018 | 1st Qtr | \$918 |
| 2017 | 2nd Qtr | \$879 |
| 2017 | 3rd Qtr | \$892 |
| 2017 | 4th Qtr | \$937 |
| Average | | \$906.50 |

| 110% of Average Weekly Wage for Manufacturing jobs in the County | | |
|---|---------|-----------------|
| Year | Period | Wages |
| 2018 | 1st Qtr | \$878 |
| 2017 | 2nd Qtr | \$785 |
| 2017 | 3rd Qtr | \$793 |
| 2017 | 4th Qtr | \$843 |
| Average Weekly Wage | | \$825 |
| 110% of Average Weekly Wage | | \$907.23 |

| 110% of Average Weekly Wage for Manufacturing jobs in the Region | |
|---|-----------------|
| East Texas Council of Governments | |
| Rate per Hour | \$21.07 |
| Hours Per Week | 40 |
| Average Weekly Wage | \$842.80 |
| 110% of Average Weekly Wage | \$927.08 |

| | |
|--|--------------------|
| Minimum Required Annual(52 weeks) Wage | \$48,208.16 |
|--|--------------------|

Calculations of Wages for Panola County

Based on Most Recent Data Available

Page 1 of 1 (40 results/page)

| Year | Period | Area | Ownership | Division | Level | Ind Code | Industry | Avg Weekly Wages |
|------|---------|---------------|-----------|----------|-------|----------|-----------------------|------------------|
| 2017 | 4th Qtr | Panola County | Private | 00 | 0 | 10 | Total, all industries | \$937 |
| 2017 | 3rd Qtr | Panola County | Private | 00 | 0 | 10 | Total, all industries | \$892 |
| 2017 | 2nd Qtr | Panola County | Private | 00 | 0 | 10 | Total, all industries | \$879 |
| 2018 | 1st Qtr | Panola County | Private | 00 | 0 | 10 | Total, all industries | \$918 |

Page 1 of 1 (40 results/page)

| Year | Period | Area | Ownership | Division | Level | Ind Code | Industry | Avg Weekly Wages |
|------|---------|---------------|-----------|----------|-------|----------|---------------|------------------|
| 2017 | 4th Qtr | Panola County | Private | 31 | 2 | 31-33 | Manufacturing | \$843 |
| 2017 | 3rd Qtr | Panola County | Private | 31 | 2 | 31-33 | Manufacturing | \$793 |
| 2017 | 2nd Qtr | Panola County | Private | 31 | 2 | 31-33 | Manufacturing | \$785 |
| 2018 | 1st Qtr | Panola County | Private | 31 | 2 | 31-33 | Manufacturing | \$878 |

source:

<http://www.tracer2.com/cgi/dataanalysis/AreaSelection.asp?tableName=Industry>

**2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

| COG | Wages | |
|--|----------------|-----------------|
| | Hourly | Annual |
| Texas | \$26.24 | \$54,587 |
| <u>1. Panhandle Regional Planning Commission</u> | \$23.65 | \$49,190 |
| <u>2. South Plains Association of Governments</u> | \$19.36 | \$40,262 |
| <u>3. NORTEX Regional Planning Commission</u> | \$23.46 | \$48,789 |
| <u>4. North Central Texas Council of Governments</u> | \$26.80 | \$55,747 |
| <u>5. Ark-Tex Council of Governments</u> | \$18.59 | \$38,663 |
| <u>6. East Texas Council of Governments</u> | \$21.07 | \$43,827 |
| <u>7. West Central Texas Council of Governments</u> | \$21.24 | \$44,178 |
| <u>8. Rio Grande Council of Governments</u> | \$18.44 | \$38,351 |
| <u>9. Permian Basin Regional Planning Commission</u> | \$26.24 | \$54,576 |
| <u>10. Concho Valley Council of Governments</u> | \$19.67 | \$40,924 |
| <u>11. Heart of Texas Council of Governments</u> | \$21.53 | \$44,781 |
| <u>12. Capital Area Council of Governments</u> | \$31.49 | \$65,497 |
| <u>13. Brazos Valley Council of Governments</u> | \$17.76 | \$39,931 |
| <u>14. Deep East Texas Council of Governments</u> | \$17.99 | \$37,428 |
| <u>15. South East Texas Regional Planning Commission</u> | \$34.98 | \$72,755 |
| <u>16. Houston-Galveston Area Council</u> | \$28.94 | \$60,202 |
| <u>17. Golden Crescent Regional Planning Commission</u> | \$26.94 | \$56,042 |
| <u>18. Alamo Area Council of Governments</u> | \$22.05 | \$48,869 |
| <u>19. South Texas Development Council</u> | \$15.07 | \$31,343 |
| <u>20. Coastal Bend Council of Governments</u> | \$28.98 | \$60,276 |
| <u>21. Lower Rio Grande Valley Development Council</u> | \$17.86 | \$37,152 |
| <u>22. Texoma Council of Governments</u> | \$21.18 | \$44,060 |
| <u>23. Central Texas Council of Governments</u> | \$19.30 | \$40,146 |
| <u>24. Middle Rio Grande Development Council</u> | \$24.07 | \$50,058 |

Source: Texas Occupational Employment and Wages

Data published: July 2018

Data published annually, next update will be July 31, 2019

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Tab # 14

**Schedule A1, A2, B, C and D completed
and signed economic impact**

Date

9/25/2018

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

AMENDMENT #2 - 9/25/2018

Applicant Name

TECO Gas Processing LLC

Form 50-295A

ISD Name

Carthage ISD

Revised May 2014

| 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) | Tax Year (fill in actual tax year below) YYYY | Not eligible to become Qualified Property | | | |
| 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 deferrals of qualifying time period) | | | | | | |
| Investment made after final board approval of application and before Jan. 1 of first complete tax year or qualifying time period | Pre | | 2018 | | | | 2,500,000 |
| Complete tax years of qualifying time period | QTP1 | 2018-2019 | 2019 | | | | 102,500,000 |
| | QTP2 | 2019-2020 | 2020 | | | | 20,000,000 |
| Total Investment through Qualifying Time Period [ENTER this row in Schedule A2] | | | | | | | 125,000,000 |
| Total Qualified Investment (sum of green cells) | | | | | Enter amounts from TOTAL row above in Schedule A2 | | 125,000,000 |

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 nonrenewable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.105.1. 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.

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.

Date 9/25/2018
Applicant Name TECO Gas Processing LLC
ISD Name Carthage ISD

Schedule A2: Total Investment for Economic Impact (Including Qualified Property and other investments)

| 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 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) | |
| Total Investment from Schedule A1* | -- | TOTALS FROM SCHEDULE A1 | | | Enter amounts from TOTAL row in Schedule A1 in the row below | | | | |
| Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i> | Pre | 2017-2018 | 2018 | 2,500,000 | | | | 2,500,000 | |
| | QTP1 | 2018-2019 | 2019 | 102,500,000 | | | | 102,500,000 | |
| | QTP 2 | 2019-2020 | 2020 | 20,000,000 | | | | 20,000,000 | |
| | 1 | 2020-2021 | 2021 | | | | | | |
| | 2 | 2021-2022 | 2022 | | | | | | |
| | 3 | 2022-2023 | 2023 | | | | | | |
| | 4 | 2023-2024 | 2024 | | | | | | |
| | 5 | 2024-2025 | 2025 | | | | | | |
| | 6 | 2025-2026 | 2026 | | | | | | |
| | 7 | 2026-2027 | 2027 | | | | | | |
| Value limitation period** | 8 | 2027-2028 | 2028 | | | | | | |
| | 9 | 2028-2029 | 2029 | | | | | | |
| | 10 | 2029-2030 | 2030 | | | | | | |
| | Total Investment made through limitation | | | | 125,000,000 | | | | 125,000,000 |
| Continue to maintain viable presence | 11 | 2030-2031 | 2031 | | | | | | |
| | 12 | 2031-2032 | 2032 | | | | | | |
| | 13 | 2032-2033 | 2033 | | | | | | |
| | 14 | 2033-2034 | 2034 | | | | | | |
| | 15 | 2034-2035 | 2035 | | | | | | |
| | 16 | 2035-2036 | 2036 | | | | | | |
| | 17 | 2036-2037 | 2037 | | | | | | |
| | 18 | 2037-2038 | 2038 | | | | | | |
| | 19 | 2038-2039 | 2039 | | | | | | |
| | 20 | 2039-2040 | 2040 | | | | | | |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 21 | 2040-2041 | 2041 | | | | | | |
| | 22 | 2041-2042 | 2042 | | | | | | |
| | 23 | 2042-2043 | 2043 | | | | | | |
| | 24 | 2043-2044 | 2044 | | | | | | |
| | 25 | 2044-2045 | 2045 | | | | | | |

* 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.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 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.

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.

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, rebuild, renovate, modify or upgrade existing property, or is added 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.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only) AMENDMENT #2 - 9/25/2018

Date
Applicant Name
ISD Name

TECO Gas Processing LLC
Carthage ISD

9/25/2018
Form 50-296A
Revised May 2014

| | | | 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 I&S after all reductions | Final taxable value for M&O after all reductions |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | Pre | 2017-2018 | 2018 | | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| | qtr1 | 2018-2019 | 2019 | | 105,000,000 | 105,000,000 | 105,000,000 | 105,000,000 |
| | qtr21 | 2019-2020 | 2020 | | 125,000,000 | 125,000,000 | 125,000,000 | 125,000,000 |
| | 1 | 2020-2021 | 2021 | | 122,500,000 | 121,030,000 | 121,030,000 | 30,000,000 |
| | 2 | 2021-2022 | 2022 | | 120,000,000 | 118,560,000 | 118,560,000 | 30,000,000 |
| Value Limitation Period | 3 | 2022-2023 | 2023 | | 117,500,000 | 116,090,000 | 116,090,000 | 30,000,000 |
| | 4 | 2023-2024 | 2024 | | 115,000,000 | 113,620,000 | 113,620,000 | 30,000,000 |
| | 5 | 2024-2025 | 2025 | | 112,500,000 | 111,150,000 | 111,150,000 | 30,000,000 |
| | 6 | 2025-2026 | 2026 | | 110,000,000 | 108,680,000 | 108,680,000 | 30,000,000 |
| | 7 | 2026-2027 | 2027 | | 107,500,000 | 106,210,000 | 106,210,000 | 30,000,000 |
| Continue to maintain viable presence | 8 | 2027-2028 | 2028 | | 105,000,000 | 103,740,000 | 103,740,000 | 30,000,000 |
| | 9 | 2028-2029 | 2029 | | 102,500,000 | 101,270,000 | 101,270,000 | 30,000,000 |
| | 10 | 2029-2030 | 2030 | | 100,000,000 | 98,800,000 | 98,800,000 | 30,000,000 |
| | 11 | 2030-2031 | 2031 | | 97,500,000 | 96,330,000 | 96,330,000 | 96,330,000 |
| | 12 | 2031-2032 | 2032 | | 95,000,000 | 93,860,000 | 93,860,000 | 93,860,000 |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 13 | 2032-2033 | 2033 | | 92,500,000 | 91,390,000 | 91,390,000 | 91,390,000 |
| | 14 | 2033-2034 | 2034 | | 90,000,000 | 88,920,000 | 88,920,000 | 88,920,000 |
| | 15 | 2034-2035 | 2035 | | 87,500,000 | 86,450,000 | 86,450,000 | 86,450,000 |
| | 16 | 2035-2036 | 2036 | | 85,000,000 | 83,980,000 | 83,980,000 | 83,980,000 |
| | 17 | 2036-2037 | 2037 | | 82,500,000 | 81,510,000 | 81,510,000 | 81,510,000 |
| Notes: | 18 | 2037-2038 | 2038 | | 80,000,000 | 79,040,000 | 79,040,000 | 79,040,000 |
| | 19 | 2038-2039 | 2039 | | 77,500,000 | 76,570,000 | 76,570,000 | 76,570,000 |
| | 20 | 2039-2040 | 2040 | | 75,000,000 | 74,100,000 | 74,100,000 | 74,100,000 |
| | 21 | 2040-2041 | 2041 | | 72,500,000 | 71,630,000 | 71,630,000 | 71,630,000 |
| | 22 | 2041-2042 | 2042 | | 70,000,000 | 69,160,000 | 69,160,000 | 69,160,000 |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 23 | 2042-2043 | 2043 | | 67,500,000 | 66,690,000 | 66,690,000 | 66,690,000 |
| | 24 | 2043-2044 | 2044 | | 65,000,000 | 64,220,000 | 64,220,000 | 64,220,000 |
| | 25 | 2044-2045 | 2045 | | 62,500,000 | 61,750,000 | 61,750,000 | 61,750,000 |

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.

Schedule C: Employment Information

Date 9/25/2018

Applicant Name

TECO Gas Processing LLC

ISD Name

Carthage ISD

AMENDMENT #2 - 9/25/2018

Form 50-296A

Revised May 2014

| | | Construction | | | | | Non-Qualifying Jobs | | Qualifying Jobs | |
|---|---------------------|----------------------------|---------------------------------------|---|---|---|--|---|-----------------|--|
| | | Column A | Column B | Column C | Column D | Column E | | | | |
| | Year | School Year (YYYY-YYYY) | Tax Year (Actual tax year) YYYY | Number of Construction FTE's or man-hours (specify) | Average annual wage rates for construction workers | Number of non-qualifying jobs applicant estimates it will create (cumulative) | Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative) | Average annual wage of new qualifying jobs | | |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | Pre | 2017-2018 | 2018 | 150 FTE | 50,000 | | | 50,000 | | |
| | QTP1 | 2018-2019 | 2019 | 150FTE | 50,000 | | | 50,000 | | |
| | QTP2 | 2019-2020 | 2020 | 80 FTE | 50,000 | | | 50,000 | | |
| Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i> | 1 | 2020-2021 | 2021 | | | | 3 | 50,000 | | |
| | 2 | 2021-2022 | 2022 | | | | 3 | 50,000 | | |
| | 3 | 2022-2023 | 2023 | | | | 3 | 50,000 | | |
| | 4 | 2023-2024 | 2024 | | | | 3 | 50,000 | | |
| | 5 | 2024-2025 | 2025 | | | | 3 | 50,000 | | |
| | 6 | 2025-2026 | 2026 | | | | 3 | 50,000 | | |
| | 7 | 2026-2027 | 2027 | | | | 3 | 50,000 | | |
| | 8 | 2027-2028 | 2028 | | | | 3 | 50,000 | | |
| | 9 | 2028-2029 | 2029 | | | | 3 | 50,000 | | |
| | 10 | 2029-2030 | 2030 | | | | 3 | 50,000 | | |
| Years Following Value Limitation Period | 11 through 25 | 2030-2045 | 2045 | | | | 3 | 50,000 | | |

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)
If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

| | | | |
|-------------------------------------|-----|-------------------------------------|----|
| <input checked="" type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| <input checked="" type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No |

Date

9/25/2018

Schedule D: Other Incentives (Estimated)

AMENDMENT #2 - 9/25/2018

Applicant Name

TECO Gas Processing LLC

Form 50-296A

ISD Name

Carthage ISD

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: | | | | | |
| | City: | | | | | |
| | Other: | | | | | |
| Tax Code Chapter 312 | County: Panola | 2020 | 10 Years | 911,402 | 546,841 | 364,561 |
| | City: | N/A | N/A | N/A | N/A | N/A |
| | Other: | | | | | |
| | County: | | | | | |
| | City: | | | | | |
| Local Government Code Chapters 380/381 | Other: | | | | | |
| | | | | | | |
| Freeport Exemptions | | | | | | |
| Non-Annexation Agreements | | | | | | |
| Enterprise Zone/Project | | | | | | |
| Economic Development Corporation | | | | | | |
| Texas Enterprise Fund | | | | | | |
| Employee Recruitment | | | | | | |
| Skills Development Fund | | | | | | |
| Training Facility Space and Equipment | | | | | | |
| Infrastructure Incentives | | | | | | |
| Permitting Assistance | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| TOTAL | | | | 911,402 | 546,841 | 364,561 |

Additional information on incentives for this project:

The Parola County Annual Percentage of Abatement is: 60%

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

J. Glenn Hambrick

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

J. Glenn Hambrick

Signature (Authorized School District Representative)

9-27-18

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

Curt Tate

Print Name (Authorized Company Representative (Applicant))

Senior Tax Director

Title

sign
here

Curt Tate

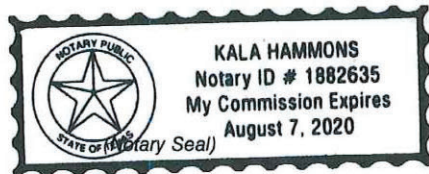
Signature (Authorized Company Representative (Applicant))

September 26, 2018

Date

GIVEN under my hand and seal of office this, the

26th day of September, 2018



Kala Hammons

Notary Public in and for the State of Texas

My Commission expires:

8/7/2020

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.