



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

April 4, 2019

Fabian Gomez  
Superintendent  
Water Valley Independent School District  
18000 Wildcat Drive  
Water Valley, Texas 76958

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Water Valley Independent School District and Grape Creek Wind, LLC, Application 1290

Dear Superintendent Gomez:

On January 15, 2019, the Comptroller issued written notice that Grape Creek Wind, LLC (applicant) submitted a completed application (Application 1290) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> This application was originally submitted on August 27, 2018, to the Water Valley Independent School District (school district) by the applicant.

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

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

**Determination required by 313.025(h)**

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

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<sup>1</sup> 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 1290.

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, 2019.

Note that any building or improvement existing as of the application review start date of January 15, 2019, 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](mailto:will.counihan@cpa.texas.gov) or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

A handwritten signature in blue ink that reads "Lisa Craven". The signature is written in a cursive style with a large initial "L".

Lisa Craven  
Deputy Comptroller

Enclosure

cc: Will Counihan

## Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Grape Creek Wind, LLC (project) applying to Water Valley 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 Grape Creek Wind, LLC.

Applicant	Grape Creek Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Water Valley ISD
2017-2018 Average Daily Attendance	324
County	Coke
Proposed Total Investment in District	\$414,000,000
Proposed Qualified Investment	\$414,000,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2020-2021
Number of new qualifying jobs committed to by applicant	6*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$867
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$866
Minimum annual wage committed to by applicant for qualified jobs	\$45,100
Minimum weekly wage required for non-qualifying jobs	\$710
Minimum annual wage required for non-qualifying jobs	\$36,895
Investment per Qualifying Job	\$69,000,000
Estimated M&O levy without any limit (15 years)	\$60,793,565
Estimated M&O levy with Limitation (15 years)	\$19,371,285
Estimated gross M&O tax benefit (15 years)	\$41,422,280

\* 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 Grape Creek Wind, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	260	232	492	\$13,000,000	\$20,325,000	\$33,325,000
2021	6	33	39.063	\$270,600	\$4,856,400	\$5,127,000
2022	6	21	27	\$270,600	\$4,124,400	\$4,395,000
2023	6	19	25	\$270,600	\$3,513,400	\$3,784,000
2024	6	17	23	\$270,600	\$2,781,400	\$3,052,000
2025	6	25	31	\$270,600	\$3,269,400	\$3,540,000
2026	6	19	25	\$270,600	\$2,781,400	\$3,052,000
2027	6	23	29	\$270,600	\$3,147,400	\$3,418,000
2028	6	21	27	\$270,600	\$2,903,400	\$3,174,000
2029	6	21	27	\$270,600	\$2,903,400	\$3,174,000
2030	6	19	25	\$270,600	\$2,415,400	\$2,686,000
2031	6	8	14	\$270,600	\$1,682,400	\$1,953,000
2032	6	6	12	\$270,600	\$950,400	\$1,221,000
2033	6	4	10	\$270,600	\$706,400	\$977,000
2034	6	(0)	6	\$270,600	\$217,400	\$488,000
2035	6	(4)	2	\$270,600	-\$270,600	\$0

Source: CPA REMI, Grape Creek Wind, LLC

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Water Valley ISD I&S Tax Levy	Water Valley ISD M&O Tax Levy	Water Valley ISD M&O and I&S Tax Levies	Coke County Tax Levy	West Coke Hospital District Tax Levy	Underground Water Conservation District Tax Levy	Estimated Total Property Taxes
				0.1500	1.1700		0.6854	0.2499	0.0125	
2021	\$408,328,200	\$408,328,200		\$612,492	\$4,777,440	\$5,389,932	\$2,798,722	\$1,020,506	\$1,020,506	\$9,209,161
2022	\$402,201,000	\$402,201,000		\$603,302	\$4,705,752	\$5,309,053	\$2,756,726	\$1,005,193	\$1,005,193	\$9,070,972
2023	\$395,618,400	\$395,618,400		\$593,428	\$4,628,735	\$5,222,163	\$2,711,608	\$988,741	\$988,741	\$8,922,512
2024	\$388,497,600	\$388,497,600		\$582,746	\$4,545,422	\$5,128,168	\$2,662,801	\$970,945	\$970,945	\$8,761,915
2025	\$380,797,200	\$380,797,200		\$571,196	\$4,455,327	\$5,026,523	\$2,610,022	\$951,700	\$951,700	\$8,588,245
2026	\$372,475,800	\$372,475,800		\$558,714	\$4,357,967	\$4,916,681	\$2,552,986	\$930,903	\$930,903	\$8,400,570
2027	\$363,450,600	\$363,450,600		\$545,176	\$4,252,372	\$4,797,548	\$2,491,127	\$908,347	\$908,347	\$8,197,021
2028	\$353,763,000	\$353,763,000		\$530,645	\$4,139,027	\$4,669,672	\$2,424,727	\$884,135	\$884,135	\$7,978,534
2029	\$343,288,800	\$343,288,800		\$514,933	\$4,016,479	\$4,531,412	\$2,352,936	\$857,958	\$857,958	\$7,742,306
2030	\$331,945,200	\$331,945,200		\$497,918	\$3,883,759	\$4,381,677	\$2,275,186	\$829,607	\$829,607	\$7,486,470
2031	\$319,732,200	\$319,732,200		\$479,598	\$3,740,867	\$4,220,465	\$2,191,476	\$799,084	\$799,084	\$7,211,026
2032	\$306,525,600	\$306,525,600		\$459,788	\$3,586,350	\$4,046,138	\$2,100,957	\$766,078	\$766,078	\$6,913,173
2033	\$292,284,000	\$292,284,000		\$438,426	\$3,419,723	\$3,858,149	\$2,003,344	\$730,485	\$730,485	\$6,591,978
2034	\$276,883,200	\$276,883,200		\$415,325	\$3,239,533	\$3,654,858	\$1,897,785	\$691,995	\$691,995	\$6,244,638
2035	\$260,240,400	\$260,240,400		\$390,361	\$3,044,813	\$3,435,173	\$1,783,714	\$650,401	\$650,401	\$5,869,288
			<b>Total</b>	<b>\$7,794,047</b>	<b>\$60,793,565</b>	<b>\$68,587,612</b>	<b>\$35,614,117</b>	<b>\$12,986,077</b>	<b>\$12,986,077</b>	<b>\$117,187,806</b>

Source: CPA, Grape Creek Wind, LLC

\*Tax Rate per \$100 Valuation

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

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Water Valley ISD I&S Tax Levy	Water Valley ISD M&O Tax Levy	Water Valley ISD M&O and I&S Tax Levies	Coke County Tax Levy	West Coke Hospital District Tax Levy	Coke County Underground Water Conservation District Tax Levy	Estimated Total Property Taxes
				<b>0.1500</b>	<b>1.1700</b>		<b>0.6854</b>	<b>0.2499</b>	<b>0.0125</b>	
2021	\$408,328,200	\$20,000,000		\$612,492	\$234,000	\$846,492	\$0	\$1,020,506	\$49,985	\$1,866,998
2022	\$402,201,000	\$20,000,000		\$603,302	\$234,000	\$837,302	\$0	\$1,005,193	\$49,985	\$1,842,494
2023	\$395,618,400	\$20,000,000		\$593,428	\$234,000	\$827,428	\$0	\$988,741	\$49,985	\$1,816,169
2024	\$388,497,600	\$20,000,000		\$582,746	\$234,000	\$816,746	\$0	\$970,945	\$49,985	\$1,787,691
2025	\$380,797,200	\$20,000,000		\$571,196	\$234,000	\$805,196	\$0	\$951,700	\$49,985	\$1,756,896
2026	\$372,475,800	\$20,000,000		\$558,714	\$234,000	\$792,714	\$0	\$930,903	\$49,985	\$1,723,616
2027	\$363,450,600	\$20,000,000		\$545,176	\$234,000	\$779,176	\$0	\$908,347	\$49,985	\$1,687,523
2028	\$353,763,000	\$20,000,000		\$530,645	\$234,000	\$764,645	\$0	\$884,135	\$49,985	\$1,648,780
2029	\$343,288,800	\$20,000,000		\$514,933	\$234,000	\$748,933	\$0	\$857,958	\$49,985	\$1,606,891
2030	\$331,945,200	\$20,000,000		\$497,918	\$234,000	\$731,918	\$0	\$829,607	\$49,985	\$1,561,525
2031	\$319,732,200	\$319,732,200		\$479,598	\$3,740,867	\$4,220,465	\$2,191,476	\$799,084	\$799,084	\$7,211,026
2032	\$306,525,600	\$306,525,600		\$459,788	\$3,586,350	\$4,046,138	\$2,100,957	\$766,078	\$766,078	\$6,913,173
2033	\$292,284,000	\$292,284,000		\$438,426	\$3,419,723	\$3,858,149	\$2,003,344	\$730,485	\$730,485	\$6,591,978
2034	\$276,883,200	\$276,883,200		\$415,325	\$3,239,533	\$3,654,858	\$1,897,785	\$691,995	\$691,995	\$6,244,638
2035	\$260,240,400	\$260,240,400		\$390,361	\$3,044,813	\$3,435,173	\$1,783,714	\$650,401	\$650,401	\$5,869,288
			<b>Total</b>	<b>\$7,794,047</b>	<b>\$19,371,285</b>	<b>\$27,165,332</b>	<b>\$9,977,276</b>	<b>\$12,986,077</b>	<b>\$4,137,889</b>	<b>\$50,128,685</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$41,422,280</b>	<b>\$41,422,280</b>	<b>\$25,636,841</b>	<b>\$0</b>	<b>\$8,848,188</b>	<b>\$67,059,121</b>

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Grape Creek Wind, LLC

\*Tax Rate per \$100 Valuation

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

## Attachment B – Tax Revenue before 25<sup>th</sup> Anniversary of Limitation Start

This represents the Comptroller’s determination that Grape Creek Wind, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy 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)
<b>Limitation Pre-Years</b>	2018	\$0	\$0	\$0	\$0
	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2021	\$234,000	\$234,000	\$4,543,440	\$4,543,440
	2022	\$234,000	\$468,000	\$4,471,752	\$9,015,192
	2023	\$234,000	\$702,000	\$4,394,735	\$13,409,927
	2024	\$234,000	\$936,000	\$4,311,422	\$17,721,349
	2025	\$234,000	\$1,170,000	\$4,221,327	\$21,942,676
	2026	\$234,000	\$1,404,000	\$4,123,967	\$26,066,643
	2027	\$234,000	\$1,638,000	\$4,018,372	\$30,085,015
	2028	\$234,000	\$1,872,000	\$3,905,027	\$33,990,042
	2029	\$234,000	\$2,106,000	\$3,782,479	\$37,772,521
	2030	\$234,000	\$2,340,000	\$3,649,759	\$41,422,280
<b>Maintain Viable Presence (5 Years)</b>	2031	\$3,740,867	\$6,080,867	\$0	\$41,422,280
	2032	\$3,586,350	\$9,667,216	\$0	\$41,422,280
	2033	\$3,419,723	\$13,086,939	\$0	\$41,422,280
	2034	\$3,239,533	\$16,326,473	\$0	\$41,422,280
	2035	\$3,044,813	\$19,371,285	\$0	\$41,422,280
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2036	\$2,834,592	\$22,205,877	\$0	\$41,422,280
	2037	\$2,607,418	\$24,813,294	\$0	\$41,422,280
	2038	\$2,362,321	\$27,175,616	\$0	\$41,422,280
	2039	\$2,097,850	\$29,273,466	\$0	\$41,422,280
	2040	\$1,811,581	\$31,085,047	\$0	\$41,422,280
	2041	\$1,503,031	\$32,588,078	\$0	\$41,422,280
	2042	\$1,210,950	\$33,799,028	\$0	\$41,422,280
	2043	\$1,210,950	\$35,009,978	\$0	\$41,422,280
	2044	\$1,210,950	\$36,220,928	\$0	\$41,422,280
	2045	\$1,210,950	\$37,431,878	\$0	\$41,422,280

**\$37,431,878**
   is less than  **\$41,422,280**

<b>Analysis Summary</b>	
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, Grape Creek Wind, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2020	260	232	492	\$13,000,000	\$20,325,000	\$33,325,000	1686000	-900000	\$2,586,000
2021	6	33	39.063	\$270,600	\$4,856,400	\$5,127,000	336000	320000	\$16,000
2022	6	21	27	\$270,600	\$4,124,400	\$4,395,000	290000	343000	-\$53,000
2023	6	19	25	\$270,600	\$3,513,400	\$3,784,000	229000	320000	-\$91,000
2024	6	17	23	\$270,600	\$2,781,400	\$3,052,000	259000	290000	-\$31,000
2025	6	25	31	\$270,600	\$3,269,400	\$3,540,000	305000	275000	\$30,000
2026	6	19	25	\$270,600	\$2,781,400	\$3,052,000	275000	267000	\$8,000
2027	6	23	29	\$270,600	\$3,147,400	\$3,418,000	275000	237000	\$38,000
2028	6	21	27	\$270,600	\$2,903,400	\$3,174,000	229000	206000	\$23,000
2029	6	21	27	\$270,600	\$2,903,400	\$3,174,000	221000	183000	\$38,000
2030	6	19	25	\$270,600	\$2,415,400	\$2,686,000	191000	145000	\$46,000
2031	6	8	14	\$270,600	\$1,682,400	\$1,953,000	76000	114000	-\$38,000
2032	6	6	12	\$270,600	\$950,400	\$1,221,000	46000	69000	-\$23,000
2033	6	4	10	\$270,600	\$706,400	\$977,000	15000	8000	\$7,000
2034	6	(0)	6	\$270,600	\$217,400	\$488,000	-38000	-15000	-\$23,000
2035	6	(4)	2	\$270,600	-\$270,600	\$0	-84000	-69000	-\$15,000
2036	6	(6)	0	\$270,600	-\$1,002,600	-\$732,000	-130000	-145000	\$15,000
2037	6	(8)	-2	\$270,600	-\$1,002,600	-\$732,000	-191000	-183000	-\$8,000
2038	6	(8)	-2	\$270,600	-\$1,735,600	-\$1,465,000	-198000	-244000	\$46,000
2039	6	(8)	-2	\$270,600	-\$1,247,600	-\$977,000	-183000	-320000	\$137,000
2040	6	(10)	-4	\$270,600	-\$2,223,600	-\$1,953,000	-229000	-397000	\$168,000
2041	6	(8)	-2	\$270,600	-\$1,735,600	-\$1,465,000	-244000	-458000	\$214,000
2042	6	(8)	-2	\$270,600	-\$1,979,600	-\$1,709,000	-229000	-465000	\$236,000
2043	6	(10)	-4	\$270,600	-\$1,735,600	-\$1,465,000	-198000	-504000	\$306,000
2044	6	(12)	-6	\$270,600	-\$1,735,600	-\$1,465,000	-214000	-526000	\$312,000
2045	6	(10)	-4	\$270,600	-\$2,711,600	-\$2,441,000	-244000	-587000	\$343,000
2046	6	(10)	-4	\$270,600	-\$2,223,600	-\$1,953,000	-214000	-587000	\$373,000
2047	6	(8)	-2	\$270,600	-\$2,223,600	-\$1,953,000	-214000	-610000	\$396,000
<b>Total</b>							<b>\$1,823,000</b>	<b>-\$3,233,000</b>	<b>\$5,056,000</b>
							<b>\$42,487,878</b>	is greater than	<b>\$41,422,280</b>

**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 Grape Creek Wind, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per Grape Creek Wind, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. “Apex, the ultimate parent company of Grape Creek Wind, LLC, has been in the renewable energy sector for over nine years and has capabilities in the development, financing, of independent power assets throughout the United States, of which over 1000 MW have the opportunity to be developed in Texas.”
  - B. “The Project is in the middle stages of development as of the date of this application. This Project was selected as a candidate to explore for development because of the fertile wind resource and investment made in Coke County, access to the ERCOT market, and the favorable property tax incentives under the Tax Code, including the potential availability of tax agreements under Tax Code Chapter 312 and a value limitation agreement under Tax Code Chapter 313.”
  - C. “The approval of the Project’s application for a Chapter 313 Appraised Value Limitation remains an essential factor in the Project being selected for development by Apex. A myriad of variables remain undetermined at this early stage, and Apex could elect to allocate resources to other developable counties and/or states competing for similar projects where Apex has land interests.”
  - D. “Apex would like to develop and build its proposed project, but given the number of undetermined variables at this early stage, a Chapter 313 Appraised Value Limitation Agreement is necessary to make the economics of the project viable by providing relief for the greatest operational cost of the project. If Apex cannot secure a Chapter 313 Appraised Value Limitation Agreement, resources will be likely reallocated to other developable counties and/or states competing for similar projects where Apex has land interests. Apex is currently developing the following facilities that are competing for investment capital with the proposed project in Coke County: a. A large wind farm in Illinois known internally as “Lincoln Land”; b. A large wind farm in Minnesota known internally as “Big Bend” ; c. A large wind farm in Michigan known internally

as "Isabella"; d. A large wind farm in Indiana known internally as "Roaming Bison"; e. A large wind farm in Colorado known internally as "Antelope Creek"; and f. A large wind farm in New Mexico known internally as "Grady Martin."

- According to Coke County Commissioners Court meeting dated May 8, 2018, "Discuss/Act/Approve an Order Establishing a Reinvestment Zone to be known as "Coke County Reinvestment Zone."
- According to Coke County Commissioners Court meeting dated July 10, 2018, "Discuss/Act on an Order Approving a Tax Abatement Agreement between Coke county and Grape Creek Wind, LLC."
- According to Water Valley ISD Board of Trustees regular meeting dated August 27, 2018, "Consideration and possible action to accept the Application of Apex Clean Energy Inc. for Appraised Value of Limitation on Qualified Property."
- Per Apex Clean Energy website, they state that Grape Creek Wind project is in development stage with anticipated capacity of 525MW.
- Supplemental information provided by the applicant indicated the following:
  - A. "The Project has been known by no other names."
  - B. "The Project's GINR # is: 19INR0156 and was submitted 11/29/17."

### **Supporting Information**

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

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

# **Supporting Information**

**Section 8 of the Application for  
a Limitation on Appraised Value**

**SECTION 6: Eligibility Under Tax Code Chapter 313.024**

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

**SECTION 7: Project Description**

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:
 

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

**SECTION 8: Limitation as Determining Factor**

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

**Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.**

# **Supporting Information**

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

Tab 5

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

Apex, the ultimate parent company of Grape Creek Wind, LLC, has been in the renewable energy sector for over nine years and has capabilities in the development, financing, construction and operation of over 14,000 MW of independent power assets throughout the United States, of which over 1000 MW have the opportunity to be developed in Texas.

The Project is in the middle stages of development as of the date of this application. This Project was selected as a candidate to explore for development because of the fertile wind resource and investment made in Coke County, access to the ERCOT market, and the favorable property tax incentives under the Tax Code, including the potential availability of tax abatement agreements under Tax Code Chapter 312 and a value limitation agreement under Tax Code Chapter 313.

The approval of the Project's application for a Chapter 313 Appraised Value Limitation remains an essential factor in the Project being selected for development by Apex. A myriad of variables remain undetermined at this early stage, and Apex could elect to allocate resources to other developable counties and/or states competing for similar projects where Apex has land interests.

Apex would like to develop and build its proposed project, but given the number of undetermined variables at this early stage, a Chapter 313 Appraised Value Limitation Agreement is necessary to make the economics of the project viable by providing relief for the greatest operational cost of the project. If Apex cannot secure a Chapter 313 Appraised Value Limitation Agreement, resources will be likely reallocated to other developable counties and/or states competing for similar projects where Apex has land interests. Apex is currently developing the following facilities that are competing for investment capital with the proposed project in Coke County:

- a. A large wind farm in Illinois known internally as "Lincoln Land";
- b. A large wind farm in Minnesota known internally as "Big Bend" ;
- c. A large wind farm in Michigan known internally as "Isabella";
- d. A large wind farm in Indiana known internally as "Roaming Bison";
- e. A large wind farm in Colorado known internally as "Antelope Creek"; and
- f. A large wind farm in New Mexico known internally as "Grady Martin."

# **Supporting Information**

Additional information  
provided by the Applicant or  
located by the Comptroller

FILED FOR RECORD

MAY 04 2018

COKE COUNTY & DIST. CLERK  
MARY GRIMM

No. 7525

**NOTICE OF MEETING**  
**COMMISSIONERS' COURT OF COKE COUNTY, TEXAS**  
**AND PUBLIC HEARING**

**Open Public Hearing:**

**Notice is hereby given that a public hearing will be held by the above named Commissioners Court at 9:00 a.m. on the 8<sup>th</sup> day of May, 2018, in the County Courthouse, Robert Lee, Texas to consider establishing the Coke County Reinvestment Zone and declare property eligible for tax abatement under Chapter 312 of the Texas Tax Code.**

1. Prayer / Pledge
2. Announce the presence of a quorum
3. Comments regarding the establishment of Reinvestment Zone for Tax Abatement in accordance with notice posted in paper
4. Close Public Hearing and commence regular meeting

Notice is hereby given that a regular meeting of the above named Commissioners Court will be held on the 8<sup>th</sup> day of May, 2018, at 9:15 a.m., or immediately following the Public Hearing in the County Courthouse, Robert Lee, Texas, at which time the following subjects will be discussed, to wit:

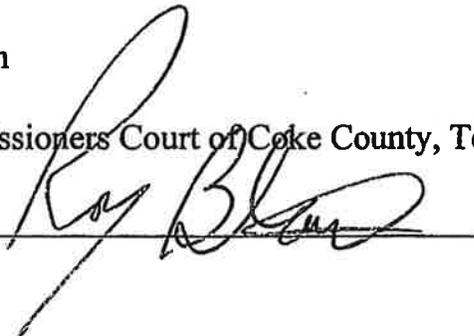
1. Discuss / Approve Minutes
2. Approve Treasurer's Report
3. Discuss / Act / Approve Payroll
4. Discuss / Act / Approve Accounts Payable for Payroll
5. Discuss Extension Report
6. Discuss Sheriff's Report

7. Discuss Tax Collectors' Report
8. Discuss District/County Clerk's Report
9. Discuss Constable Report, Pct. 1
10. Discuss J.P. Report, Pct. 1
11. Discuss D.R. Report
12. Discuss Trappers Report
13. Discuss / Act on Burn Ban
14. Discuss / Act on age of children that must be accompanied by an adult or babysitter at the County pools
15. Discuss / Act / Approve an Order Establishing a Reinvestment Zone to be known as "Coke County Reinvestment Zone"
16. Discuss / Act / Approve an Order Approving a Tax Abatement Agreement between Coke County and Grape Creek Wind, LLC
17. Discuss / Act on Easement from AEP, Tax Assessor Number 8169, Block 1 Lots 1, 2, and 3 Edith Estates Addition
18. Reports from Commissioners and Judge
19. Discuss / Act on Private Road Work
20. Approve payment of bills

Adjourn

Commissioners Court of Coke County, Texas

By: \_\_\_\_\_

A handwritten signature in black ink, appearing to be "Ray Blum", is written over a horizontal line. The signature is cursive and somewhat stylized.

No. 7539

FILED FOR RECORD

JUL 06 2018

COKE COUNTY & DIST. CLERK  
MARY GRIM

**NOTICE OF MEETING**  
**COMMISSIONERS' COURT OF COKE COUNTY, TEXAS**

Notice is hereby given that a regular meeting of the above named Commissioners' Court will be held on the 10<sup>th</sup> day of July, 2018 at 9:00 a.m. in the County Courthouse, Robert Lee, Texas, at which time the following subjects will be discussed, to wit:

1. Prayer / Pledge
2. Announce the presence of a quorum
3. Discuss / Approve Minutes
4. Approve Treasurer's Report
5. Discuss / Act / Approve Payroll
6. Discuss / Act / Approve Accounts Payable for Payroll
7. Discuss Extension Report
8. Discuss Sheriff's Report
9. Discuss Tax Collectors' Report
10. Discuss District/County Clerk's Report
11. Discuss Constable Report, Pct. 1
12. Discuss J.P. Report, Pct. 1
13. Discuss D.R. Report
14. Discuss Trappers Report
15. Discuss / Act on Burn Ban
16. Discuss / Act on Salary funding from MHMR for Coke County Mental Health Officers

17. Discuss / Act on Line Item Transfers:
  - Road & Bridge, Pct. 1-
    - From: Caliche
    - To: New Equipment
  
  - Road & Bridge, Pct. 3 –
    - From: Materials & Supplies
    - To: New Equipment
  
  - Agricultural Extension Ag –
    - From: FCS Travel
    - To: Vehicle Expense
    - From: FCS Travel
    - To: Agent Travel
18. Discuss / Act on Request from Frontier Communications to construct a communication line within the right-of-way of a County Rd in Coke County as follows: Frontier Communications proposes to place a buried service drop from an existing pedestal located at about 31.805497, -100.6193386 in the North Row of Mountain Rd, under Mountain Rd to the South Row (bore required under Mountain Rd), a distance of about 45 ft, then turning eastward along the South row for about 477 ft to the west side of the private drive to 2133 and 2131 Mountain Rd, ending here. The service drop will be buried at a minimum depth of 24 inches. Row to be restored to a condition better than or equal to existing condition.
19. Discuss / Act on an Order Approving a Tax Abatement Agreement Between Coke County and Grape Creek Wind, LLC
20. Discuss / Act / Approve TAC Insurance rates for 2018/2019
21. Discuss / Act / Approve the TCDRS plan agreement for the Coke County Retirement plan for 2018/2019
22. Discuss / Act on Interlocal Agreement with the City of Bronte and Coke County for Hauling Caliche/Road Material
23. Discuss / Act on Agreement to House Inmates between Coke County and Runnels County
24. Discuss / Act on Texas A&M Agrilife Extension FCH position contract
25. Reports from Commissioners and Judge
26. Approve payment of bills

**WATER VALLEY ISD  
BOARD OF TRUSTEES  
REGULAR MEETING AGENDA**

A Regular Meeting of the Board of Trustees of the Water Valley Independent School District will be held Monday, August 27, 2018 at 6:00 PM in the Water Valley ISD Administration Office, 18000 Wildcat Drive, Water Valley, TX 76958.

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.

**AGENDA**

- A. Call to Order, Roll Call, Declaration of Quorum, Prayer, and Pledges or Allegiances
- B. Public Comments
- C. District information Items
  - 1. Superintendent Report
    - a. 2018-2019 Budget & Tax Rate Public Hearing
    - b. Donations
    - c. Grape Creek Windmill Project
    - d. November 6, 2018 School Board Of Trustees Election
  - 2. Facilities, Transportation, & Maintenance Reports
  - 3. Technology Report
  - 4. Athletic Report
  - 5. Principal Campus Reports
- D. Consent Agenda
  - 1. Minutes from previous meeting(s)
  - 2. Financial Statements
- E. Agenda items
  - 1. Consideration and Possible Action on 2017-18 Budget Amendments
  - 2. Consideration and Possible Action on Adoption of the 2018-2019 Official District Budget by Fund and Function.
  - 3. Consideration and Possible Action on Ordinance to Adopt and Set the 2018 Tax Rate
  - 4. Consideration and Possible Action on 5th and 6th Grade Overnight Outdoor Education Camp.
  - 5. Consideration and Possible Action on Amending Guardian Plan
  - 6. Consideration And Possible Action on TASB Policy Update 111
  - 7. Consideration and Possible Action on Contract for Elections With Elections Administrator of Tom Green County, Texas
  - 8. Consideration and Possible Action on Amending CCG(LOCAL)
  - 9. Consideration and Possible Action to accept the Application of APEX Clean Energy Inc. For

Appraised Value of Limitation on Qualified Property.

10. Consideration and Possible Action to Retain Consultants to assist the District in Processing of Application for Appraised Value Limitation on Qualified Property from Apex Clean Energy, Inc., LLC.

F. Executive/Closed Session

G. Personnel Matters, Including New Hires, Reassignments, Resignation and Discipline

H. Comments from Board Members

I. Future Agenda items

1. September 10, 2018 @ 6:00 pm
2. October 8, 2018 @ 6:00 pm

J. Adjourn Meeting

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. [See TASB Policy BEC(LEGAL)]

**POSTING INFORMATION**

**Place:** Water Valley Independent School District  
Administration Office  
18000 Wildcat Drive, Tom Green County, Water Valley, Texas 78958

**Date:** \_\_\_\_\_ **Time:** \_\_\_\_\_

**By:** \_\_\_\_\_  
**Fabian Gomez, Superintendent**

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)  
- Water Valley ISD - Grape Creek Wind, LLC, App. #1290

Comptroller Questions (via email on February 15, 2019):

1. *Please list any other names by which this project may have known in the past--in media reports, investor presentations, or any listings with any federal or state agency.*
2. *Has this project applied to ERCOT at this time? If so, please provide the project's GINR number and when was it assigned.*

Applicant Response (via email on February 15, 2019):

1. *The Project has been known by no other names.*
2. *The Project's GINR # is: 19INR0156 and was submitted 11/29/17.*

