



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

February 8, 2019

Olivia Del Hierro Gloria  
Superintendent  
Benjamin Independent School District  
P.O. Box 166  
Benjamin, Texas 79505

Re: Certificate for Limitation on Appraised Value of Property for School District  
Maintenance and Operations taxes by and between Benjamin Independent School  
District and El Campo Wind, LLC, Application 1302

Dear Superintendent Del Hierro Gloria:

On November 30, 2018, the Comptroller issued written notice that El Campo Wind, LLC (applicant) submitted a completed application (Application 1302) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> This application was originally submitted on October 8, 2018, to the Benjamin 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 1302.

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 November 30, 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](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, flowing style.

Lisa Craven  
Deputy Comptroller

Enclosure

cc: Will Counihan

### Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of El Campo Wind, LLC (project) applying to Benjamin 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 El Campo Wind, LLC.

Applicant	El Campo Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation-Wind
School District	Benjamin ISD
2017-2018 Average Daily Attendance	101
County	Knox
Proposed Total Investment in District	\$272,250,000
Proposed Qualified Investment	\$272,250,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2020-2021
Number of new qualifying jobs committed to by applicant	4*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$935
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$48,596
Minimum annual wage committed to by applicant for qualified jobs	\$48,600
Minimum weekly wage required for non-qualifying jobs	\$767
Minimum annual wage required for non-qualifying jobs	\$39,885
Investment per Qualifying Job	\$68,062,500
Estimated M&O levy without any limit (15 years)	\$33,141,930
Estimated M&O levy with Limitation (15 years)	\$10,059,570
Estimated gross M&O tax benefit (15 years)	\$23,082,360

\* 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 El Campo Wind, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2019	200	185	385	\$10,000,000	\$15,000,000	\$25,000,000
2020	201	188	389	\$10,048,600	\$17,951,400	\$28,000,000
2021	4	19	23	\$194,400	\$4,805,600	\$5,000,000
2022	4	4	8	\$194,400	\$2,805,600	\$3,000,000
2023	4	(2)	2	\$194,400	\$1,805,600	\$2,000,000
2024	4	(4)	0	\$194,400	\$805,600	\$1,000,000
2025	4	2	6	\$194,400	\$805,600	\$1,000,000
2026	4	(2)	2	\$194,400	\$805,600	\$1,000,000
2027	4	4	8	\$194,400	\$805,600	\$1,000,000
2028	4	4	8	\$194,400	\$805,600	\$1,000,000
2029	4	0	4	\$194,400	\$805,600	\$1,000,000
2030	4	0	4	\$194,400	\$805,600	\$1,000,000
2031	4	(2)	2	\$194,400	-\$194,400	\$0
2032	4	0	4	\$194,400	-\$194,400	\$0
2033	4	(4)	0	\$194,400	-\$194,400	\$0
2034	4	(6)	-2	\$194,400	-\$194,400	\$0

Source: CPA REMI, El Campo 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*	Benjamin ISD I&S Tax Levy	Benjamin ISD M&O Tax Levy	Benjamin ISD M&O and I&S Tax Levies	Knox County Tax Levy	Knox County Hospital District Tax Levy	Knox County Drainage Tax Levy	Rolling Plains GCD Tax Levy	Estimated Total Property Taxes
				0.0000	1.1700		0.7303	0.3672	0.0601	0.0209	
2021	\$294,651,700	\$294,651,700		\$0	\$3,447,425	\$3,447,425	\$2,151,871	\$1,082,049	\$177,145	\$61,464	\$6,919,954
2022	\$274,047,800	\$274,047,800		\$0	\$3,206,359	\$3,206,359	\$2,001,398	\$1,006,386	\$164,758	\$57,166	\$6,436,067
2023	\$254,885,900	\$254,885,900		\$0	\$2,982,165	\$2,982,165	\$1,861,457	\$936,017	\$153,237	\$53,169	\$5,986,046
2024	\$237,065,300	\$237,065,300		\$0	\$2,773,664	\$2,773,664	\$1,731,312	\$870,575	\$142,524	\$49,452	\$5,567,526
2025	\$220,490,900	\$220,490,900		\$0	\$2,579,744	\$2,579,744	\$1,610,267	\$809,709	\$132,559	\$45,994	\$5,178,273
2026	\$205,076,800	\$205,076,800		\$0	\$2,399,399	\$2,399,399	\$1,497,696	\$753,104	\$123,292	\$42,779	\$4,816,270
2027	\$190,741,000	\$190,741,000		\$0	\$2,231,670	\$2,231,670	\$1,393,001	\$700,458	\$114,673	\$39,789	\$4,479,591
2028	\$177,408,500	\$177,408,500		\$0	\$2,075,679	\$2,075,679	\$1,295,632	\$651,497	\$106,658	\$37,007	\$4,166,474
2029	\$165,008,200	\$165,008,200		\$0	\$1,930,596	\$1,930,596	\$1,205,071	\$605,960	\$99,203	\$34,421	\$3,875,251
2030	\$153,475,200	\$153,475,200		\$0	\$1,795,660	\$1,795,660	\$1,120,845	\$563,607	\$92,269	\$32,015	\$3,604,396
2031	\$145,811,400	\$145,811,400		\$0	\$1,705,993	\$1,705,993	\$1,064,875	\$535,463	\$87,662	\$30,416	\$3,424,410
2032	\$138,529,900	\$138,529,900		\$0	\$1,620,800	\$1,620,800	\$1,011,698	\$508,723	\$83,284	\$28,897	\$3,253,402
2033	\$131,612,600	\$131,612,600		\$0	\$1,539,867	\$1,539,867	\$961,180	\$483,321	\$79,125	\$27,454	\$3,090,948
2034	\$125,040,600	\$125,040,600		\$0	\$1,462,975	\$1,462,975	\$913,184	\$459,187	\$75,174	\$26,083	\$2,936,603
2035	\$118,797,800	\$118,797,800		\$0	\$1,389,934	\$1,389,934	\$867,592	\$436,261	\$71,421	\$24,781	\$2,789,990
			<b>Total</b>	<b>\$0</b>	<b>\$33,141,930</b>	<b>\$33,141,930</b>	<b>\$20,687,079</b>	<b>\$10,402,317</b>	<b>\$1,702,985</b>	<b>\$590,889</b>	<b>\$66,525,201</b>

Source: CPA, El Campo Wind, LLC

\*Tax Rate per \$100 Valuation

**Table 4** examines the estimated direct impact on ad valorem taxes to the school district and Knox 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 and hospital district.

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*	Benjamin ISD I&S Tax Levy	Benjamin ISD M&O Tax Levy	Benjamin ISD M&O and I&S Tax Levies	Knox County Tax Levy	Knox County Hospital District Tax Levy	Knox County Drainage Tax Levy	Rolling Plains GCD Tax Levy	Estimated Total Property Taxes
				0.0000	1.1700		0.7303	0.3672	0.0601	0.0209	
2021	\$294,651,700	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$177,145	\$61,464	\$472,609
2022	\$274,047,800	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$164,758	\$57,166	\$455,924
2023	\$254,885,900	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$153,237	\$53,169	\$440,407
2024	\$237,065,300	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$142,524	\$49,452	\$425,975
2025	\$220,490,900	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$132,559	\$45,994	\$412,554
2026	\$205,076,800	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$123,292	\$42,779	\$400,071
2027	\$190,741,000	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$114,673	\$39,789	\$388,462
2028	\$177,408,500	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$106,658	\$37,007	\$377,665
2029	\$165,008,200	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$99,203	\$34,421	\$367,624
2030	\$153,475,200	\$20,000,000		\$0	\$234,000	\$234,000	\$0	\$0	\$92,269	\$32,015	\$358,284
2031	\$145,811,400	\$145,811,400		\$0	\$1,705,993	\$1,705,993	\$1,064,875	\$535,463	\$87,662	\$30,416	\$3,424,410
2032	\$138,529,900	\$138,529,900		\$0	\$1,620,800	\$1,620,800	\$1,011,698	\$508,723	\$83,284	\$28,897	\$3,253,402
2033	\$131,612,600	\$131,612,600		\$0	\$1,539,867	\$1,539,867	\$961,180	\$483,321	\$79,125	\$27,454	\$3,090,948
2034	\$125,040,600	\$125,040,600		\$0	\$1,462,975	\$1,462,975	\$913,184	\$459,187	\$75,174	\$26,083	\$2,936,603
2035	\$118,797,800	\$118,797,800		\$0	\$1,389,934	\$1,389,934	\$867,592	\$436,261	\$71,421	\$24,781	\$2,789,990
			<b>Total</b>	<b>\$0</b>	<b>\$10,059,570</b>	<b>\$10,059,570</b>	<b>\$4,818,529</b>	<b>\$2,422,955</b>	<b>\$1,702,985</b>	<b>\$590,889</b>	<b>\$19,594,929</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$23,082,360</b>	<b>\$23,082,360</b>	<b>\$15,868,550</b>	<b>\$7,979,362</b>	<b>\$0</b>	<b>\$0</b>	<b>\$46,930,272</b>

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, El Campo 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 El Campo 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	\$438,750	\$438,750	\$0	\$0
<b>Limitation Period (10 Years)</b>	2021	\$234,000	\$672,750	\$3,213,425	\$3,213,425
	2022	\$234,000	\$906,750	\$2,972,359	\$6,185,784
	2023	\$234,000	\$1,140,750	\$2,748,165	\$8,933,949
	2024	\$234,000	\$1,374,750	\$2,539,664	\$11,473,613
	2025	\$234,000	\$1,608,750	\$2,345,744	\$13,819,357
	2026	\$234,000	\$1,842,750	\$2,165,399	\$15,984,755
	2027	\$234,000	\$2,076,750	\$1,997,670	\$17,982,425
	2028	\$234,000	\$2,310,750	\$1,841,679	\$19,824,104
	2029	\$234,000	\$2,544,750	\$1,696,596	\$21,520,700
	2030	\$234,000	\$2,778,750	\$1,561,660	\$23,082,360
<b>Maintain Viable Presence (5 Years)</b>	2031	\$1,705,993	\$4,484,743	\$0	\$23,082,360
	2032	\$1,620,800	\$6,105,543	\$0	\$23,082,360
	2033	\$1,539,867	\$7,645,411	\$0	\$23,082,360
	2034	\$1,462,975	\$9,108,386	\$0	\$23,082,360
	2035	\$1,389,934	\$10,498,320	\$0	\$23,082,360
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2036	\$1,320,535	\$11,818,854	\$0	\$23,082,360
	2037	\$1,254,600	\$13,073,455	\$0	\$23,082,360
	2038	\$1,191,968	\$14,265,423	\$0	\$23,082,360
	2039	\$1,132,462	\$15,397,884	\$0	\$23,082,360
	2040	\$1,075,930	\$16,473,814	\$0	\$23,082,360
	2041	\$1,022,220	\$17,496,034	\$0	\$23,082,360
	2042	\$971,191	\$18,467,225	\$0	\$23,082,360
	2043	\$922,716	\$19,389,941	\$0	\$23,082,360
	2044	\$876,665	\$20,266,605	\$0	\$23,082,360
	2045	\$832,909	\$21,099,514	\$0	\$23,082,360

**\$21,099,514**

is less than

**\$23,082,360**

**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, El Campo Wind, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2019	200	185	385	\$10,000,000	\$15,000,000	\$25,000,000	1000000	-1000000	\$2,000,000
2020	201	188	389	\$10,048,600	\$17,951,400	\$28,000,000	1000000	0	\$1,000,000
2021	4	19	23	\$194,400	\$4,805,600	\$5,000,000	0	1000000	-\$1,000,000
2022	4	4	8	\$194,400	\$2,805,600	\$3,000,000	0	0	\$0
2023	4	(2)	2	\$194,400	\$1,805,600	\$2,000,000	0	0	\$0
2024	4	(4)	0	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2025	4	2	6	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2026	4	(2)	2	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2027	4	4	8	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2028	4	4	8	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2029	4	0	4	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2030	4	0	4	\$194,400	\$805,600	\$1,000,000	0	0	\$0
2031	4	(2)	2	\$194,400	-\$194,400	\$0	0	0	\$0
2032	4	0	4	\$194,400	-\$194,400	\$0	0	0	\$0
2033	4	(4)	0	\$194,400	-\$194,400	\$0	0	0	\$0
2034	4	(6)	-2	\$194,400	-\$194,400	\$0	0	0	\$0
2035	4	(8)	-4	\$194,400	-\$1,194,400	-\$1,000,000	0	0	\$0
2036	4	(8)	-4	\$194,400	-\$1,194,400	-\$1,000,000	0	0	\$0
2037	4	(6)	-2	\$194,400	-\$1,194,400	-\$1,000,000	0	0	\$0
2038	4	(8)	-4	\$194,400	-\$1,194,400	-\$1,000,000	0	0	\$0
2039	4	(10)	-6	\$194,400	-\$1,194,400	-\$1,000,000	0	0	\$0
2040	4	(10)	-6	\$194,400	-\$2,194,400	-\$2,000,000	0	-1000000	\$1,000,000
2041	4	(8)	-4	\$194,400	-\$2,194,400	-\$2,000,000	0	-1000000	\$1,000,000
2042	4	(10)	-6	\$194,400	-\$2,194,400	-\$2,000,000	0	-1000000	\$1,000,000
2043	4	(14)	-10	\$194,400	-\$2,194,400	-\$2,000,000	0	-1000000	\$1,000,000
2044	4	(22)	-18	\$194,400	-\$3,194,400	-\$3,000,000	0	-1000000	\$1,000,000
2045	4	(20)	-16	\$194,400	-\$4,194,400	-\$4,000,000	0	-1000000	\$1,000,000
2046	4	(20)	-16	\$194,400	-\$4,194,400	-\$4,000,000	0	-1000000	\$1,000,000
<b>Total</b>							<b>\$2,000,000</b>	<b>-\$7,000,000</b>	<b>\$9,000,000</b>
							<b>\$30,099,514</b>	is greater than	<b>\$23,082,360</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 El Campo 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 El Campo Wind, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. “There are many alternative sites for a wind project. Longroad has the capital and ability to develop the El Campo Wind Project. Longroad is actively assessing other wind projects both inside Texas as well as outside the state.”
  - B. “Texas and its surrounding areas have many potential sites for wind energy projects. Each of these sites carries its own set of feasibility requirements. A significant part of these requirements is the availability of local incentives such as Chapter 313. Incentives like these are required for the Project in order to be able to price its energy at a market rate (alongside competitive projects that have also received a LAVA) and to show project returns that will attract investment capital. Without a LAVA with Benjamin ISO, the Project will not be able to secure a Power Purchase Agreement or a tax equity investment and so will not move forward.”
- Supplemental information provided by applicant
  - A. The Project has signed an interconnection agreement with ERCOT. Number is 19INR0051 and was assigned in 2016.
  - B. We purchased the project from another developer. They called the project Truscott-Gilliland West.
  - C. There is another project nearby called “Truscott Gilliland East” or “TG-East.” This one and ours are independent of one another.
- Comptroller Research
  - A. Per the Longroad Energy website, they state that they have developed and closed financing for over 30 wind and solar projects. In Texas they have 650MW of wind projects.
  - B. Per Chapter 313 application #1274 TG East is a wind project initiated by Northrenew Energy and Taaleri Energia North America. “TG East has evolved as a subset of the original Truscott Gilliland

project covered approximately 26,000 acres in Knox County, Texas” and is expected to be in commercial operations by 2020.

**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.*

Longroad Energy Holdings, LLC was formed in 2016 and is a developer, owner and operator of renewable energy projects. Today, Longroad operates 1,236 MW of wind and solar energy projects, 684 MW of which Longroad owns. Prior to forming the Company, the core Longroad team successfully developed over 30 utility-scale renewable energy projects totaling close to 3,300 MW of nameplate capacity, including 650 MW of utility-scale wind in ERCOT. In May 2018, Longroad successfully completed development and initiated construction of its 238 MW Rio Bravo wind project in South Texas. Additionally, in July 2018, the Company closed financing and sale of the 250 MWac Phoebe solar project in West Texas. Project-level LAVAs\* were secured in all of Longroad's Texas projects and were critical in allowing them to move forward into construction and operations.

There are many alternative sites for a wind project. Longroad has the capital and ability to develop the El Campo Wind Project. Longroad is actively assessing other wind projects both inside Texas as well as outside the state. The capital that is planned to be deployed for the Applicant's project is being considered for use projects located in numerous states, including New Mexico, Colorado, Maine, Utah, Virginia, and Hawaii. Texas and its surrounding areas have many potential sites for wind energy projects. Each of these sites carries its own set of feasibility requirements. A significant part of these requirements is the availability of local incentives such as Chapter 313. Incentives like these are required for the Project in order to be able to price its energy at a market rate (alongside competitive projects that have also received a LAVA) and to show project returns that will attract investment capital. Without a LAVA with Benjamin ISD, the Project will not be able to secure a Power Purchase Agreement or a tax equity investment and so will not move forward.

\* LAVA: Limitation on Appraised Value Agreement

# **Supporting Information**

Additional information  
provided by the Applicant or  
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)  
– Benjamin ISD– El Campo Wind, LLC App. #1302

Comptroller Questions (via email on January 2, 2019):

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

Applicant Response (via email on January 17, 2019):

- 1. Yes, the Project has signed an interconnection agreement with ERCOT. Number is 19INR0051 and was assigned in 2016.*
- 2. We purchased the project from another developer. They called the project Truscott-Gilliland West.*
- 3. There is another project nearby called "Truscott Gilliland East" or "TG-East." This one and ours are independent of one another.*

**Attachment 4**

***Detailed description of the project.***

***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.***

TG East Wind Project, LLC ("TG East") (the "Project") is a special purpose entity formed to facilitate the development and commercialization of a utility-scale wind energy project initiated by Northrenew Energy ("Northrenew") in conjunction with Taaleri Energia North America ("Taaleri"). Northrenew Energy, the original developer of TG East, is in the business of initiating and developing plants generating electricity from renewable energy projects.

TG East has evolved as a subset of the original "Truscott Gilliland" project which covered approximately 26,000 acres in Knox County, Texas. TG East is a separately held, wholly owned project known only under the TG East Wind Project name.

TG East Wind Project, LLC is requesting an appraised value limitation from Benjamin ISD for a proposed wind energy project using wind turbines, operational structures, and a transmission line located in Knox County. The wind farm and its associated infrastructure will be constructed within a Reinvestment Zone established by Knox County, Texas. A map showing the location of the wind farm is included as Attachment 11a. The wind farm will have an estimated capacity of 278 megawatts ("MW"). To construct the wind farm, TG East Wind Project, LLC will install 68 wind turbines all within Benjamin ISD that will have an estimated rated capacity of between 2.0 and 4.0 MW. In addition to the wind turbines, roads will be constructed and improved as necessary along with transmission lines. A collection substation and associated infrastructure will be installed to permit the interconnection and transmission of electricity generated by the wind turbines and an operations and maintenance building will be erected along with necessary utilities required for operations.

Construction of the wind farm is proposed to begin in February of 2019 and is expected to take approximately 12 months to complete, with an estimated commercial operations date by February 28th, 2020, contingent upon favorable economics for the project. The ERCOT IGNR number for the facility is 19INR0052.

**\*NOTE** – The maps shown in Tab 11 may provide indicative locations for turbines, O&M Facilities, collection systems, transmission lines, and associated substations. The final location of these improvements is currently under review and should be considered in draft form. The final placement will be dependent upon ongoing review and studies of the site.

# Utilities

Clean and reliable renewable energy

## Utility Solutions

Since 2004, the Longroad Energy team has completed development and closed financing for over 30 wind and solar projects with more than 3.0 GW of nameplate capacity, including three high voltage transmission lines and two utility scale battery systems.

With a wide breadth of experience in working with utility customers and off-takers, we understand the unique challenges faced by grid owners and operators. We've successfully developed and operated utility scale projects in each of FERC's power markets. Additionally, we have experience in establishing renewables on smaller electrical grids such as on the islands of Oahu and Maui in Hawaii by installing balance of plant equipment to supplement renewable energy generation.

Our goal is to deliver safe, reliable, and cost effective renewable generation to the grid. We look forward to hearing from you.

## Industry Expertise



Hawaii

361 MW of wind, solar, and battery storage projects



Utah

830 MW of wind and solar projects



Texas

650 MW of wind projects



Northeast

826 MW of wind and solar projects

Foard

Crowell

6

Proximity Map of TG East and El Campo Wind, LLC

1274-benjamin-tgeast

1302-benjaminisd-elcampowindllc

1756

Knox

