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December 10, 2018

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Fort Stockton Independent School District from EnergieKontor US
Texas SP 1 LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Fort Stockton Independent School District is notifying EnergieKontor US Texas SP 1 LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the Economic Impact Report.

The Applicant submitted the Application to the school district on November 19, 2018. The Board voted to accept the application on November 19, 2018. The application has been determined complete as of December 10, 2018. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

A copy of the application will be submitted to the Pecos County Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Pecos County Appraisal District
EnergieKontor US Texas SP 1 LLC

ENERGIEKONTOR US TEXAS SP 1 LLC

CHAPTER 313 APPLICATION FOR APPRAISED VALUE LIMITATION TO FORT STOCKTON
INDEPENDENT SCHOOL DISTRICT

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 1

Pages 1 through 9 of application

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

November 19, 2018

Date Application Received by District

Ralph

First Name

Traynham

Last Name

Superintendent

Title

Fort Stockton Independent School District

School District Name

101 West Division Street

Street Address

101 West Division Street

Mailing Address

Fort Stockton

City

TX

State

79735

ZIP

432.336.4000

Phone Number

Fax Number

Mobile Number (optional)

ralph.traynham@fsisd.com

Email Address

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

Yes

No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Form for authorized school district consultant with fields for First Name (Dan), Last Name (Casey), Title (Partner), Firm Name (Moak, Casey & Associates), Phone Number (512.485.7878), Fax Number, Mobile Number, and Email Address (dcasey@moakcasey.com).

- 4. On what date did the district determine this application complete? December 10, 2018
5. Has the district determined that the electronic copy and hard copy are identical? [X] Yes [] No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Form for authorized company representative with fields for First Name (Jeffrey), Last Name (Sabins), Title (Chief Financial Officer), Organization (EnergieKontor US Inc.), Street Address (11044 Research Blvd, Suite C230), Mailing Address (Austin, TX 78759), Phone Number (512.633.7728), Fax Number, and Business Email Address (jeff.sabins@energiekontor.com).

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

Form for additional company representative with fields for First Name (Henriette), Last Name (Boom), Title (Project Developer - Texas Solar), Organization (EnergieKontor US Inc.), Street Address (11044 Research Blvd, Suite C230), Mailing Address (Austin, TX 78759), Phone Number (512.660.4851), Fax Number, and Business Email Address (henriette.boom@energiekontor.com).

- 3. Does the applicant authorize the consultant to provide and obtain information related to this application? [X] Yes [] No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

David Sewell
 First Name Last Name
 Partner
 Title
 Stahl, Bernal, Davies, Sewell & Chavarria, LLP
 Firm Name
 512.346.5558 512.346.2712
 Phone Number Fax Number
 dsewell@sbaustinlaw.com
 Business Email Address

SECTION 3: Fees and Payments

- 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.
- 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
- 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

- What is the legal name of the applicant under which this application is made? EnergieKontor US Texas SP 1 LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32064968020
- List the NAICS code 221114
- 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

SECTION 5: Applicant Business Structure

- Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Corporation
- 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.
- Is the applicant current on all tax payments due to the State of Texas? Yes No
- Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
- 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**)

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.

SECTION 9: Projected Timeline

1. Application approval by school board Q4 2018
2. Commencement of construction Q3 2020
3. Beginning of qualifying time period January 1, 2020
4. First year of limitation 2021
5. Begin hiring new employees Q4 2020
6. Commencement of commercial operations Q4 2020
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (*date your application is finally determined to be complete*)? Yes No
Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? Q4 2020

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Pecos County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Pecos CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Pecos, .7990, 100% & City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: _____ Water District: Middle Pecos Groundwater, .0211, 100%
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (*describe*): MidlandCollegeWilliams, .0345, 100% Other (*describe*): _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

- 1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
- 2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
- 3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? _____ N/A

SECTION 13: Information on Property Not Eligible to Become Qualified Property

- 1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
- 2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
- 3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
- 4. Total estimated market value of existing property (that property described in response to question 1): \$ _____ 0.00
- 5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
- 6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ _____ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

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)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 2
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 1,050.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,170.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,155.00
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? 60,060.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 60,100.00
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**.

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for \$75,000 application fee to the Fort Stockton Independent School District.

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

(Page Inserted by Office of Texas Comptroller of
Public Accounts)

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 3

Documentation of Combined Group membership under Texas Code 171.0001 (7), history of tax default, delinquencies and/or material litigation (if applicable)

The Applicant is an affiliate entity listed on the combined group report filed by EnergieKontor US Holding, Inc. under Texas taxpayer number 32067073927. A copy of Form 05-166 is attached.

Texas Franchise Tax Affiliate Schedule

Tcode 13253 ANNUAL

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

32067073927

2018

ENERGIEKONTOR US HOLDING, INC.

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate ENERGIEKONTOR US HOLDING, INC.		2. Affiliate taxpayer number (if none, use FEI number) 32067073927		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 1 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32064968020		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 2 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32064967824		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			

The reporting entity of a combined group with a temporary credit for business loss and carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

Texas Comptroller Official Use Only



VE/DE FM



Texas Franchise Tax Affiliate Schedule

Tcode 13253 ANNUAL

Reporting entity taxpayer number: 32067073927
 Report year: 2018
 Reporting entity taxpayer name: ENERGIEKONTOR US HOLDING, INC.

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 3 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32064967733		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 4 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32064967618		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 5 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32064967493		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			

The reporting entity of a combined group with a temporary credit for business loss and carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

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Texas Franchise Tax Affiliate Schedule

■ Tcode **13253 ANNUAL**

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

32067073927

2018

ENERGIEKONTOR US HOLDING, INC.

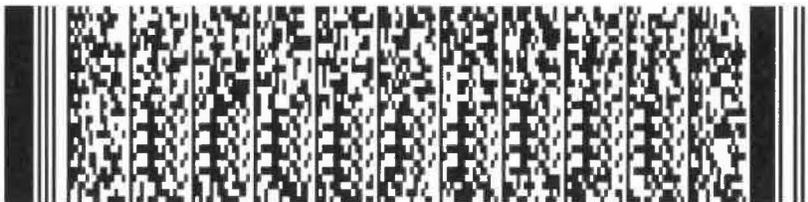
Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 6 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32065410212		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 9 2 1 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 7 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32065408984		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 9 2 1 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 8 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32065410147		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 9 2 1 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			

The reporting entity of a combined group with a temporary credit for business loss and carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/.

An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 ANNUAL

Reporting entity taxpayer number 32067073927 Report year 2018 Reporting entity taxpayer name ENERGIEKONTOR US HOLDING, INC.

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 9 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32065410105		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 9 2 1 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US TEXAS SP 10 LLC		2. Affiliate taxpayer number (if none, use FEI number) 32065410014		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 9 2 1 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate ENERGIEKONTOR US, INC.		2. Affiliate taxpayer number (if none, use FEI number) 32065594106		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 700520.00			
10. Gross receipts in Texas (before eliminations) 663392.00		11. Cost of goods sold or compensation (before eliminations) 0.00			

The reporting entity of a combined group with a temporary credit for business loss and carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

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Texas Franchise Tax Affiliate Schedule

■ Tcode **13253 ANNUAL**

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

32067073927

2018

ENERGIEKONTOR US HOLDING, INC.

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate ENERGIEKONTOR US DAKOTA WP 1 LLC		2. Affiliate taxpayer number (if none, use FEI number) 823467838		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input checked="" type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 6 2 2 1 7		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 7	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate		2. Affiliate taxpayer number (if none, use FEI number)		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y		7. Affiliate reporting end date m m d d y y	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			
1. Legal name of affiliate		2. Affiliate taxpayer number (if none, use FEI number)		3. Affiliate NAICS code	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	6. Affiliate reporting begin date m m d d y y		7. Affiliate reporting end date m m d d y y	
8. Gross receipts subject to throwback in other states (before eliminations) 0.00		9. Gross receipts everywhere (before eliminations) 0.00			
10. Gross receipts in Texas (before eliminations) 0.00		11. Cost of goods sold or compensation (before eliminations) 0.00			

The reporting entity of a combined group with a temporary credit for business loss and carryforwards preserved for itself and/or affiliates must submit common owner information. This information must be provided to satisfy franchise tax reporting requirements. Learn more at www.comptroller.texas.gov/taxes/franchise/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

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TAB 4

Detailed Description of the Project

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

Energiekontor US Texas SP 1 LLC, also known as Wolfcamp Solar Project (“Wolfcamp”) is requesting an appraised value limitation from the Fort Stockton Independent School District (FSISD) for the Wolfcamp Solar Project (the “Project”). Wolfcamp proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in the FSISD. The proposed Project will be constructed within a Reinvestment Zone that will be created by Pecos County on November 11, 2018. Maps showing the location of the Project are attached in Tab 11.

The Project will be constructed on 989 acres, which is part of a long-term lease agreement with landowners. The proposed Project will include, but is not limited to, the following:

- Planned up to 100 MW-AC in size;
- PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

Wolfcamp requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mountings, structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, storage containers, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities. Construction of the Project is anticipated to begin in January of 2020 with project completion by December 31, 2020.

TAB 5

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

The EnergieKontor Group (“EK”), the parent of EnergieKontor US SP 1 LLC, is an international wind and solar developer, contractor and owner of projects with project opportunities across the United States and internationally. The ability to enter into a value limitation agreement with the Fort Stockton Independent School District is a determining factor for constructing the project in Pecos County, Texas, as opposed to constructing and investing in another country, region, or state. EK is actively developing and constructing other projects throughout the US and internationally through its affiliates. The applicant requires this value limitation agreement in order to move forward with constructing this project in Texas. Specifically, without the available property tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project decreases significantly. The property tax liabilities of a project without tax incentives in Texas, including a value limitation agreement with Fort Stockton ISD, lower the return to investors and financiers to an unacceptable level at current contracted power rates under a power purchase agreement. As such, the applicant would not be able to finance and construct its project without the property tax incentives. We would like to avoid a situation where the applicant is forced to have its development capital and prospective investment funds spent in other projects where the rate of return is higher on a project basis.

The proposed site in Pecos County is a desirable business location and can provide electricity at a price that is competitive with other projects in Pecos County and elsewhere in Texas, assuming that the expected tax incentives, including a value limitation agreement, are obtained. Electric utilities and other wholesale electricity buyers are focused on providing low cost energy to their customers, and contracting for the sale of solar electricity is highly competitive. Receiving a value limitation agreement from Fort Stockton ISD is vital to ensuring the economics justification to building the project and placing it into commercial operation in Pecos County.

About EnergieKontor

The Energiekontor group specializes in wind and solar power project development and wind and solar farm operation. As one of the pioneers in this area, the Company can call on more than 25 years of experience and covers the entire value chain in the onshore wind farm segment, ranging from business and project development over financing and solar installation to the operational management of the completed facility. The Energiekontor Group has developed and installed 621 wind turbines with total rated power of 940 MW at 119 wind farms in Germany, the UK and Portugal as well as seven ground-mounted solar arrays in Germany. Total capital spending on these projects amounts to about \$1.6 billion. The Company is active in the national markets of Germany, the UK, Portugal, the Netherlands, the US and France. The company maintains five development offices in Germany as well as international subsidiary offices in England, Scotland, Portugal, France, the Netherlands, Austin, Texas USA, and Rapid City, South Dakota USA. EnergieKontor AG has been publicly traded on the Frankfurt stock exchange since 2002 (FRA: EKT).

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable)

Project is located within Fort Stockton ISD within the boundaries of Pecos County.

TAB 7

Description of Qualified Investment

The Project will be constructed on approximately 989 acres, which is part of a long-term lease agreement with local landowners. 100% of the Project will be located entirely within the Fort Stockton Independent School District. The proposed Project will include, but is not limited to the following:

- Planned up to 100 MW-AC in size;
- PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

TAB 8

Description of Qualified Property

The Project will be constructed on approximately 989 acres, which is part of a long-term lease agreement with local landowners. 100% of the Project will be located entirely within the Fort Stockton Independent School District. The proposed Project will include, but is not limited to the following:

- Planned up to 100 MW-AC in size;
- PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

TAB 9

Description of Land

Not applicable. The land upon which the Project will be constructed is not part of the Qualified Property in the application.

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 10

Description of all property not eligible to become qualified property (if applicable)

None

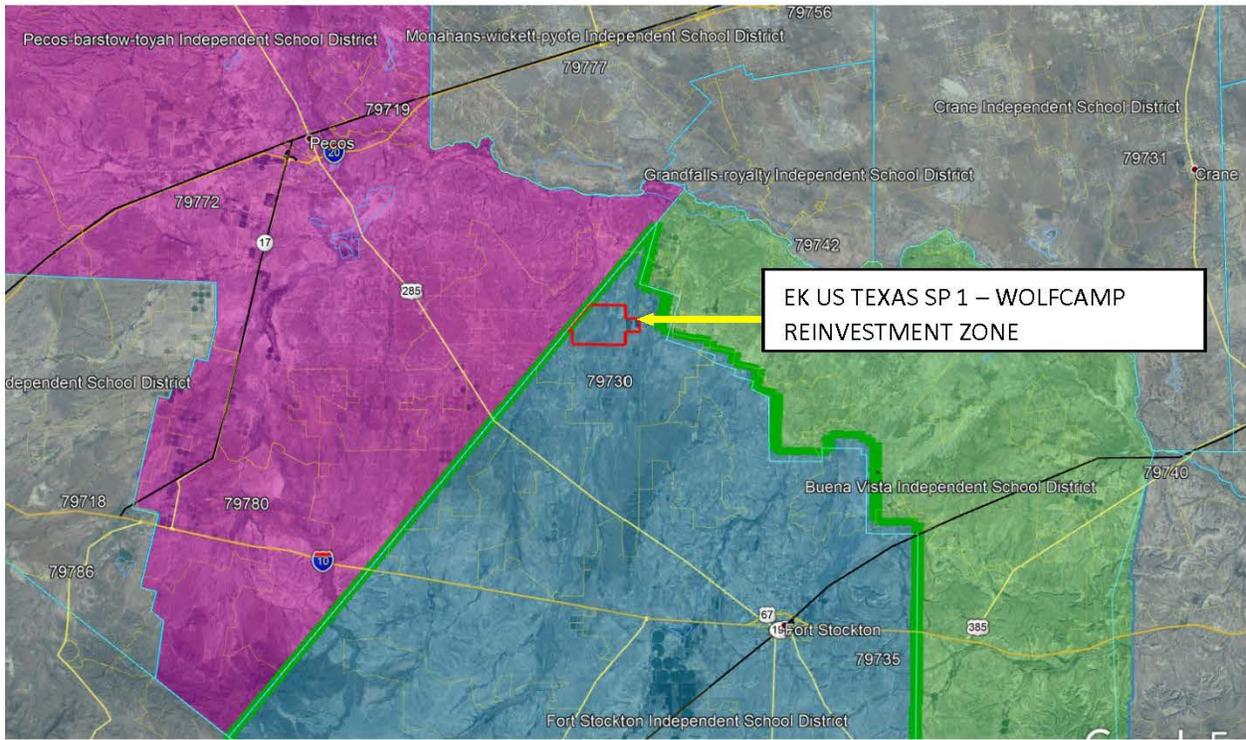
TAB 11

Maps that clearly show:

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

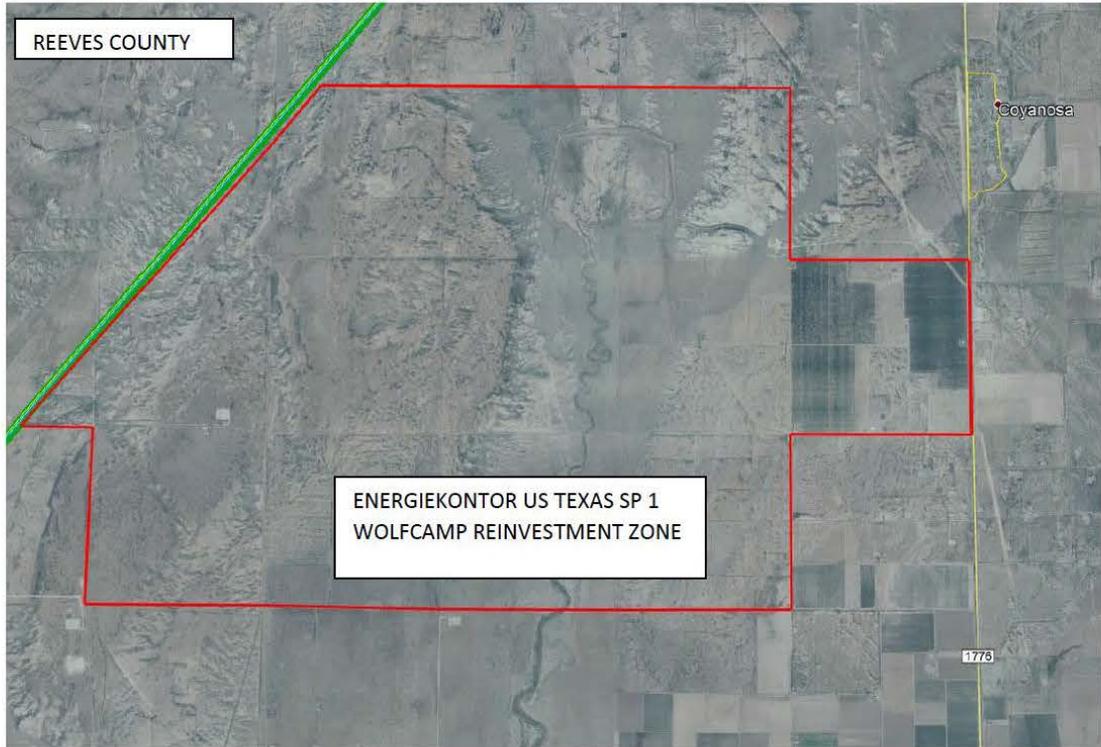
ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD



ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD



Tab 11

ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY BY
ENERGIEKONTOR US TEXAS SP 1 LLC TO FORT STOCKTON ISD

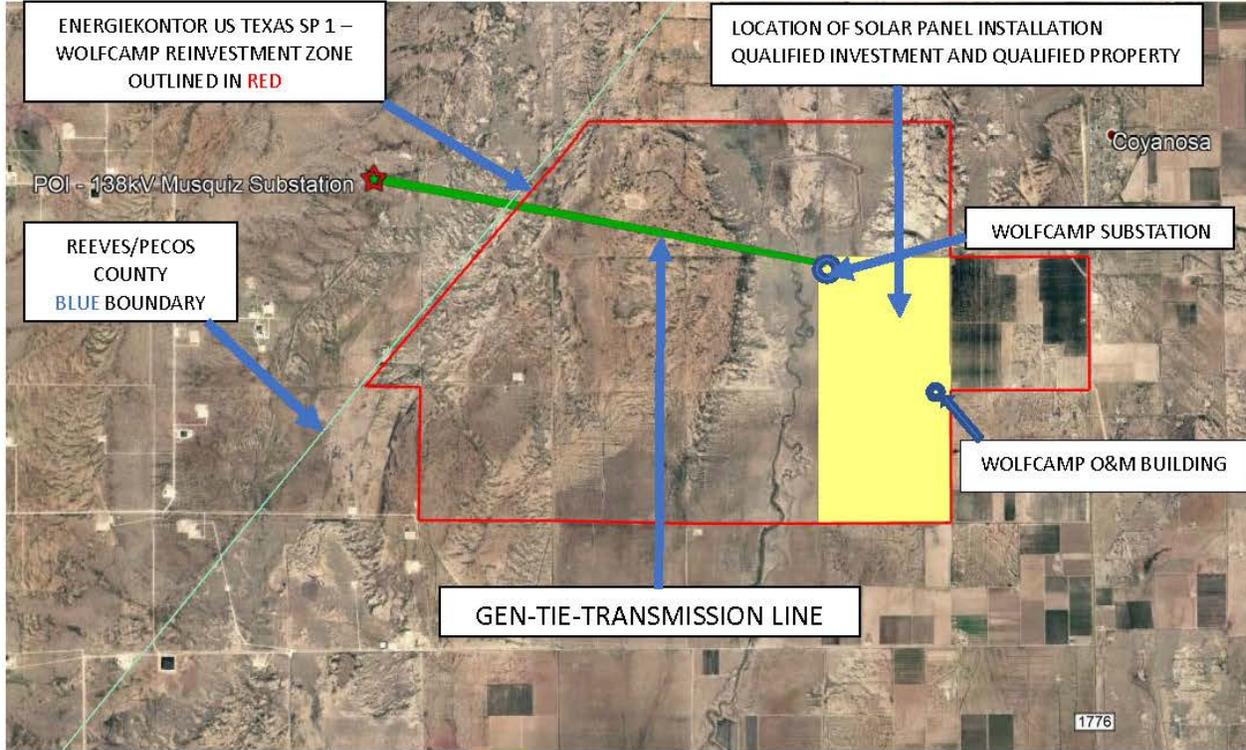
ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD



ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD



ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 12

Request for Waiver of Job Creation Requirement and Supporting Information (if applicable)

See attached



November 7, 2018

Re: Energiekontor US Texas SP 1 LLC – Wolfcamp Solar Project;
Request for Waiver of Minimum Qualifying Job Creation Requirement in Connection with
Application for Appraised Value Limitation on Qualified Property

Dear Superintendent Traynham,

Please consider this letter as Energiekontor US Texas SP 1 LLC's formal request to waive the minimum new qualifying job creation requirement for the Wolfcamp Solar Project pursuant to Texas Tax Code § 313.025(f-1).

Solar projects create a large number of construction jobs but require a small number of highly skilled technicians to operate the project once construction is complete and commercial operations begin. The permanent employees of a solar project maintain and service the solar panels, underground electrical connections, substations, and other infrastructure associated with the safe and reliable operation of the project. Based upon Energiekontor's extensive experience in solar project development and a survey of experienced developers and operators of utility scale solar projects, we find that the industry standard for solar projects between 100MW (AC) and 200MW (AC) in size is two (2) full-time employees. This industry standard is further supported by previously filed applications for value limitation agreements by other solar developers. This number can and does vary depending upon the operator, type of units selected, and support and technical assistance offered by the manufacturer. In addition to the on-site employees described above, there may be asset managers or technicians who supervise, monitor, and support the solar project's operations from off-site locations.

Based on the industry standard described above, we respectfully request that the job creation requirement be waived for the Wolfcamp Solar Project based on Energiekontor US Texas SP 1 LLC's commitment to create two (2) new qualifying jobs.

If you have any questions please do not hesitate to contact Henriette Boom, Project Developer at 512.660.4851.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeff Sabins', written in a cursive style.

Jeffrey Sabins
Chief Operating Officer
ENERGIEKONTOR US INC.

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Pecos County average weekly wage for all jobs (all industries)
- Pecos County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

PECOS COUNTY

CHAPTER 313 WAGE CALCULATION – ALL JOBS – ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES	ANNUALIZED
1st	2018	\$937	\$48,724
2 ND	2018	\$887	\$46,124
3rd	2017	\$858	\$44,616
4th	2017	\$907	\$47,164
AVERAGE		\$897.25	\$46,657

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

Pecos County
Chapter 313 WAGE CALCULATION – MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES	ANNUALIZED
1 st	2018	\$1,064	\$55,328
2 nd	2018	\$993	\$51,636
3 rd	2017	\$1,026	\$53,352
4 th	2017	\$1,156	\$60,112
AVERAGE		\$1,059.75	\$55,107
X 110%		\$1,165.73	\$60,617.70

Permian Basin
Council of Governments Regional Wage Calculation

YEAR	AVG WEEKLY WAGES*	ANNUALIZED
2017	\$1050	\$54,576
	X110% = \$1,155	\$60,060

*See attached TWC Documentation

Quarterly Employment and Wages (QCEW)

[Back](#)

D.PERIODYEAR

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2018	1st Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$937
2018	2nd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$887
2017	1st Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$894
2017	2nd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$840
2017	3rd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$858
2017	4th Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$907

Quarterly Employment and Wages (QCEW)

[Back](#)

D.PERIODYEAR

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	1st Qtr	Pecos County	Private	31	2	31-33	Manufacturing	\$1,064
2018	2nd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	\$993
2017	1st Qtr	Pecos County	Private	31	2	31-33	Manufacturing	\$1,330
2017	2nd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	\$1,019
2017	3rd Qtr	Pecos County	Private	31	2	31-33	Manufacturing	\$1,026
2017	4th Qtr	Pecos County	Private	31	2	31-33	Manufacturing	\$1,156

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

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

110% of \$54,574=\$60,031

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.

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 14

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

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

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

Date **10/17/2018**
 Applicant Name **ENERGIEKONTOR US**
 ISD Name **FORT STOCKTON**

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district		Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2019	Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	--								0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	0	0		0	
Complete tax years of qualifying time period	QTP1	2019-2020	2019	85,750,000	250,000	0		0	
	QTP2	2020-2021	2020	0	0	0		0	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				85,750,000	250,000	0		86,000,000	
Total Qualified Investment (sum of green cells)				86,000,000	Enter amounts from TOTAL row above in Schedule A2				

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

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

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

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 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

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

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.

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

Date DATE #####
 Applicant Name Applicant name ENERGIEKONTOR US TEXAS SP 1 LLC
 ISD Name ISD Name FORT STOCKTON

Form 50-296A
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		85,750,000	250,000	0	0	86,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2019-2020	2019	85,750,000	250,000			86,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020					
Value limitation period***	1	2021-2022	2021					
	2	2022-2023	2022					
	3	2023-2024	2023					
	4	2024-2025	2024					
	5	2025-2026	2025					
	6	2026-2027	2026					
	7	2027-2028	2027					
	8	2028-2029	2028					
	9	2029-2030	2029					
	10	2030-2031	2030					
Total Investment made through limitation				\$85,750,000	250,000			\$86,000,000
Continue to maintain viable presence	11	2031-2032	2031					
	12	2032-2033	2032					
	13	2033-2034	2033					
	14	2034-2035	2034					
	15	2035-2036	2035					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036					
	17	2037-2038	2037					
	18	2038-2039	2038					
	19	2039-2040	2039					
	20	2040-2041	2040					
	21	2041-2042	2041					
	22	2042-2043	2042					
	23	2043-2044	2043					
	24	2044-2045	2044					
	25	2045-2046	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 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 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date

10/16/2018

Applicant Name

ENERGIEKONTOR US TEXAS SP 1 LLC

Form 50-296A

ISD Name

FORT STOCKTON

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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>	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	0	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2021-2022	2021	\$ -	\$ 237,500	\$ 79,833,250	\$ 80,070,750	\$ 80,070,750	\$ 30,000,000
	2	2022-2023	2022	\$ -	\$ 225,625	\$ 73,436,300	\$ 73,661,925	\$ 73,661,925	\$ 30,000,000
	3	2023-2024	2023	\$ -	\$ 214,344	\$ 66,533,425	\$ 66,747,769	\$ 66,747,769	\$ 30,000,000
	4	2024-2025	2024	\$ -	\$ 203,627	\$ 59,073,175	\$ 59,276,802	\$ 59,276,802	\$ 30,000,000
	5	2025-2026	2025	\$ -	\$ 193,445	\$ 51,021,250	\$ 51,214,695	\$ 51,214,695	\$ 30,000,000
	6	2026-2027	2026	\$ -	\$ 183,773	\$ 42,326,200	\$ 42,509,973	\$ 42,509,973	\$ 30,000,000
	7	2027-2028	2027	\$ -	\$ 174,584	\$ 32,936,575	\$ 33,111,159	\$ 33,111,159	\$ 30,000,000
	8	2028-2029	2028	\$ -	\$ 165,855	\$ 22,792,350	\$ 22,958,205	\$ 22,958,205	\$ 30,000,000
	9	2029-2030	2029	\$ -	\$ 157,562	\$ 17,150,000	\$ 17,307,562	\$ 17,307,562	\$ 30,000,000
	10	2030-2031	2030	\$ -	\$ 149,684	\$ 17,150,000	\$ 17,299,684	\$ 17,299,684	\$ 30,000,000
Continue to maintain viable presence	11	2031-2032	2031	\$ -	\$ 142,200	\$ 17,150,000	\$ 17,292,200	\$ 17,292,200	\$ 17,292,200
	12	2032-2033	2032	\$ -	\$ 135,090	\$ 17,150,000	\$ 17,285,090	\$ 17,285,090	\$ 17,285,090
	13	2033-2034	2033	\$ -	\$ 128,336	\$ 17,150,000	\$ 17,278,336	\$ 17,278,336	\$ 17,278,336
	14	2034-2035	2034	\$ -	\$ 121,919	\$ 17,150,000	\$ 17,271,919	\$ 17,271,919	\$ 17,271,919
	15	2035-2036	2035	\$ -	\$ 115,823	\$ 17,150,000	\$ 17,265,823	\$ 17,265,823	\$ 17,265,823
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	\$ -	\$ 110,032	\$ 17,150,000	\$ 17,260,032	\$ 17,260,032	\$ 17,260,032
	17	2037-2038	2037	\$ -	\$ 104,530	\$ 17,150,000	\$ 17,254,530	\$ 17,254,530	\$ 17,254,530
	18	2038-2039	2038	\$ -	\$ 99,304	\$ 17,150,000	\$ 17,249,304	\$ 17,249,304	\$ 17,249,304
	19	2039-2040	2039	\$ -	\$ 94,338	\$ 17,150,000	\$ 17,244,338	\$ 17,244,338	\$ 17,244,338
	20	2040-2041	2040	\$ -	\$ 89,621	\$ 17,150,000	\$ 17,239,621	\$ 17,239,621	\$ 17,239,621
	21	2041-2042	2041	\$ -	\$ 85,140	\$ 17,150,000	\$ 17,235,140	\$ 17,235,140	\$ 17,235,140
	22	2042-2043	2042	\$ -	\$ 80,883	\$ 17,150,000	\$ 17,230,883	\$ 17,230,883	\$ 17,230,883
	23	2043-2044	2043	\$ -	\$ 76,839	\$ 17,150,000	\$ 17,226,839	\$ 17,226,839	\$ 17,226,839
	24	2044-2045	2044	\$ -	\$ 72,997	\$ 17,150,000	\$ 17,222,997	\$ 17,222,997	\$ 17,222,997
	25	2045-2016	2045	\$ -	\$ 69,347	\$ 17,150,000	\$ 17,219,347	\$ 17,219,347	\$ 17,219,347

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 10/16/2018
 Applicant Name ENERGIEKONTOR US TEXAS SP 1 LLC
 ISD Name FORT STOCKTON

Form 50-296A

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	0		0	0	
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	300 FTE	\$38,890	0	0	
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021			0	2	\$60,100
	2	2022-2023	2022	0	-	0	2	\$60,100
	3	2023-2024	2023	0	-	0	2	\$60,100
	4	2024-2025	2024	0	-	0	2	\$60,100
	5	2025-2026	2025	0	-	0	2	\$60,100
	6	2026-2027	2026	0	-	0	2	\$60,100
	7	2027-2028	2027	0	-	0	2	\$60,100
	8	2028-2029	2028	0	-	0	2	\$60,100
	9	2029-2030	2029	0	-	0	2	\$60,100
	10	2030-2031	2030	0	-	0	2	\$60,100
Years Following Value Limitation Period	11 through 25	2031-2046	2031-2046			0	2	\$60,100

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 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) Yes No
 If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Schedule D: Other Incentives (Estimated)

Date 10/16/2018
Applicant Name ENERGIEKONTOR US TEXAS SP 1 LLC
ISD Name FORT STOCKTON

Form 50-296A
 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: Pecos	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Tax Code Chapter 312	County: Pecos	2021	10 years	\$ 639,765	\$ 539,765	\$ 100,000
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other:	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Local Government Code Chapters 380/381	County: Pecos	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	City: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Other: Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Freeport Exemptions	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Non-Annexation Agreements	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Enterprise Zone/Project	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Economic Development Corporation	Not applicable	Not applicable	Not applicable		Not applicable	
Texas Enterprise Fund	Not applicable	Not applicable	Not applicable		Not applicable	
Employee Recruitment	Not applicable	Not applicable	Not applicable		Not applicable	
Skills Development Fund	Not applicable	Not applicable	Not applicable		Not applicable	
Training Facility Space and Equipment	Not applicable	Not applicable	Not applicable		Not applicable	
Infrastructure Incentives	Not applicable	Not applicable	Not applicable		Not applicable	
Permitting Assistance	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
Other:	Not applicable	Not applicable	Not applicable		Not applicable	
TOTAL				\$ 639,765	\$ 539,765	\$ 100,000

Additional information on incentives for this project:

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 15

**Economic Impact Analysis, other payments made in the state or other economic information
(if applicable)**

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) evidence that area qualifies as an enterprise zone as defined by the Governor's Office**
- b) legal description of reinvestment zone**
- c) order, resolution, or ordinance establishing the reinvestment zone**
- d) guidelines and criteria for creating the zone**

**RESOLUTION OF THE COMMISSIONERS COURT
OF PECOS COUNTY, TEXAS
DESIGNATING THE ENERGIEKONTOR US TEXAS SP 1 LLC REINVESTMENT ZONE____**

A RESOLUTION DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR A COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN PECOS COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

Whereas, the Commissioners Court of Pecos County, Texas, desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Tax Code §312.001, *et seq.*), and

Whereas, the Commissioners Court of Pecos County, Texas, has elected to become eligible to participate in tax abatement agreements under the provisions of the Property Redevelopment and Tax Abatement Act; and,

Whereas, the Commissioners Court of Pecos County, Texas, has adopted the *Pecos County Guidelines and Criteria for Granting Tax Abatement* in a resolution dated on or about August 24, 2017 (the "Guidelines and Criteria"); and,

Whereas, on this date, a hearing before the Commissioners Court of Pecos County, Texas was held, such date being at least seven (7) days after the date of publication of the notices of such public hearing in the local newspaper of general circulation in Pecos County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

Whereas, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone.

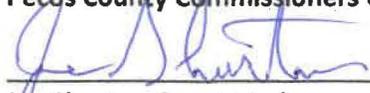
BE IT RESOLVED BY THE COMMISSIONERS COURT OF Pecos County, Texas:

1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.
2. That the Commissioners Court of Pecos County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:
 - a. That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and
 - b. That the boundaries of the reinvestment zone should be the area described in the attached Exhibit A and depicted in the map attached hereto as Exhibit B, which are

- incorporated herein by reference for all purposes. In the event of discrepancy between the descriptions of Exhibit A and Exhibit B, the map shall control; and
- c. That creation of the reinvestment zone will result in benefits to Pecos County, Texas and to land included in the zone and that the improvements sought are feasible and practical; and
 - d. The reinvestment zone meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of Pecos County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Pecos County, Texas.
3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, Pecos County Commissioner's Court hereby creates the EnergieKontor US Texas SP 1, a reinvestment zone for commercial-industrial tax abatement encompassing only the area described in Exhibit A and depicted in Exhibit B, and such reinvestment zone is hereby designated and shall hereafter be referred to as the EnergieKontor US Texas SP 1 Zone.
 4. That the EnergieKontor US Texas SP 1 Reinvestment Zone shall take effect on this date, and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for additional five (5) year periods thereafter.
 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.
 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the Pecos County Commissioners Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this 26 day of Nov., 2018.

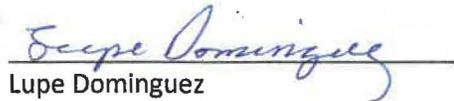
Pecos County Commissioners Court



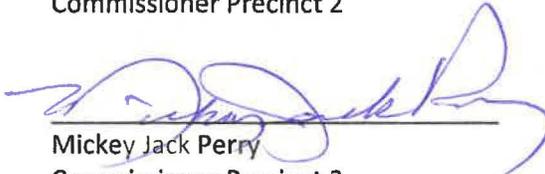
Joe Shuster, County Judge



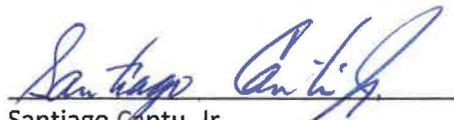
Tom Chapman
Commissioner Precinct 1



Lupe Dominguez
Commissioner Precinct 2



Mickey Jack Perry
Commissioner Precinct 3



Santiago Cantu, Jr.
Commissioner Precinct 4

Attest:



Liz Chapman
Pecos County Clerk



EXHIBIT A

Legal Description

ABSTRACT NO: 8416 SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER 23 EDDINS ABSTRACT: A8416 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5068, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER 22 DAVIS, J. ABSTRACT: A5066 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5067, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER 21 DAVIS, J. ABSTRACT A5067 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5068, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER: 20 DAVIS, J. ABSTRACT A568 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5085, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER 17 KALEY, S. H. ABSTRACT A5085 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5086, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER 16 S. H. KELLEY ABSTRACT A5086 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5084, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER 15 S. H. KELLEY ABSTRACT A5084 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 8415, SURVEY NAME: PSL, BLOCK NUMBER: PART OF C2, SURVEY NUMBER PART OF 14 S. H. KELLEY. ABSTRACT A8515 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5089, SURVEY NAME: PSL, BLOCK NUMBER: PART OF C2 SURVEY NUMBER; PART OF 13 ABSTRACT A5089 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO 5072, SURVEY NAME: PSL, BLOCK NUMBER: PART OF C2 SURVEY NUMBER: PART OF 10 K.D. DELANEY. ABSTRACT A5072 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5094, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER: 9 MANSFIELD G. T. ASTRACT A5094 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5102, SURVEY NAME: PSL, BLOCK NUMBER: C2, SURVEY NUMBER: 8 WALL, R. Q. ABSTRACT A5102 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS

ABSTRACT NO: 5057, SURVEY NAME; PSL, BLOCK NUMBER C2, SURVEY NUMBER: 18 COLVILLE, PD A5057 PUBLIC SCHOOL LANDS, PECOS COUNTY, TEXAS.

PECOS COUNTY

GUIDELINES AND CRITERIA FOR TAX ABATEMENT

I. PURPOSE

Pecos County, herein referred to as “the County,” is committed to the promotion of quality development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax abatement to stimulate growth and development. Any such incentive shall be provided in accordance with the procedures and criteria outlined in this document. However, nothing in these guidelines shall imply or suggest, or be construed to imply or suggest, that the County is under any obligation to provide any incentive to any applicant. All such applications for tax abatement shall be considered on an individual basis with regard to both the qualification for abatement and the amount of any abatement.

II. DEFINITIONS

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

Improvements eligible for abatement include the following:

Aquaculture/agriculture facility,
Distribution center facility,
Manufacturing facility,
Office building,
Regional entertainment/ tourism facility,
Renewable power facility and fixtures,
Research facility,
Historic building in a designated area, or
Other basic industry.

Requests for abatement will be evaluated according to factors including, but not limited to, the following:

- (1) Jobs. Projected new jobs created, including the number and type of new jobs, the number and type of jobs retained, the average payroll, and the number of local persons hired.

- (2) **Fiscal Impact.** The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, any County financed infrastructure improvements that will be required by the facility, any infrastructure improvements proposed to be made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) **Community Impact.** The pollution, if any, as well as other potential negative environmental impact on the health and safety of the community resulting from the proposed project; whether the project will revitalize a depressed area; potential business opportunities for local vendors; alternative development possibilities for the proposed site; the impact on other taxing entities; and/or whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Pecos County to another.

IV. ABATEMENT AUTHORIZED

- (a) **Authorized Date.** A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction: provided, that such facility meets the criteria for granting tax abatement in reinvestment zones created by Pecos County pursuant to these Guidelines and Criteria. Property may be exempted from taxation under these guidelines for a period not to exceed the statutory limitations.
- (b) **Creation of New Value.** Abatement may only be granted for the additional value of or increase in value to eligible improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee and lessor, subject to such limitations as the Tax Abatement Statute and these Guidelines and Criteria may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes replacement of a facility existing at the time of application, the abated value shall be the value of the new unit(s) less the value of the old unit(s).
- (d) **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement:

land,
animals,
inventories,
supplies,
tools,
furnishings, and other forms of movable personal property (except as provided below),
vehicles,
vessels,
aircraft,
housing or residential property,
hotels/motels,
fauna,
flora,
retail facilities, except when housed in an historic structure, within the designated downtown district,
any improvements including those involved in the production, storage or distribution of natural gas or fluids that are not integral to the operation of the facility, and

Property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas. This provision shall not be interpreted to disallow abatement for property located in the Pecos County Industrial Park. Nor shall this provision be interpreted to disallow abatement where the eligible property to be abated may be located on or affixed to land owned by the State or a subdivision of the State, but is wholly owned by the party seeking the abatement.

Equipment constituting personal property located in the reinvestment zone shall remain eligible for abatement provided the equipment is awaiting installation to become a permanent part of a fixture located or to be constructed in the reinvestment zone that is or will be eligible for property tax abatement, including any replacement parts.

- (f) **Owned/Leased Facilities.** If leased property is granted abatement, the agreement shall be executed with the lessor and lessee. If the eligible property to be abated is located on or affixed to leased land, but is wholly owned by the party seeking the abatement, the agreement shall be executed only with the owner of the property to be abated.

- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement. The value of new eligible properties shall be abated according to the approved agreement between the applicant and the governing body. The governing body, in its sole discretion, shall determine the amount of any abatement.

The abatement may be extended from the date of the initial agreement by modification provided the statutory requirements for modification are met.

- (h) **Construction in Progress.** If a qualifying facility has not been placed in service as of January 1 following execution of the abatement agreement, the taxpayer may apply for a one-year extension of the term of abatement. Said extension must be applied for prior to the end of the calendar year in which the abatement agreement is executed.

- (i) **Taxability.** From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:

- (1) The value of ineligible property as provided in Part IV(e) shall be fully taxable.
- (2) The base year value of existing eligible property, meaning the value of the property for the year in which the abatement agreement is executed, shall be fully taxable.
- (3) The additional value of eligible property shall be taxable as provided for by the applicable abatement agreement between the owner and the County.

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner of taxable property in Pecos County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County.
- (b) The application shall consist of a completed application form accompanied by:
 - (1) a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;

- (2) a descriptive list of the improvements that will be a part of the facility;
 - (3) a map and property description or a site plan;
 - (4) a time schedule for undertaking and completing the planned improvements;
 - (5) for modernized facilities, a statement of the assessed value of the facility, separately stated for real and personal property, for the tax year immediately preceding the application; and,
 - (6) Financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of a completed application, the County receiving such application shall notify in writing the presiding officer of the legislative body of each affected jurisdiction. Before acting upon the application, the County shall through public hearings as described below afford the applicant and the designated representative of any affected jurisdiction and any member of the public the opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the legislative body of the County to be posted at least twenty (20) days prior to the hearing.
- (d) The County shall approve or deny the application for tax abatement within sixty (60) days after receipt of the application. The presiding officer of the County shall notify the applicant of the approval or disapproval promptly thereafter.
- (e) **Statutory Requirements:** Not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be: (1) delivered in writing to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and (2) published in a newspaper of general circulation in the County. At the hearing, the Commissioners Court evaluates the application against the criteria described in these guidelines and decides by majority vote whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect. An order designating an area as a reinvestment zone is valid for five years from the date of designation. Once the area is designated as a reinvestment zone, the Commissioners Court may then arrange to consider for approval of the tax abatement agreement between the applicant and the county, which it may do at any regularly scheduled meeting, provided notice requirements

are met. At least seven days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline.

- (f) Expedited consideration of application. If the County determines that the application should receive expedited consideration, the Commissioners Court may combine the steps described in the preceding paragraph into a single, regularly scheduled meeting of the Commissioners Court, provided the County meets the procedural prerequisites for each step.
- (g) A request for a reinvestment zone for the purpose of abatement shall not be granted if the County finds that the request for the abatement was filed after commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- (h) Variance. Requests for variance from the provisions of Subsections (a) through (e) of Part IV may be made in written form to the County Commissioners Court. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of the request for variance requires a three-fourths (3/4) vote of the County Commissioners Court.

VI. PUBLIC HEARING

- (a) If, after a public hearing, the County Commissioners Court weighs the relevant factors listed in these guidelines and determines that granting the abatement is not in the best interests of the County, the Court shall deny the abatement.
- (b) Neither a reinvestment zone nor an abatement agreement shall be authorized if it is determined that:
 - (1) There would be a substantial and unreasonable adverse affect on the provision of government services or the overall tax base of the County.
 - (2) The applicant has insufficient financial capacity.
 - (3) Planned or potential use of the property would constitute a hazard to public safety, health, or morals.

- (4) Planned or potential use of the property violates any other governmental codes or any applicable law.

VII. AGREEMENT

- (a) After approval of the tax abatement application, the County shall formally pass a resolution and execute an agreement with the owner of the facility and the lessee involved, if any, which shall include:
 - (1) Estimated value to be abated and the base year value.
 - (2) Percent of value to be abated each year.
 - (3) The commencement date and the termination date of abatement.
 - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description, and improvements list.
 - (5) Contractual obligations in the event of default, including a provision for cancellation and recapture of delinquent taxes, provisions for administration and assignment as provided herein, and any other provision that may be required for uniformity or by state law.
 - (6) Performance criteria for continuation of the abatement.
 - (7) Amount of investment and average number of jobs involved for the period of abatement.
 - (8) A provision that the contract shall meet all of the requirements of Texas Tax Code Sec. 312, et. seq.
- (b) Such agreement shall be executed within sixty (60) days after approval of the agreement.
- (c) The County shall make its own determination of abatement which shall not bind any other affected taxing entity.

VIII. RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues production of product or service for any reason other than fire, explosion, or other casualty or accident or natural disaster for a period of more than one (1) year during the

abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.

- (b) Should the County determine that the owner is in default of the agreement, the County shall notify the owner of the defect in writing at the address stated in the agreement, and if such defect is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement shall be terminated. Where cure of the proposed defect requires action undertaken over a period of time, the contract will not be considered to be in default if the performing party has undertaken efforts to cure the defect and is diligently pursuing those efforts.
- (c) In the event that the company or individual:
 - (1) allows its ad valorem taxes owed the County to become delinquent, and to remain delinquent for a period of thirty (30) days following notice of the delinquency without instituting proper legal procedures for their protest and/or contest; or
 - (2) violates in a way any of the terms and conditions of the abatement agreement and fails to cure same during the Cure Period;

the agreement shall be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination. A failure to abide by estimated timelines for construction will not be considered to be a material breach of this agreement, provided the owner makes a reasonable effort to meet the estimated timeline.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Pecos County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year the company or individual receiving the abatement shall furnish the designee of the County with such information as may be necessary to determine continued eligibility for abatement. Once the value has been established, the Chief Appraiser shall notify the County of the amount of assessment. Additionally, the County designee shall notify the County of the number of new or retained employees associated with the facility or generated by the abatement agreement. Once value has been established, the Chief Appraiser shall notify the affected taxing jurisdictions of the amount of the assessment.

- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to prevent unreasonable interference with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the owner in accordance with its safety standards.
- (c) Upon completion of construction the County shall annually evaluate each facility and report possible violations of the contract and/or agreement to the County.
- (d) All proprietary information acquired by the County for purposes of monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.

X. ASSIGNMENT

- (a) Abatement may be transferred and assigned by the owner to a new owner of the same property upon approval by resolution of the County Commissioners Court, subject to the financial capacity of the assignee and provided that the agreement is modified to substitute the assignee as a party to the agreement.
- (b) Any such modification shall not exceed the termination date of the abatement agreement with the original owner.
- (c) No assignment or transfer shall be approved if either the parties to the existing agreement or the proposed assignee is liable to the County for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld. Upon a finding that the proposed assignee is capable of performing the obligations under the agreement, financially and otherwise, approval of the assignment will not be withheld.

XI. SUNSET PROVISION

- (a) These guidelines are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its agreements will be reviewed by the County to determine whether the goals of these guidelines

and the Tax Abatement Statute have been achieved. Based on that review, these guidelines may be modified, renewed or eliminated. Such actions shall not affect existing contracts.

- (b) Prior to the date for review, as defined above, these Guidelines may be modified by a two-thirds (2/3) vote of the County Commissioners Court, as provided for by the laws of the State of Texas.

XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph, or any part of these guidelines is, for any reason, adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of the guidelines.
- (b) Property that is in a reinvestment zone and that is owned or leased by a member of the County Commissioners Court is excluded from property tax abatement.
- (c) If this Guideline Statement has omitted any mandatory requirement of the applicable tax abatement laws of the State of Texas, then such requirement is hereby incorporated as a part of these guidelines.

XIII. These Guidelines and Criteria do not affect the County's right to enter into abatement agreements for property located within the City of Fort Stockton pursuant to the existing agreement between the County and the City, regardless of whether such abatement agreements meet the criteria announced by these Guidelines.

ENERGIEKONTOR US TEXAS SP 1 LLC

Chapter 313 Application to Fort Stockton ISD

TAB 17

**Signature and Certification Page, signed and dated by Authorized School
District Representative and Authorized Company Representative**

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

Ralph Traynham
Print Name (Authorized School District Representative)

Superintendent
Title

sign here

Ralph Traynham
Signature (Authorized School District Representative)

11-30-2018
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

Jeffrey Sabins
Print Name (Authorized Company Representative (Applicant))

Chief Operating Officer
Title

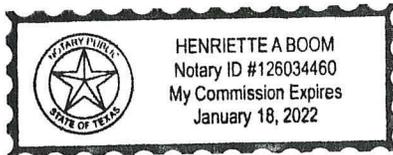
sign here

Jeffrey Sabins
Signature (Authorized Company Representative (Applicant))

11/9/2018
Date

GIVEN under my hand and seal of office this, the

9 day of November, 2018



(Notary Seal)

Henriette Boom
Notary Public in and for the State of Texas

My Commission expires: January 18, 2022

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.