

# O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE  
AUSTIN, TEXAS 78701  
TELEPHONE: (512) 494-9949  
FACSIMILE: (512) 494-9919

January 24, 2019

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

RE: (1323) Amended Application to the Fort Stockton Independent School District from  
EnergieKontor US Texas SP 1 LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is amendment001 from EnergieKontor US Texas SP 1, LLC to Fort Stockton ISD. The following changes have been made:

1. Section 9, Question 4 (First year of limitation):
  - a) Updated with month, day and year.
2. Section 10, Question 4 - Updated Middle Pecos Groundwater Tax Rate
3. Section 14, Question 6, 11, 12 and 13 have been answered
4. Tab 11 – Updated Vicinity Map

Responses to additional Comptroller questions:

5. EnergieKontor US Texas SP 1 is also known as the Wolfcamp Project. ERCOT refers to the project as EK Tipton Solar.
6. Yes, we have applied to ERCOT and the project's INR:20INR0128. It was assigned on 11/19/2018.
7. No other names

Sincerely,



Kevin O'Hanlon  
School District Consultant

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

Texas Comptroller of Public Accounts

Data Analysis and  
Transparency  
Form 50-296-A

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 .....   | January 1, 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)? ..... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Note:</b> 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: <u>Pecos, .7990, 100%</u><br><small>(Name, tax rate and percent of project)</small>                            | City: _____<br><small>(Name, tax rate and percent of project)</small>  |
| Hospital District: _____<br><small>(Name, tax rate and percent of project)</small>                                     | Water District: <u>Middle Pecos Groundwater, .0249, 100%</u><br><small>(Name, tax rate and percent of project)</small> |
| Other (describe): <u>MidlandCollegeWilliams, .0345, 100%</u><br><small>(Name, tax rate and percent of project)</small> | Other (describe): _____<br><small>(Name, tax rate and percent of project)</small>                                      |
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/](http://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
2. What is the amount of appraised value limitation for which you are applying? 30,000,000
- 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 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**);
  - 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
  - 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

Texas Comptroller of Public Accounts

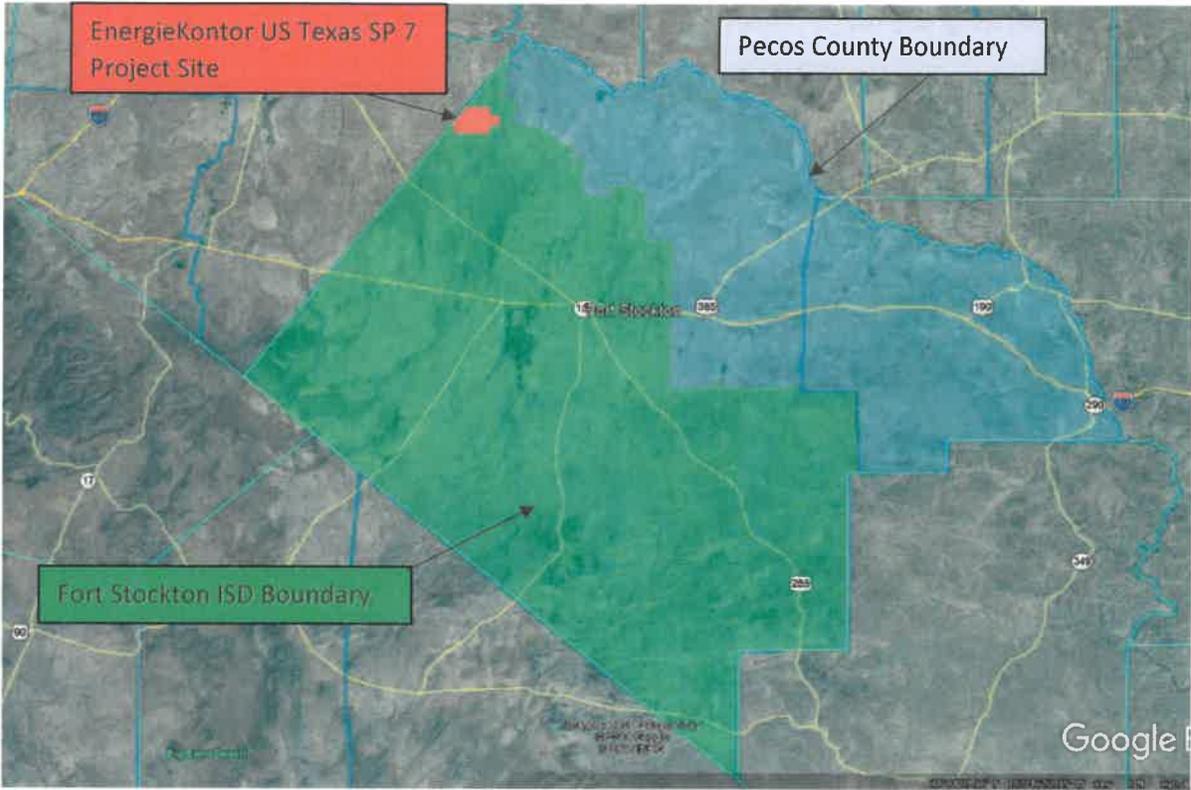
Data Analysis and  
Transparency  
Form 50-296-A

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? ..... 0
2. What is the last complete calendar quarter before application review start date:  
 First Quarter     Second Quarter     Third Quarter     Fourth Quarter of 2018  
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? ..... 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**.



Texas Comptroller of Public Accounts

Data Analysis and  
Transparency  
Form 50-296-A

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 \_\_\_\_\_ Superintendent \_\_\_\_\_  
Print Name (Authorized School District Representative) Title

sign here Ralph Traynham \_\_\_\_\_ 1-23-2019 \_\_\_\_\_  
Signature (Authorized School District Representative) Date

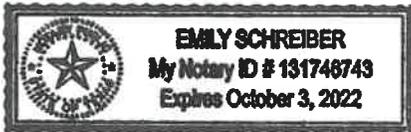
2. Authorized Company Representative (Applicant) Signature and Notarization

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 \_\_\_\_\_ CHIEF OPERATING OFFICER \_\_\_\_\_  
Print Name (Authorized Company Representative (Applicant)) Title

sign here [Signature] \_\_\_\_\_ 1/21/2019 \_\_\_\_\_  
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the  
21 day of January, 2019  
Emily Schreiber  
Notary Public in and for the State of Texas  
My Commission expires: 10/3/22

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.