



WALSH GALLEGOS
TREVINO RUSSO & KYLE P.C.

June 28, 2019

Mr. John Villarreal
Senior Research Analyst
Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

***VIA FEDERAL EXPRESS
AND VIA E-MAIL DELIVERY:
john.villarreal@cpa.texas.gov***

Re: Pearsall Independent School District (“District”) / Tax Limitation Agreement:
Elara Energy Project, LLC (“Applicant”)

Dear Mr. Villarreal:

The Pearsall Independent School District Board of Trustees accepted the enclosed application for Limitation on Appraised Value of Property at a duly called board meeting held on June 19, 2019. The Application was determined to be complete on June 25, 2019. Pursuant to Tax Code §313.025(b) and 34 TAC Rules §9.1053(a)(2) and 9.1054(c), attached are the following:

1. One (1) copy of the Application for Appraised Value Limitation on Qualified Property (“Application”) submitted to the Pearsall Independent District by Elara Energy Project, LLC.
2. One (1) electronically digitized copy of the Application, including schedules in Excel format.

The District requests that the Comptroller provide an economic impact evaluation. By copy of this letter, we are notifying the Applicant that the District has submitted the Application to the Comptroller and to the Frio County Appraisal District.

Please call if you have any questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/paw
Enclosures

Mr. John Villarreal

June 28, 2019

Page 2

cc: Dr. Nobert Rodriguez, Superintendent of Schools, Pearsall Independent School District
(Via Certified Mail No. 7018 1130 0002 1891 1902; Return Receipt Requested; with enclosures)

Daniel T. Casey, Moak Casey
(Via Certified Mail No. 7018 1130 0002 1891 1919; Return Receipt Requested; with enclosures)

Scott Pryor, 7x Energy, Inc.
(Via Certified Mail No. 7018 1130 0002 1891 1926; Return Receipt Requested; with enclosures)

Frio County Appraisal District *(Via U.S. Postal Service Delivery; with enclosures)*
815 S Oak Street
Pearsall, Texas 78061

Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

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

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

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

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

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

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

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

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

SECTION 1: School District Information

1. Authorized School District Representative

June 19, 2019

Date Application Received by District

Dr. Norbert

First Name

Rodriguez

Last Name

Superintendent

Title

Pearsall Independent School District

School District Name

318 Berry Ranch Rd

Street Address

Mailing Address

Pearsall

City

(830) 334-8001 ext 1101

Phone Number

TX

State

78061

ZIP

Fax Number

Norbert.rodriguez@pearsallisd.org

Email Address

Mobile Number (optional)

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)

Eddy	Perez
First Name	Last Name
Attorney	
Title	
Walsh Gallegos Trevino Russo & Kyle, P.C.	
Firm Name	
210-979-6633	210-979-7024
Phone Number	Fax Number
	eperez@wabsa.com
Mobile Number (optional)	Email Address
4. On what date did the district determine this application complete?	June 25, 2019
5. Has the district determined that the electronic copy and hard copy are identical?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Scott	Pryor	
First Name	Last Name	
Chief Development Officer	7X Energy, Inc.	
Title	Organization	
3809 Juniper Trace, Suite 100		
Street Address		
Mailing Address		
Austin	TX	78738
City	State	ZIP
(512) 680-0052		
Phone Number	Fax Number	
	scott.pryor@7x.energy	
Mobile Number (optional)	Business Email Address	
2. Will a company official other than the authorized company representative be responsible for responding to future information requests?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

2a. If yes, please fill out contact information for that person.

Rich	Clark	
First Name	Last Name	
Engineering Director	7X Energy, Inc	
Title	Organization	
3809 Juniper Trace, Suite 100		
Street Address		
Mailing Address		
Austin	TX	78738
City	State	ZIP
512-992-0439 x 109		
Phone Number	Fax Number	
	rich.clark@7x.energy	
Mobile Number (optional)	Business Email Address	
3. Does the applicant authorize the consultant to provide and obtain information related to this application?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name _____ Last Name _____

Title _____

Firm Name _____

Phone Number _____ Fax Number _____

Business Email Address _____

SECTION 3: Fees and Payments

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

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

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

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Elara Energy Project, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32069486606
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

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

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 11/2019
- 2. Commencement of construction 7/2020
- 3. Beginning of qualifying time period 8/2020
- 4. First year of limitation 2022
- 5. Begin hiring new employees 7/2020
- 6. Commencement of commercial operations 6/2021
- 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? 7/2020

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Frio County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Frio 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>Frio County, \$0.5535, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: _____ <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Frio Hospital, \$0.2348, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Evergreen Gr'dwater District, \$0.00650, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Lateral Road, \$0.0345, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Frio Cnty Emergency Services, \$0.03209, 100%</u> <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/.

- 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? 8/1/2019

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 2019
(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? 1

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 1003.75
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1290.30
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 970.20

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? 61000.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 61,000.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

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 →

Robert Rodriguez
Print Name (Authorized School District Representative)

Superintendent
Title

sign here →

Robert Rodriguez
Signature (Authorized School District Representative)

6/19/19
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 →

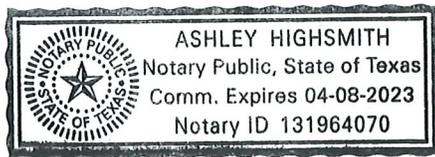
Scott Pryor
Print Name (Authorized Company Representative (Applicant))

Chief Development Officer
Title

sign here →

[Signature]
Signature (Authorized Company Representative (Applicant))

6/17/19
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

17th day of June, 2019

[Signature]
Notary Public in and for the State of Texas

My Commission expires: 4/8/2023

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.

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>

TAB 1

Pages 1-9 of Application.

TAB 2

Please find on the attached page, a copy of the application fee Wire Transfer in the amount of \$75,000.00 made payable to the Pearsall Independent School District Local Maintenance Fund.

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)

TAB 3

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

N/A

TAB 4

Detailed description of the project

Elara Energy Project, LLC, proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant within the Pearsall Independent School District.

The project will be constructed on approximately 1,752 acres, which are subject to long-term lease agreements with local landowners. The project will be located entirely in Frio County and within the Pearsall Independent School District. The proposed project will include, but is not limited to, the following:

- Planned 145 MW-AC in size;
- PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Single axis tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA equipment, circuit breakers, switches, and control room;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) facility, which shall house four (4) permanent storage containers (two of which shall be insulated and temperature controlled), an HVAC-equipped office building featuring ADA-compliant restroom and kitchen area, an underground septic and leaching system, computer equipment associated with operation of the project SCADA system, and a parking area for a minimum of ten (10) vehicles;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain and deliver electricity to the grid.

The parent company of Elara Energy Project, LLC, is a national solar developer with project opportunities all across the United States. The ability to enter into a limited appraisal valuation agreement with the Pearsall Independent School District is a motivating factor for constructing the project in Frio County, Texas, as opposed to building and investing in another state or region where state tax incentives are available. Additional states where Applicant is considering include Tennessee, North Carolina, Mississippi, Virginia, Nevada, Georgia, Alabama, Utah, New Mexico, California and Arizona.

TAB 5

Documentation to assist in determining if limitation is a determining factor

The applicant's parent company, 7X Energy, Inc., is a national solar developer with the ability to locate projects of this type in other counties and states in the US with strong solar characteristics. The applicant is actively developing other projects throughout the US. The applicant requires this appraised value limitation in order to move forward with constructing this project in Texas. Specifically, without the available tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project in Texas becomes unlikely. In fact, the applicant owns interests in greenfield solar projects in more than twenty (20) states other than Texas. The additional places where Applicant is considering investing and developing projects include states that offer market incentives for generation resources like property tax incentives, including North Carolina, Mississippi, Nevada, Georgia, Alabama, Utah, New Mexico, California, Arizona, and Virginia.

Property taxes can be the highest operating expense for a solar generation facility as solar plants do not have any associated fuel costs for the production of electricity, and with Texas wholesale electricity prices already below the national average in Texas, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates, including power sales under a bi-lateral contract. Markets such as California that have state wide available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement. As such, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project and spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis.

This is true even if the entity is able to contract with an off-taker under a power purchase agreement because the low rate contracted for is not financeable without the tax incentives. More specifically, a signed power purchase agreement in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state subsidies, the other states offer a much higher rate of return for the project financiers. Without the tax incentives in Texas, a project with a power purchase agreement becomes non-financeable and the developer would have to abandon the project and go to a different market.

TAB 6

Names and percentages of additional districts that compromise the entire project:

The project is located 100% within the Pearsall Independent School District in Frio County, Texas.

TAB 7

Description of Qualified Investment

Elara Energy Project, LLC, anticipates constructing a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 145 MW ac. The exact capacity and the specific technology components will be determined during the development and design process.

A 145 MW solar PV generating facility may include a qualified investment consisting of the following improvements:

- PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Single axis tracking racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA equipment, circuit breakers, switches, and control room;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) facility, which shall house four (4) permanent, fixed storage containers (two of which shall be insulated and temperature controlled), an HVAC-equipped office building featuring ADA-compliant restroom and kitchen area, an underground septic and leaching system, computer equipment associated with operation of the project SCADA system, and a parking area for a minimum of ten (10) vehicles;
- 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

Elara Energy Project, LLC, anticipates constructing a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 145MW ac. The exact capacity and the specific technology components will be determined during the development and design process.

A 145 MW solar PV generating facility may include a qualified investment consisting of the following improvements:

- PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Single axis tracking racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA equipment, circuit breakers, switches, and control room;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) facility, which shall house four (4) permanent, fixed storage containers (two of which shall be insulated and temperature controlled), an HVAC-equipped office building featuring ADA-compliant restroom and kitchen area, an underground septic and leeching system, computer equipment associated with operation of the project SCADA system, and a parking area for a minimum of ten (10) vehicles;
- 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

SITE DESCRIPTION

The project will be constructed on approximately 1,752 acres, which are subject to a long-term lease agreement with local landowners. The project will be located entirely in Frio County and within the Pearsall Independent School District.

TAB 10

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

1. N/A.

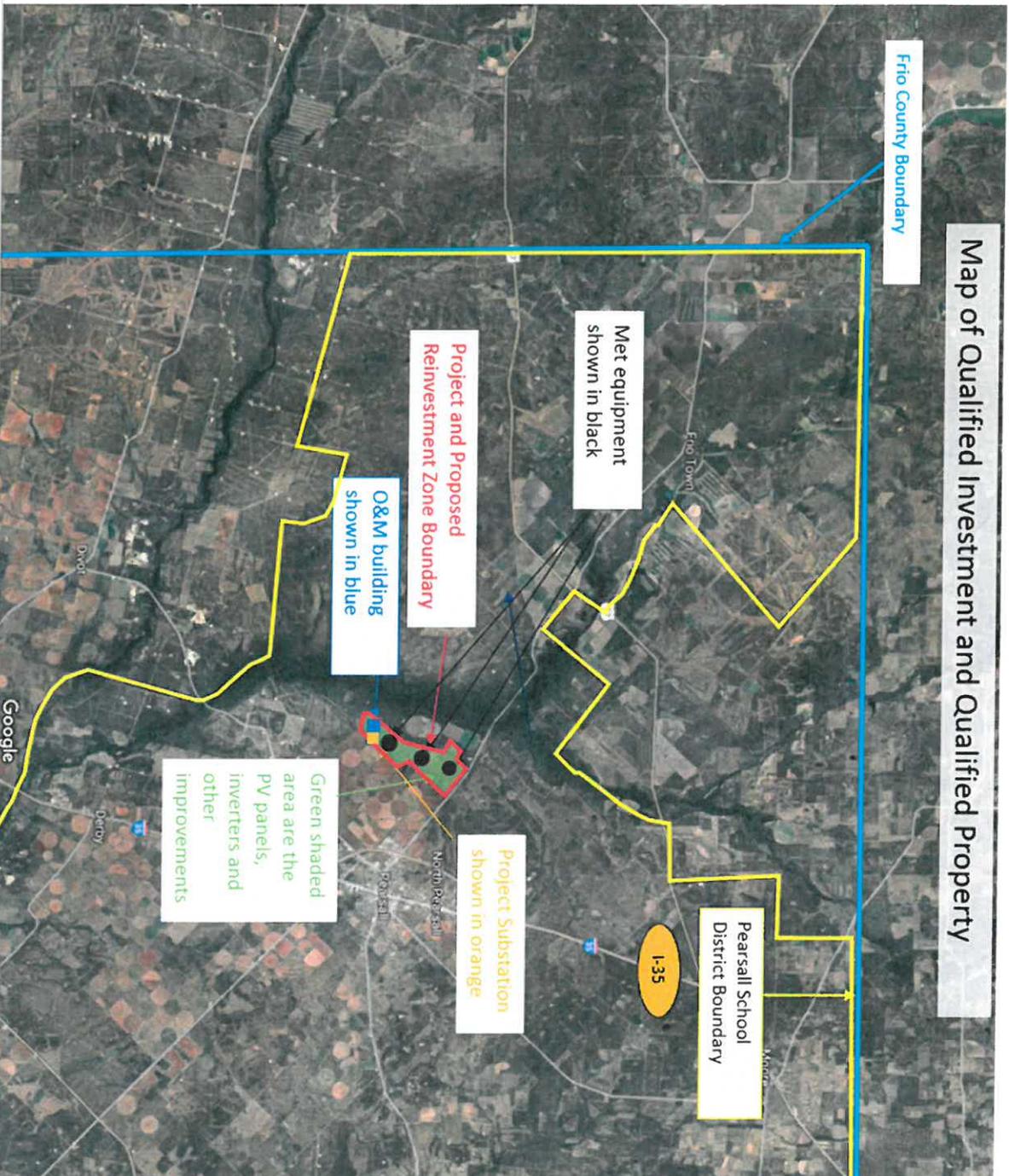
TAB 11

Maps that clearly show:

- ***Project vicinity, Qualified investment & property, Existing Property, Land Location, and Reinvestment Zone***

SEE ATTACHED MAPS

Map of Qualified Investment and Qualified Property



Legend

- Project and Proposed Reinvestment Zone Boundary
- PV panels, inverters, and other improvements
- Met station equipment
- Pearlsall School District Boundary
- Frio County Boundary
- Project Substation
- O&M Building

TAB 12



Request of Waiver of Job Creation Requirement

June 19, 2019

Dr. Norbert Rodriguez, Superintendent
Pearsall Independent School District
318 Berry Ranch Rd.
Pearsall, Texas 78061

Re: Chapter 313 Job Waiver Request

Dear Superintendent Rodriguez,

Please consider this letter to be Elara Energy Project, LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

Based upon knowledge of staffing requirements Elara Energy Project, LLC requests the job creation requirement under Chapter 313 of the Texas Tax Code be waived. In line with solar industry standards for job requirements, Elara Energy Project, LLC, has committed to create one (1) new permanent job.

Solar projects create a large number of full-time, temporary jobs during the construction phase (1st year), but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations begin. Hiring one (1) permanent, full-time employee is industry standard for a 145 MW utility-scale solar energy facility.

These permanent employees of a solar energy project maintain and service solar panels, mounting infrastructure, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employee described above, there also may be asset managers or technicians who supervise, monitor, and support solar project operations from offsite locations.

The waiver request herein is in line with industry standards for the number of jobs specifically relegated to a solar generation facility of this size. This is evidenced by previously filed limitation agreement applications by solar developers who similarly requested a waiver of the job requirements and in addition, by readily available documentation and education materials related to the development of solar generation facilities.

Sincerely,

Scott Pryor

TAB 13

Calculation of three possible wage requirements with supporting documentation

AVERAGE WEEKLY WAGES FOR ALL JOBS, ALL INDUSTRIES IN FRIO COUNTY
FOUR MOST RECENT QUARTERS

COUNTY	YEAR	QUARTER	Avg. Weekly Wage
Frio	2018	Q4	\$1028.00
Frio	2018	Q3	\$960.00
Frio	2018	Q2	\$999.00
Frio	2018	Q1	\$1028.00
SUM:			\$4,015.00
CALCULATION:			\$4,015/4 = \$1003.75

AVERAGE WEEKLY WAGES FOR MANUFACTURING JOBS IN FRIO COUNTY
FOUR MOST RECENT QUARTERS

COUNTY	YEAR	QUARTER	Avg. Weekly Wage
Frio	2018	Q4	\$943.00
Frio	2018	Q3	\$1,298.00
Frio	2018	Q2	\$1,163.00
Frio	2018	Q1	\$1,288.00
SUM:			\$4,692.00
CALCULATION:			\$1,173 * 1.1 = \$1,290.30

AVERAGE WEEKLY WAGES FOR MANUFACTURING JOBS IN THE ALAMO AREA (WDA)
FOUR MOST RECENT QUARTERS

REGION / WDA	YEAR	Hourly/Annual	Avg. Weekly Wage
Alamo Area	2017	\$22.05/\$45,869.00	\$882.00
CALCULATION:			\$882.00 * 1.1 = \$970.20

Please refer to the attached TWC & Council of Governments documentation below.

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

Reset Export to Excel

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry Code	Industry	Level	Establishments	Firms	Average Employment	Average Weekly Wage
2018	01	Frnc	Total All	10	Total: All Industries	0	424	401	7,650	1,028
2018	02	Frnc	Total All	10	Total: All Industries	0	426	402	7,616	999
2018	03	Frnc	Total All	10	Total: All Industries	0	427	404	7,651	960
2018	04	Frnc	Total All	10	Total: All Industries	0	425	401	7,646	1,026

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

Reset Export to Excel

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry Code	Industry	Level	Establishments	Firms	Average Employment	Average Weekly Wage
2018	01	Frnc	Total All	31-33	Manufacturing	2	8	8	139	1,288
2018	02	Frnc	Total All	31-33	Manufacturing	2	8	8	149	1,163
2018	03	Frnc	Total All	31-33	Manufacturing	2	8	8	147	1,256
2018	04	Frnc	Total All	31-33	Manufacturing	2	8	8	97	943

**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

Source: Texas Occupational Employment and Wages

Data published: July 2018

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

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

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

Data intended for TAC 313 purposes only.

TAB 14

Schedules A1, A2, B, C, and D completed and signed Economic Impact

See attached Excel Spreadsheet

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

Date: 6/19/2019
Applicant Name: Elara Energy Project, L
ISD Name: Peanahli ISD

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 not 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							0
Investment made after filing complete application with district, but before final board approval of application	-	2019	0	0	0	0	0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period							0
Complete tax years of qualifying time period	QTP1	2020	72,000,000	0	0	0	72,000,000
	QTP2	2021	71,750,000	250,000	0	0	72,000,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			143,750,000	250,000	0	0	144,000,000
Total Qualified Investment (sum of green cells)			144,000,000				

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 313.02(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: 6/19/2019
Applicant Name: Elara Energy Project, LLC
ISD Name: Peatsall ISD

PROPERTY INVESTMENT AMOUNTS							
(Estimated investment in each year. Do not put cumulative totals.)							
Year	Sched 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)
TOTALS FROM SCHEDULE A1			Enter amounts from TOTAL row in Schedule A1 in the row below				
-			143,750,000	250,000	0	0	144,000,000
Each year prior to start of value limitation period** (insert as many rows as necessary)			72,000,000	0	0	0	72,000,000
Each year prior to start of value limitation period** (insert as many rows as necessary)			71,750,000	250,000	0	0	72,000,000
1	2022-2023	2022	0	0	2,141,220	0	2,141,220
2	2023-2024	2023	0	0	2,184,044	0	2,184,044
3	2024-2025	2024	0	0	2,227,725	0	2,227,725
4	2025-2026	2025	0	0	2,272,280	0	2,272,280
5	2026-2027	2026	0	0	2,317,725	0	2,317,725
6	2027-2028	2027	0	0	2,364,080	0	2,364,080
7	2028-2029	2028	0	0	2,411,361	0	2,411,361
8	2029-2030	2029	0	0	2,459,589	0	2,459,589
9	2030-2031	2030	0	0	2,508,780	0	2,508,780
10	2031-2032	2031	0	0	2,558,956	0	2,558,956
Total investment made through limitation			143,750,000	250,000	19,120,467	0	162,870,467
11	2032-2033	2032			2,610,135		2,610,135
12	2033-2034	2033			2,662,338		2,662,338
13	2034-2035	2034			2,715,585		2,715,585
14	2035-2036	2035			2,769,896		2,769,896
15	2036-2037	2036			2,825,294		2,825,294
16	2037-2038	2037			2,881,800		2,881,800
17	2038-2039	2038			2,939,436		2,939,436
18	2039-2040	2039			2,998,225		2,998,225
19	2040-2041	2040			3,058,189		3,058,189
20	2041-2042	2041			3,119,353		3,119,353
21	2042-2043	2042			3,181,740		3,181,740
22	2043-2044	2043			3,245,375		3,245,375
23	2044-2045	2044			3,310,283		3,310,283
24	2045-2046	2045			3,376,488		3,376,488
25	2046-2047	2046			3,444,018		3,444,018
Additional years for 25 year economic impact as required by 313.026(c)(1)							
Continue to maintain viable presence							

* 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.

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 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. It 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
 Applicant Name
 ISD Name

6/19/2019
 Elara Energy Project, LLC
 Pearsall ISD

Form 50-296A
 Revised May 2014

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year)	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 ISD 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	2020-2021	2020	0	0	0	0	0	0
	0	2021-2022	2021	0	0	0	0	0	0
Value Limitation Period	1	2022-2023	2022	0	250,000	143,750,000	144,000,000	144,000,000	30,000,000
	2	2023-2024	2023	0	237,500	122,187,500	122,425,000	122,425,000	30,000,000
	3	2024-2025	2024	0	225,625	103,859,375	104,085,000	104,085,000	30,000,000
	4	2025-2026	2025	0	214,344	88,280,469	88,494,813	88,494,813	30,000,000
	5	2026-2027	2026	0	203,627	75,038,398	75,242,025	75,242,025	30,000,000
	6	2027-2028	2027	0	193,445	63,782,639	63,976,084	63,976,084	30,000,000
	7	2028-2029	2028	0	183,773	54,215,243	54,399,016	54,399,016	30,000,000
	8	2029-2030	2029	0	174,584	46,082,956	46,257,541	46,257,541	30,000,000
	9	2030-2031	2030	0	165,855	39,170,513	39,336,368	39,336,368	30,000,000
	10	2031-2032	2031	0	157,562	33,294,936	33,452,498	33,452,498	30,000,000
Continue to maintain viable presence	11	2032-2033	2032	0	149,684	28,300,696	28,450,380	28,450,380	28,450,380
	12	2033-2034	2033	0	142,200	24,055,591	24,197,791	24,197,791	24,197,791
	13	2034-2035	2034	0	135,090	24,055,591	24,190,681	24,190,681	24,190,681
	14	2035-2036	2035	0	128,336	24,055,591	24,183,927	24,183,927	24,183,927
	15	2036-2037	2036	0	121,919	24,055,591	24,177,510	24,177,510	24,177,510
	16	2037-2038	2037	0	115,823	24,055,591	24,171,414	24,171,414	24,171,414
	17	2038-2039	2038	0	110,032	24,055,591	24,165,623	24,165,623	24,165,623
Additional years for 25 year economic impact as required by 313.026(c)(1)	18	2039-2040	2039	0	104,530	24,055,591	24,160,121	24,160,121	24,160,121
	19	2040-2041	2040	0	99,304	24,055,591	24,154,895	24,154,895	24,154,895
	20	2041-2042	2041	0	94,338	24,055,591	24,149,930	24,149,930	24,149,930
	21	2042-2043	2042	0	89,621	24,055,591	24,145,213	24,145,213	24,145,213
	22	2043-2044	2043	0	85,140	24,055,591	24,140,732	24,140,732	24,140,732
	23	2044-2045	2044	0	80,883	24,055,591	24,136,475	24,136,475	24,136,475
	24	2045-2046	2045	0	76,839	24,055,591	24,132,430	24,132,430	24,132,430
	25	2046-2047	2046	0	72,997	24,055,591	24,128,589	24,128,589	24,128,589

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: 6/19/2019

Applicant Name: Elara Energy Project, LLC
 Pearsall ISD

Form 50-296A
 Revised May 2014

	Construction			Non-Qualifying Jobs		Qualifying Jobs	
	Column A	Column B	Column C	Column D	Column E		
	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs		
Tax Year (Actual tax year) YYYY	School Year (YYYY-YYYY)	Year	Column C	Column D	Column E		
Each year prior to start of Value Limitation Period <i>insert as many rows as necessary</i>	0	2020-2021	2020	75 FTE	0	0	
	0	2021-2022	2021	150 FTE	0	0	
	1	2022-2023	2022	N/A	0	61,000	
	2	2023-2024	2023	N/A	0	61,000	
	3	2024-2025	2024	N/A	0	61,000	
	4	2025-2026	2025	N/A	0	61,000	
	5	2026-2027	2026	N/A	0	61,000	
	6	2027-2028	2027	N/A	0	61,000	
	7	2028-2029	2028	N/A	0	61,000	
	8	2029-2030	2029	N/A	0	61,000	
	9	2030-2031	2030	N/A	0	61,000	
	10	2031-2032	2031	N/A	0	61,000	
Years Following Value Limitation Period	11 through 25	2032-2046	2032-2046	N/A	0	61,000	

Value Limitation Period
 The qualifying time period could overlap the value limitation period.

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)
 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: 6/19/2019

Applicant Name: Elara Energy Project, LLC
 ISD Name: Pearsall ISD

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: N/A City: N/A Other: N/A						
Tax Code Chapter 312	County: Frio County City: N/A Other: Frio County Hospital District	2022	10 Years	488,084	80%	97,609	
Local Government Code Chapters 380/381	County: N/A City: N/A Other: N/A						
Freeport Exemptions	County: N/A City: N/A Other: N/A						
Non-Annexation Agreements	County: N/A City: N/A Other: N/A						
Enterprise Zone/Project	County: N/A City: N/A Other: N/A						
Economic Development Corporation	County: N/A City: N/A Other: N/A						
Texas Enterprise Fund	County: N/A City: N/A Other: N/A						
Employee Recruitment	County: N/A City: N/A Other: N/A						
Skills Development Fund	County: N/A City: N/A Other: N/A						
Training Facility Space and Equipment	County: N/A City: N/A Other: N/A						
Infrastructure Incentives	County: N/A City: N/A Other: N/A						
Permitting Assistance	County: N/A City: N/A Other: N/A						
Other:	County: N/A City: N/A Other: N/A						
Other:	County: N/A City: N/A Other: N/A						
Other:	County: N/A City: N/A Other: N/A						
Other:	County: N/A City: N/A Other: N/A						
TOTAL				1,255,680		251,136	

Additional information on incentives for this project:

Frio County Terms - 10 year Abatement at 80%

TAB 15

Economic Impact

Elara Energy Project, LLC, will not be including an Economic Impact Report.

TAB 16

[TO BE SUPPLEMENTED AFTER ISSUANCE OF REINVESTMENT ZONE BY FRIO COUNTY]