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August 14, 2020

KEVIN O'HANLON

CERTIFIED, CIVIL APPELATE

CERTIFIED, CIVIL TRIAL

Local Government Assistance & Economic
Analysis Texas Comptroller of Public Accounts

P.O. Box 13528

Austin, Texas 78711-3528

RE: Value Limitation Agreement between Post Independent School District and Antelope
Flats Wind, LLC (#1437)

To the Local Government Assistance & Economic Analysis Division:

Enclosed please find a final copy each of the materials submitted to, and approved by, the Post
ISD Board of Trustees on August 11, 2020. The package contains a copy each of the Findings
entered by the Board. A fully executed set of originals of these documents will be maintained in
the Board's records. Attached to each of the Findings, please find 1) a copy of the Application; 2)
a copy of the Comptroller's appraisal of the project; 3) a copy of the economic impact study; 4) a
copy of the financial impact study; and, 5) the final participation agreement.

Please do not hesitate to call with any questions.

Sincerely,

William Eggleston

Legal Assistant to Kevin O'Hanlon

**FINDINGS OF THE POST
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
ANTELOPE FLATS WIND, LLC (#1437)**



August 11, 2020

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POST INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
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DISTRICT BOARD OF TRUSTEES UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
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ANTELOPE FLATS WIND, LLC (#1437)

STATE OF TEXAS §

COUNTY OF GARZA §

On the 11th day of August 2020, a public meeting of the Board of Trustees of the Post Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of Antelope Flats Wind, LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On May 15, 2019, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Application was determined to be complete as of December 6, 2019. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32061842095), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Garza County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code § 313.026, and a Comptroller Certificate was issued on February 25, 2020 in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F**.

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

Board Finding Number 1.

The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.

In support of Finding 1, the Application indicates that:

The Applicant, Antelope Flats Wind, LLC, is requesting an appraised value limitation from Post ISD for a proposed wind energy project located entirely within Post ISD. The installed capacity of the proposed project is expected to be approximately 155 megawatts (MW). While turbine type and size have yet to be finalized, the current plan is to utilize approximately 55 GE 2.82 MW wind turbine generators with towers of 89m and rotors with a diameter of 127m. The Project is anticipated to cover approximately 40,000 acres of privately-owned land, all currently used as farmland or pasture, and such uses can continue as the Project is designed to be compatible with such activities. In addition to the wind turbines, the project will also include: an operations and maintenance building; underground electrical collection cables; meteorological towers; a substation; access roads; and overhead transmission lines.

Property used for renewable energy electric generation is eligible for a limitation under §313.024(b)(5).

Board Finding Number 2.

The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller's Certification).

Board Finding Number 3.

Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller's Certification).

Board Finding Number 4.

The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

Board Finding Number 5.

Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.

In its Application, the Applicant has committed to creating four (4) new qualifying jobs. The average salary level of qualifying jobs must be at least \$45,860 per year. The review of the application by the Comptroller's indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(3) requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

- (A) requires at least 1,600 hours of work a year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
- (E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

Board Finding Number 6.

Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Board Finding Number 7.

The Applicant does not intend to create any non-qualifying jobs.

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For any non-qualifying jobs the Applicant should create, the Applicant will be required to pay at least the county average wage of \$40,586 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(d).

Board Finding Number 8.

The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add \$159.7 million to the tax base that would be available for debt service purposes at the peak investment level for the 2023-24 school year (prior to a proposed amendment). Local taxpayers could potentially receive a substantial benefit from the addition of the Antelope Flats Wind Project to the local I&S tax roll. This becomes critical because this analysis indicated that Post ISD is no longer eligible for state facilities support, based on its taxable values per student prior to the addition of this Project.

Board Finding Number 9.

The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the project.

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the new project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

Board Finding Number 10.

The Board finds that with the adoption of District Policy CCGB (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.

Board Finding Number 11.

The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.

The Board has developed a written policy CCGB (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A);

as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an “official proceeding,” a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant’s future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

Board Finding Number 12.

The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Twenty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, Chapter 313.

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller’s Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts’ School and Appraisal Districts’ Property Value Study 2018 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year (**Attachment E**), the total industrial value for the District is \$55.8 million. The District is categorized as a Subchapter C, Category III district, which can offer a minimum value limitation of \$20 million.

Board Finding Number 13.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.

The Board relies on the certifications of its consultants and the Comptroller's Approval of the Agreement form to make this Finding. (Attachment I)

Board Finding Number 14.

The Applicant (Taxpayer No. 32061842095) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.

The Applicant, (Texas Taxpayer No. 32061842095), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**. The Board also finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**) contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

Board Finding Number 15.

The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.

Board Finding Number 16.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a revenue loss in the initial year that the value limitation is in effect without the proposed Agreement under current law. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. The Agreement contains

adequate revenue protection measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

Board Finding Number 17.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.

Board Finding Number 18.

The Board finds that there are no conflicts of interest at the time of considering the agreement.

The Board finds that with the adoption of District Policies BBFA and BBFB, both (Legal) and (Local), set forth at <https://pol.tasb.org/Home/Index/507> that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB, both (Legal) and (Local) that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings.

Board Finding Number 19.

The Board directs that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.

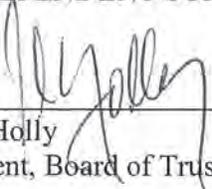
Board Finding Number 20.

Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 11th day of August 2020.

POST INDEPENDENT SCHOOL DISTRICT

By: 
Mike Holly
President, Board of Trustees

ATTEST:
By: 
~~Drew Kirkpatrick~~
Secretary, Board of Trustees

Attachment A
Application

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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

October 10, 2019

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

RE: Application to the Post Independent School District from Antelope Flats Wind, 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 Post Independent School District is notifying Antelope Flats Wind, 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 May 15, 2019. The Board voted to accept the application on May 15, 2019. The application has been determined complete as of October 10, 2019. 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 Garza County Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Garza County Appraisal District
Antelope Flats Wind, LLC

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>

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

May 15, 2019

Date Application Received by District

Heath

First Name

Dickson

Last Name

Superintendent

Title

Post Independent School District

School District Name

501 South Avenue K

Street Address

501 South Avenue K

Mailing Address

Post

City

(806) 495-3343

Phone Number

TX

State

79356

ZIP

(806) 495-2945

Fax Number

hdickson@postisd.net

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)

Mali _____ Hanley _____
 First Name Last Name
 Consultant _____
 Title
 O'Hanlon, Demerath & Castillo _____
 Firm Name
 (512) 494-9949 _____ (512) 494-9919 _____
 Phone Number Fax Number
 _____ mhanley@808west.com _____
 Mobile Number (optional) _____
 Email Address

4. On what date did the district determine this application complete? October 10, 2019
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Philip _____ Moore _____
 First Name Last Name
 Senior Vice President - Development _____
 Title
 401 N. Michigan Ave, Suite 501 _____
 Street Address
 401 N. Michigan Ave, Suite 501 _____
 Mailing Address
 Chicago _____ IL _____ 60611 _____
 City State ZIP
 312-422-1604 _____ 312-527-0538 _____
 Phone Number Fax Number
 _____ pmoore@lincolnclean.com _____
 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? Yes No
- 2a. If yes, please fill out contact information for that person.

John _____ Fedorko _____
 First Name Last Name
 Director of Development _____
 Title
 401 N. Michigan Ave, Suite 501 _____
 Street Address
 401 N. Michigan Ave, Suite 501 _____
 Mailing Address
 Chicago _____ IL _____ 60611 _____
 City State ZIP
 (972) 606-2912 _____ (312) 527-0538 _____
 Phone Number Fax Number
 (972) 672-6531 _____ jfedorko@lincolnclean.com _____
 Mobile Number (optional) _____
 Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

David Sewell
 First Name Last Name
 Attorney
 Title
 Stahl, Davies, Sewell, Chavarria & Friend, LLP
 Firm Name
 (512) 346-5558 (512) 346-2712
 Phone Number Fax Number
 dsowell@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.
- 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? Antelope Flats Wind, LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32061842095
- List the NAICS code 221115
- 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 type="checkbox"/> Land has no existing improvements	<input checked="" 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 February 2020
- 2. Commencement of construction Q1 2022
- 3. Beginning of qualifying time period 1/2/2020
- 4. First year of limitation 1/1/2023
- 5. Begin hiring new employees Q1 2023
- 6. Commencement of commercial operations Q4 2022
- 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 2021

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Garza, Lynn
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Garza 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: Garza, \$0.6554, 100% City: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Garza County HD, \$0.1649, 100% Water District: High Plains UWD, \$.007319, 100%
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): _____ 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? 10,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
 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

For more information, visit our website: comptroller.texas.gov/economy/local/ch313/

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? _____

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? 4
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 795.50
 - b. 110% of the average weekly wage for manufacturing jobs in the county is no wage data available
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 881.92
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? 45,859.84
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 45,860.00
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**.

Tab Item 2

Proof of Payment of Application Fee

(see enclosed)

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 Item 3

Documentation of Combined Group Membership under Texas Tax Code 171.0001(7)

Documentation from Texas Comptroller's Franchise Tax Division to demonstrate combined group membership:

1. Antelope Flats Wind, LLC is a Delaware Limited Liability Company formed on October 14, 2016.
2. Antelope Flats Wind, LLC is registered in the State of Texas as a foreign limited liability company, File Number 802564421, in the Office of the Secretary of State. Taxpayer number 32061842095.
3. Antelope Flats Wind, LLC has one member with 100% ownership, Lincoln Clean Energy, LLC, which is registered in the State of Texas as a foreign limited liability company, File Number 0802369618, in the Office of the Secretary of State. Taxpayer number 32059303761.
4. Contact information for Antelope Flats Wind, LLC is as follows:
 - a. Contact: Philip Moore
 - b. Phone: (512) 767 – 7461
 - c. Email: pmoore@lincolnclean.com
5. In addition, we have attached Form 05-166 (Texas Franchise Tax Affiliate Schedule) for Lincoln Clean Energy, LLC. Lincoln Clean Energy, LLC's affiliates are: Tahoka Wind, LLC; Lockett Windfarm, LLC; Willow Springs Wind Farm, LLC; Dermott Wind, LLC; Rockwood Energy Center, LLC; Staked Plains Energy, LLC; SP Energy 1, LLC; Shawnee Energy Center, LLC; Wayside Wind, LLC; Sage Draw Wind, LLC; Antelope Flats Wind, LLC; St. Lawrence Solar; SP Energy DM, LLC; SP Energy ET, LLC; SP Energy GL, LLC; SP Energy PV, LLC; SP Energy TL, LLC; LCE Asset Management Services, LLC; Lincoln Clean Energy Development, LLC; Helena Wind, LLC; Western Trail Wind, LLC; and 2W Permian Solar, LLC.



Texas Franchise Tax Extension Affiliate List

REPORT FORM PRINT FORM

Tcode 13298 Franchi

FILING REQUIREMENTS

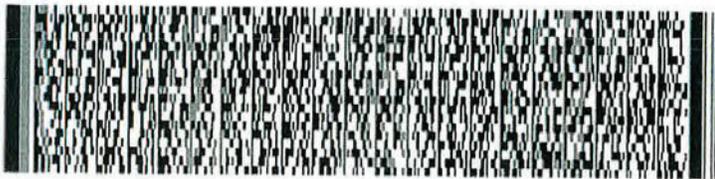
Reporting entity taxpayer number: **3 2 0 5 9 3 0 3 7 6 1** Report year: **2 0 1 8** Reporting entity taxpayer name: **Lincoln Clean Energy, LLC**

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	BLACKEN CIRCLE IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. TAHOKA WIND, LLC	3 2 0 6 1 8 6 2 3 8 2	<input type="checkbox"/>
2. LOCKETT WINDFARM, LLC	3 2 0 5 7 0 2 5 9 8 6	<input type="checkbox"/>
3. WILLOW SPRINGS WINDFARM, LLC	3 2 0 5 6 6 9 8 2 6 2	<input type="checkbox"/>
4. DERMOTT WIND, LLC	3 2 0 5 6 7 6 8 1 1 5	<input type="checkbox"/>
5. ROCKWOOD ENERGY CENTER, LLC	3 2 0 5 4 4 9 4 9 2 0	<input type="checkbox"/>
6. STAKED PLAINS ENERGY, LLC	3 2 0 5 9 7 5 9 4 5 9	<input type="checkbox"/>
7. SP ENERGY 1, LLC	3 2 0 6 0 2 9 4 4 6 2	<input type="checkbox"/>
8. SHAWNEE ENERGY CENTER, LLC	3 2 0 5 6 7 5 1 3 9 2	<input type="checkbox"/>
9. WAYSIDE WIND, LLC	3 2 0 5 9 3 4 2 6 8 6	<input type="checkbox"/>
10. SAGE DRAW WIND, LLC	3 2 0 6 1 8 8 3 3 3 9	<input type="checkbox"/>
11. ANTELOPE FLATS WIND, LLC	3 2 0 6 1 8 4 2 0 9 5	<input type="checkbox"/>
12. ST. LAWRENCE SOLAR	3 2 0 5 9 7 7 5 9 0 1	<input type="checkbox"/>
13. SP ENERGY DM, LLC	3 2 0 6 0 9 5 5 0 0 5	<input type="checkbox"/>
14. SP ENERGY ET, LLC	3 2 0 6 0 9 5 5 0 5 4	<input type="checkbox"/>
15. SP ENERGY GL, LLC	3 2 0 6 0 9 5 5 1 1 2	<input type="checkbox"/>
16. SP ENERGY PV, LLC	3 2 0 6 1 1 1 6 8 3 9	<input type="checkbox"/>
17. SP ENERGY TL, LLC	3 2 0 6 1 1 1 6 8 5 4	<input type="checkbox"/>
18. LCE ASSET MANAGEMENT SERVICES, LLC	3 2 0 6 1 5 2 9 2 6 2	<input type="checkbox"/>
19. LINCOLN CLEAN ENERGY DEVELOPMENT, LLC	3 2 0 5 3 5 1 9 6 7 7	<input type="checkbox"/>
20. HELENA WIND, LLC	3 2 0 6 6 9 2 1 2 2 5	<input type="checkbox"/>
21. WESTERN TRAIL WIND, LLC	3 2 0 6 6 8 9 0 6 0 2	<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a property filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE FM





Texas Franchise Tax Extension Affiliate List

Tcode 13298 Franchi

FILING REQUIREMENTS

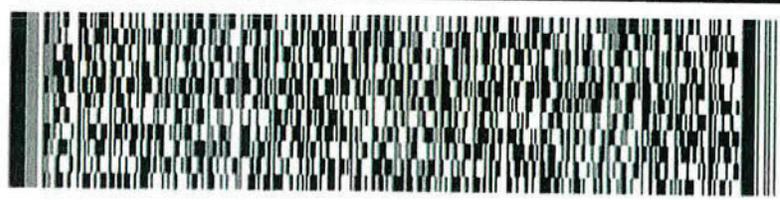
Reporting entity taxpayer number: 3 2 0 5 9 3 0 3 7 6 1
 Report year: 2 0 1 8
 Reporting entity taxpayer name: Lincoln Clean Energy, LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	BLACKEN CIRCLE IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. 2W PERMIAN SOLAR, LLC	3 2 0 6 8 4 2 0 1 7 6	<input type="checkbox"/>
2.		<input type="checkbox"/>
3.		<input type="checkbox"/>
4.		<input type="checkbox"/>
5.		<input type="checkbox"/>
6.		<input type="checkbox"/>
7.		<input type="checkbox"/>
8.		<input type="checkbox"/>
9.		<input type="checkbox"/>
10.		<input type="checkbox"/>
11.		<input type="checkbox"/>
12.		<input type="checkbox"/>
13.		<input type="checkbox"/>
14.		<input type="checkbox"/>
15.		<input type="checkbox"/>
16.		<input type="checkbox"/>
17.		<input type="checkbox"/>
18.		<input type="checkbox"/>
19.		<input type="checkbox"/>
20.		<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



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Tab Item 4

Detailed Description of the Project

Provide a detailed description 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.

Antelope Flats Wind, LLC ("Antelope Flats Wind") is requesting a Chapter 313 Appraised Value Limitation Agreement from Post ISD for a proposed renewable energy project using wind turbines (the "Project") to be constructed in Post ISD (Lynn and Garza Counties).

The installed capacity of the proposed project is expected to be approximately 155 megawatts (MW). While turbine type and size have yet to be finalized, the current plan is to utilize approximately 55 GE 2.82 MW wind turbine generators with towers of 89m and rotors with diameter of 127m. The Project is anticipated to cover approximately 40,000 acres of privately-owned land, all currently used as farmland or pasture, and such uses can continue as the Project is designed to be compatible with such activities.

In addition to the wind turbines, the Project will also include the following improvements:

- An operations and maintenance building
- Underground electrical collection cables
- Meteorological towers
- Substation
- Overhead transmission line that will connect the project substation to a substation, owned by Sharyland Utilities, that will serve as the Point of Interconnection

Tab Item 5

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

Antelope Flats Wind, LLC ("Antelope Flats Wind") is a Delaware limited liability company. Antelope Flats Wind has one member with 100% ownership, Lincoln Clean Energy, LLC ("LCE"). LCE has successfully developed projects involving over \$1 billion in capital investments in some of the largest electricity markets in the United States, including California, New Jersey, and Texas.

The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, airspace, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability.

The Project has not been known by any other names during its development. The Project applied to ERCOT on December 21st, 2018, and it has been assigned GINR number 20INR0233.

For the project to qualify for the federal income tax Production Tax Credit (PTC), the Applicant was required to complete a minimum amount of PTC qualification work before the statutorily imposed deadline of December 31, 2016. This work consisted of earth-moving to prepare eight (8) holes for turbine foundations (though foundations were not installed) and installation of 2,000 linear feet of road connecting two foundation holes.

The Applicant is a national wind developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. The applicant's current projects in development include projects in the following states: Nebraska, South Dakota, New Mexico, Colorado, and Virginia. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.

Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.

Tab Item 6

Not applicable.

Tab Item 7

Description of Qualified Investment

Antelope Flats Wind, LLC plans to construct a 155 MW wind farm in Garza County consisting of approximately 55 turbines.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Post ISD. The qualified investment in Post ISD is expected to include approximately fifty five (55) GE 2.82MW wind turbine generators, including 89m towers, nacelles, rotors with 127m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, access roads, meteorological towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the western part of Garza County and eastern part of Lynn County. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the Project will also include an operations and maintenance building that will likely be in the approximate center of the Project. (It is also shown on the map in Tab 11.) The Project will also require a series of new access roads to the turbines, underground electrical collection cables, permanent meteorological towers, a substation, and an overhead transmission line connecting the project substation to the Point of Interconnection.

The Point of Interconnection and a portion of the Project's transmission line are located outside of Garza County. The Qualified Investment that is the subject of this application does not include any Project facilities located outside of Garza County.

The 2,000 ft. of road constructed on the project in late 2016 to assist with Production Tax Credit qualification will not be part of the qualified investment or qualified property.

Tab Item 8

Description of Qualified Property

Antelope Flats Wind, LLC plans to construct a 155 MW wind farm in Garza County consisting of approximately 55 turbines.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Post ISD. The qualified investment in Post ISD is expected to include approximately fifty five (55) GE 2.82MW wind turbine generators, including 89m towers, nacelles, rotors with 127m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, access roads, meteorological towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the western part of Garza County and eastern part of Lynn County. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the Project will also include an operations and maintenance building that will likely be in the approximate center of the Project. (It is also shown on the map in Tab 11.) The Project will also require a series of new access roads to the turbines, underground electrical collection cables, permanent meteorological towers, a substation, and an overhead transmission line connecting the project substation to the Point of Interconnection.

The Point of Interconnection and a portion of the Project's transmission line are located outside of Garza County. The Qualified Investment that is the subject of this application does not include any Project facilities located outside of Garza County.

The 2,000 ft. of road constructed on the project in late 2016 to assist with Production Tax Credit qualification will not be part of the qualified investment or qualified property.

Tab Item 9

Description of Land

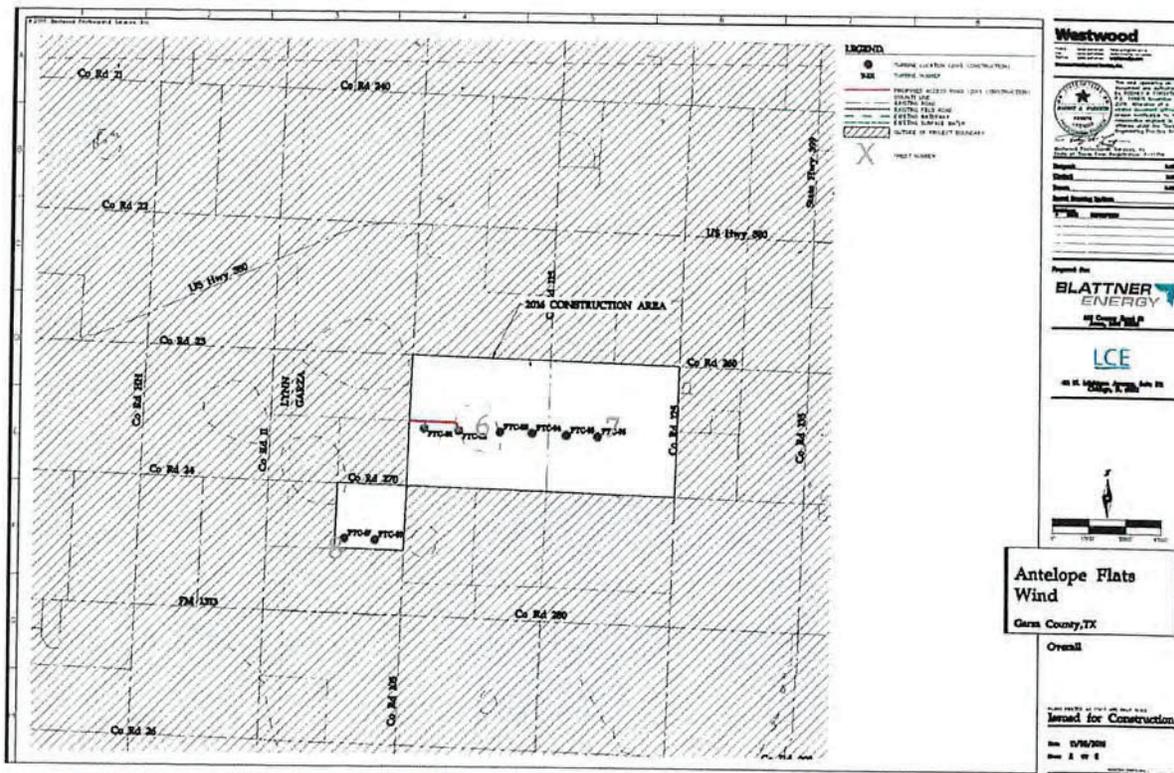
The land will not be part of the qualified property for the Project.

Tab Item 10

Description of all property not eligible to become qualified property

Applicant completed a minor amount of pre-construction work in 2016 at the Project site in order to qualify the Project for the federal income tax Production Tax Credit in accordance with federal law. This pre-construction work consisted of earth-moving to prepare eight (8) holes for turbine foundations (though foundations were not installed) and the installation of 2,000 linear feet of road connecting two foundation holes. All work was completed in Garza County. These pre-construction activities were not deemed to have created taxable improvements by the Garza County Central Appraisal District, and no tax bill was delivered. The pre-construction activities did not result in the creation of any Qualified Property.

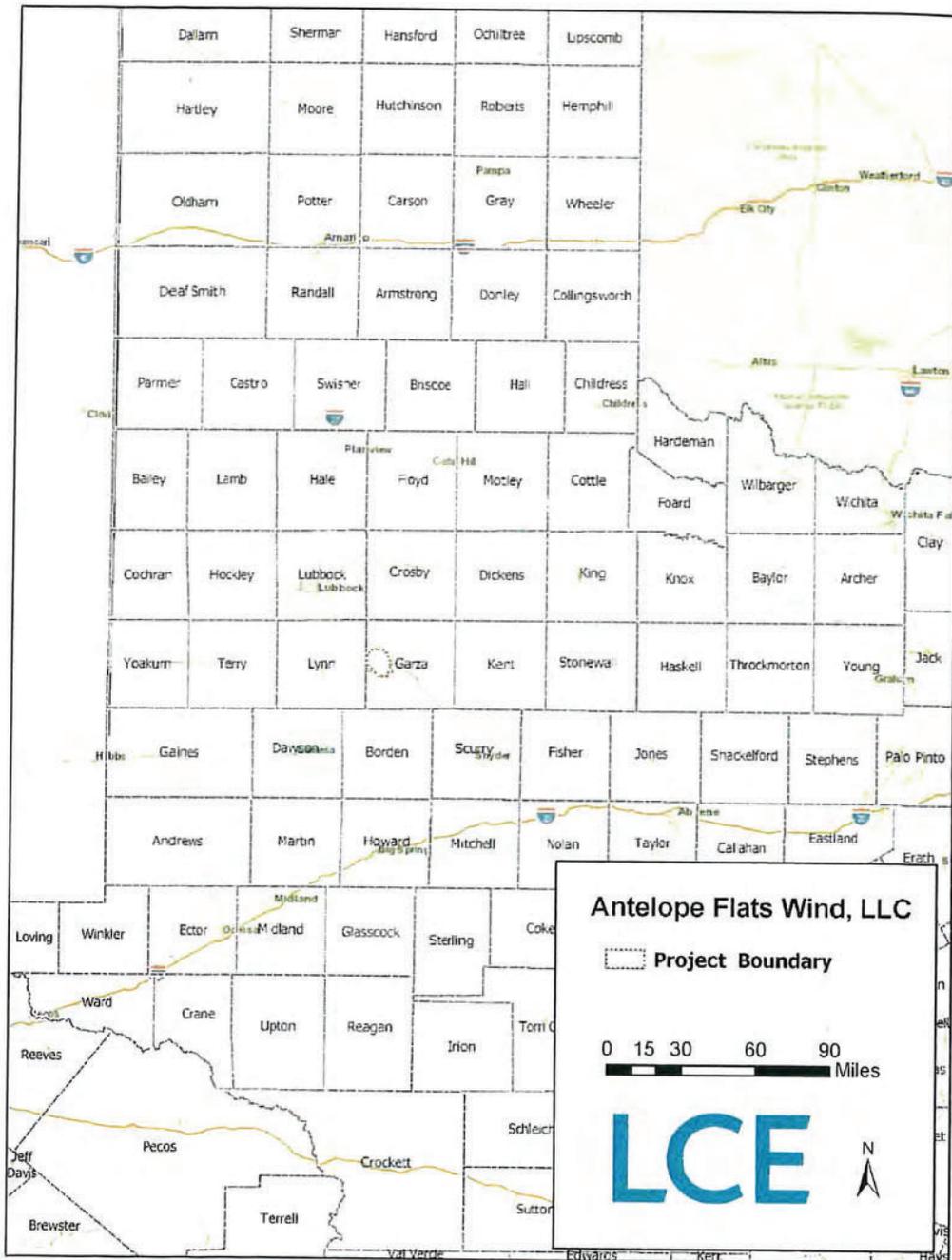
The 2016 pre-construction activities occurred on the following described lands with a map below.



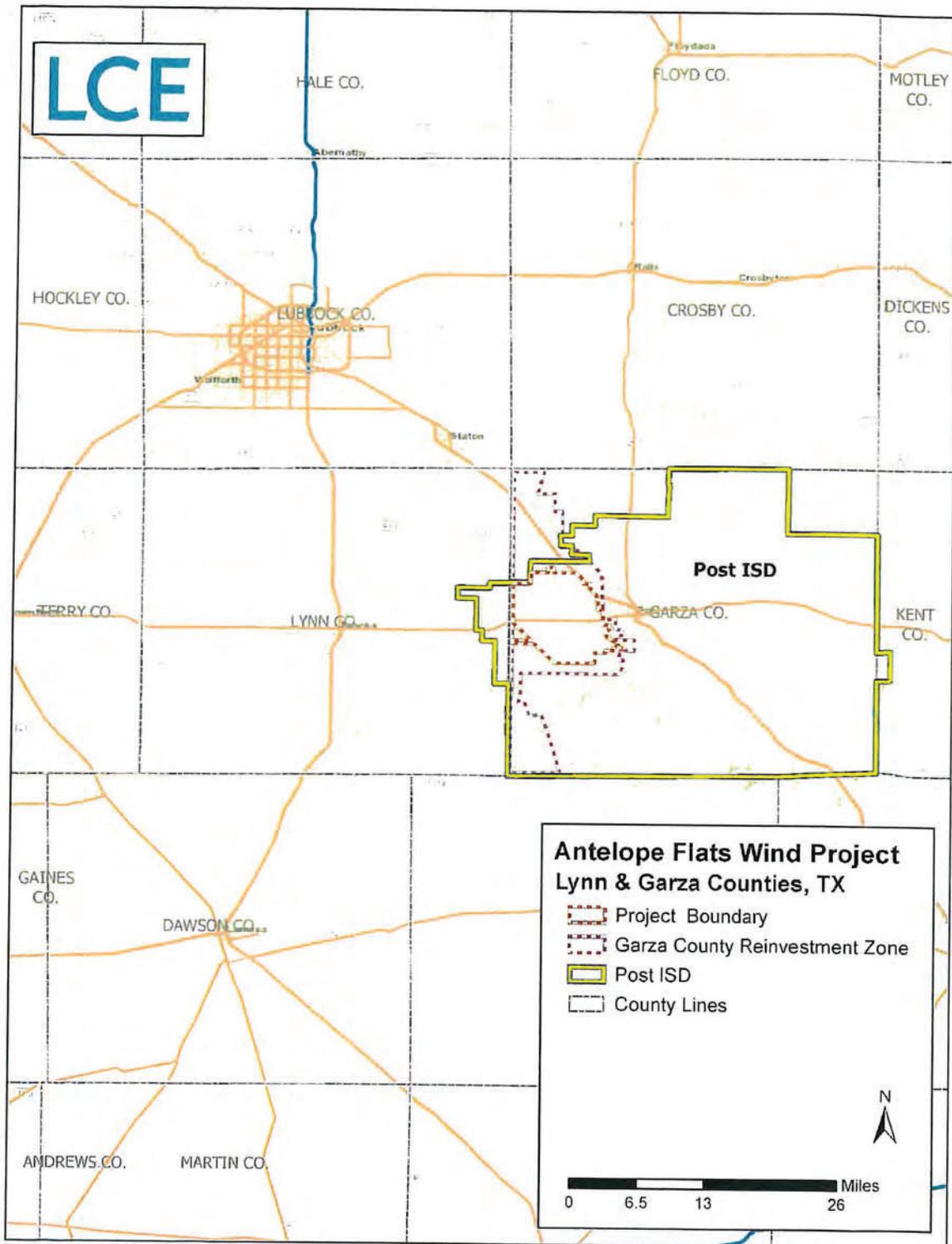
Tab Item 11

Maps

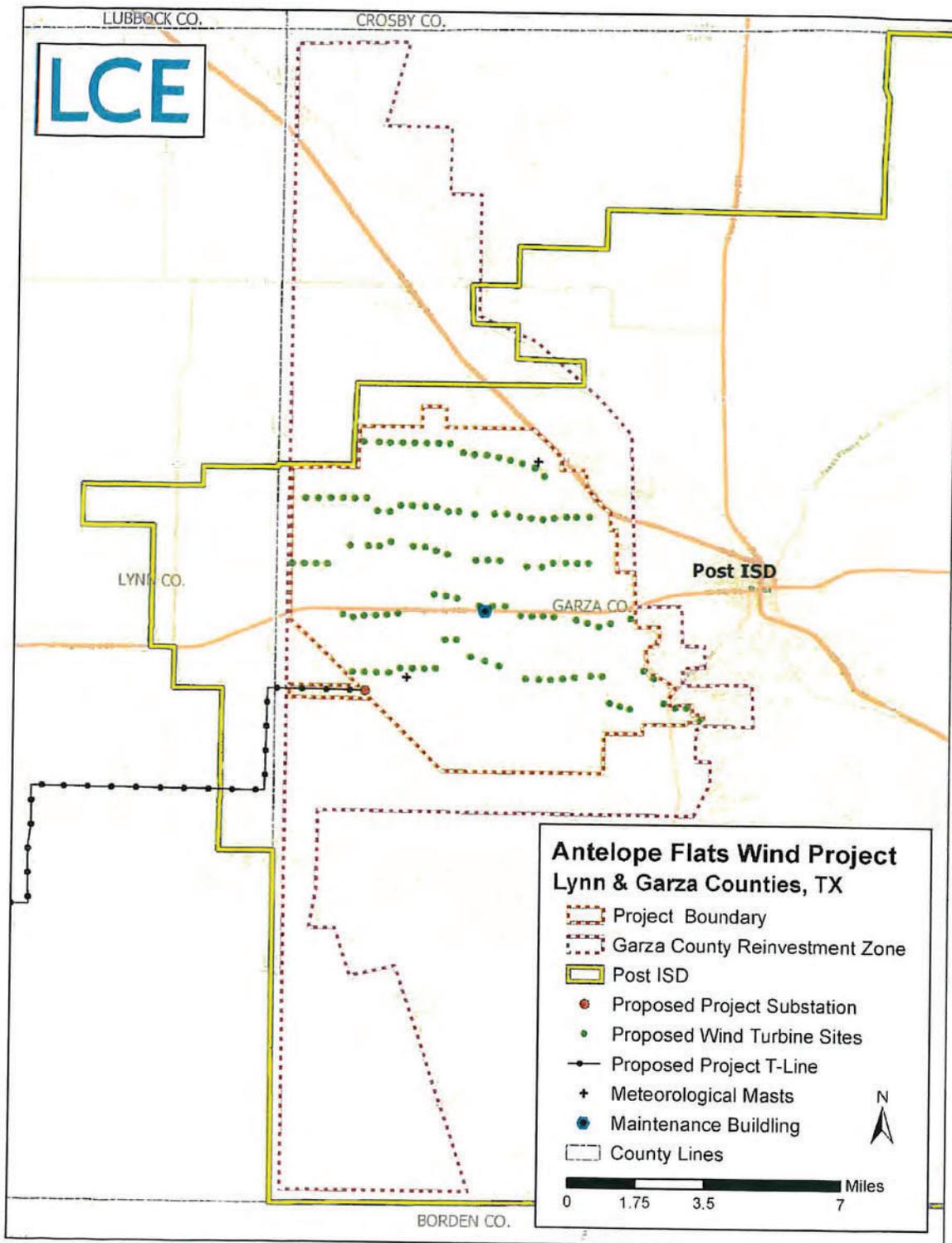
Vicinity Map:



Location of Lynn County, Garza County, Post ISD, Lynn County RZ, Garza County RZ, Project Boundary



Location of Post ISD Boundary, County Boundary, Reinvestment Zone, Project Boundary, Qualified Investment, and Qualified Property:



Tab Item 12
Request for Waiver of Job Creation Requirement

[see attached]

May 29, 2019

Superintendent Heath Dickson
Post Independent School District
501 South Avenue K
Post, TX 79356

Re: Chapter 313 Job Waiver Request

Dear Superintendent Dickson,

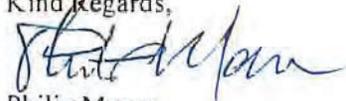
Please consider this letter to be Antelope Flats Wind, LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

The governing body of a school district may waive the new jobs creation requirement in Section 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property that is described in this application. Wind energy projects create many full-time jobs during the construction phase, but these jobs are temporary by nature. Once the project is in operation, a small crew of full-time employees will maintain and operate the facility. Based upon our experience in the wind industry, we expect that four (4) employees would be needed to operate a 155 MW facility, and we can commit to creating four (4) full-time positions to fill those needs. The number of employees is calculated based on an industry standard of one employee for every fifteen (15) wind turbines. All would be qualifying jobs as described in Section 313.021(3) of the Texas Tax Code.

The applicant requests that the Post ISD's Board of Trustees make such a finding and waive the job creation requirement. This waiver request is in line with industry standards for the job requirements for a wind energy facility of this size, as evidenced by limitation agreement applications that have been filed by other wind energy developers, and by documentation related to the development and operation of wind generation facilities.

The project stands to provide significant benefits to the community with respect to increased tax base and the ongoing royalty payments it will make to local landowners.

Kind Regards,



Philip Moore
Senior Vice President - Development
Antelope Flats Wind, LLC

Tab Item 13

Calculation of three possible wage requirements with TWC documentation

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for All Jobs (All Industries) in Garza County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2018	2 nd Qtr	Garza	Private	10	Total, All Industries	\$761
2018	3 rd Qtr	Garza	Private	10	Total, All Industries	\$746
2018	4 th Qtr	Garza	Private	10	Total, All Industries	\$859
2019	1 st Qtr	Garza	Private	10	Total, All Industries	\$816
Average						\$795.50

110% of \$795.50 = \$875.05

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

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Garza	Private	10	Total, All Industries	700
2018	02	Garza	Private	10	Total, All Industries	761
2018	03	Garza	Private	10	Total, All Industries	746
2018	04	Garza	Private	10	Total, All Industries	859
2019	01	Garza	Private	10	Total, All Industries	816

Quarterly Employment and Wages (QCEW)
Average Weekly Wage for Manufacturing Jobs in Garza County
No wage data available

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Region

Garza County is included in the South Plains Association of Governments. The most recently reported (2018) average wage for the South Plains Association of Governments is \$41,691.

$$\$41,691 / 52 = \$801.75$$

$$110\% \text{ of } \$801.75 = \$881.92$$

2018 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	COG Number	Wages	
		Hourly	Annual
Texas		\$27.04	\$56,240
<u>Alamo Area Council of Governments</u>	18	\$22.80	\$47,428
<u>Ark-Tex Council of Governments</u>	5	\$18.73	\$38,962
<u>Brazos Valley Council of Governments</u>	13	\$18.16	\$37,783
<u>Capital Area Council of Governments</u>	12	\$32.36	\$67,318
<u>Central Texas Council of Governments</u>	23	\$19.60	\$40,771
<u>Coastal Bend Council of Governments</u>	20	\$28.52	\$59,318
<u>Concho Valley Council of Governments</u>	10	\$21.09	\$43,874
<u>Deep East Texas Council of Governments</u>	14	\$18.28	\$38,021
<u>East Texas Council of Governments</u>	6	\$21.45	\$44,616
<u>Golden Crescent Regional Planning Commission</u>	17	\$28.56	\$59,412
<u>Heart of Texas Council of Governments</u>	11	\$22.71	\$47,245
<u>Houston-Galveston Area Council</u>	16	\$29.76	\$61,909
<u>Lower Rio Grande Valley Development Council</u>	21	\$17.21	\$35,804
<u>Middle Rio Grande Development Council</u>	24	\$20.48	\$42,604
<u>NORTEX Regional Planning Commission</u>	3	\$25.14	\$52,284
<u>North Central Texas Council of Governments</u>	4	\$27.93	\$58,094
<u>Panhandle Regional Planning Commission</u>	1	\$24.19	\$50,314
<u>Permian Basin Regional Planning Commission</u>	9	\$25.90	\$53,882
<u>Rio Grande Council of Governments</u>	8	\$18.51	\$38,493
<u>South East Texas Regional Planning Commission</u>	15	\$36.26	\$75,430
<u>South Plains Association of Governments</u>	2	\$20.04	\$41,691
<u>South Texas Development Council</u>	19	\$17.83	\$37,088
<u>Texoma Council of Governments</u>	22	\$21.73	\$45,198
<u>West Central Texas Council of Governments</u>	7	\$21.84	\$45,431

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: July 2019

Data published annually, next update will be July 31, 2020

Annual wage figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment Statistics (OES) data, and is not to be compared to BLS estimates.

Data intended only for use in implementing Chapter 313, Tax Code.

Tab Item 14

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

(see enclosed Excel sheets)

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

Date: Antelope Flats Wind, LLC
Applicant Name: Post 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	2019	2019-2020	2019 (see Note 1)	Not eligible to become Qualified Property					
Investment made after filing complete application with district, but before final board approval of application	2019	2019-2020	2019 (see Note 1)						
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	2022	2022-2023	2022 (See Note 2)					\$0	
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	2023	2023-2024	2023	\$161,000,000	\$1,000,000			\$162,000,000	
Complete tax years of qualifying time period	2024	2024-2025	2024					\$0	
				\$161,000,000	\$1,000,000	\$0	\$0	\$162,000,000	
				Enter amounts from TOTAL row above in Schedule A2				\$0	\$162,000,000
				Total Qualified Investment (sum of green cells)				\$162,000,000	

Note 1: 2019 is NOT part of the Qualifying Time Period.

Note 2: The Qualifying Time Period begins on 1/2/2023.

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 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
Applicant Name: Antelope Flats Wind, LLC
ISD Name: Post 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	Column B	Column C	Column D	Column E		
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or equipment nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)	Total Investment (A+B+C+D)		
Total Investment from Schedule A1*			\$161,000,000	\$1,000,000	\$0	\$0	\$162,000,000		
Each year prior to start of value limitation period**									
Each year prior to start of value limitation period**									
Each year prior to start of value limitation period**									
1	2022-2023	2022	\$161,000,000	\$1,000,000	\$0	\$0	\$162,000,000		
2	2023-2024	2023	\$0	\$0	\$0	\$0	\$0		
3	2024-2025	2024	\$0	\$0	\$0	\$0	\$0		
4	2025-2026	2025	\$0	\$0	\$0	\$0	\$0		
5	2026-2027	2026	\$0	\$0	\$0	\$0	\$0		
6	2027-2028	2027	\$0	\$0	\$0	\$0	\$0		
7	2028-2029	2028	\$0	\$0	\$2,000,000	\$0	\$2,000,000		
8	2029-2030	2029	\$0	\$0	\$2,000,000	\$0	\$2,000,000		
9	2030-2031	2030	\$0	\$0	\$2,000,000	\$0	\$2,000,000		
10	2031-2032	2031	\$0	\$0	\$2,000,000	\$0	\$2,000,000		
10	2032-2033	2032	\$0	\$0	\$2,000,000	\$0	\$2,000,000		
Total Investment made through limitation			\$161,000,000	\$1,000,000	\$10,000,000	\$0	\$172,000,000		
11	2033-2034	2033			\$3,000,000		\$3,000,000		
12	2034-2035	2034			\$3,000,000		\$3,000,000		
13	2035-2036	2035			\$3,000,000		\$3,000,000		
14	2036-2037	2036			\$3,000,000		\$3,000,000		
15	2037-2038	2037			\$3,000,000		\$3,000,000		
16	2038-2039	2038			\$3,000,000		\$3,000,000		
17	2039-2040	2039			\$3,000,000		\$3,000,000		
18	2040-2041	2040			\$3,000,000		\$3,000,000		
19	2041-2042	2041			\$3,000,000		\$3,000,000		
20	2042-2043	2042			\$3,000,000		\$3,000,000		
21	2043-2044	2043			\$3,000,000		\$3,000,000		
22	2044-2045	2044			\$3,000,000		\$3,000,000		
23	2045-2046	2045			\$3,000,000		\$3,000,000		
24	2046-2047	2046			\$3,000,000		\$3,000,000		
25	2047-2048	2047			\$3,000,000		\$3,000,000		

* All investments made through the qualifying time period are captured and totalled 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 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.

*** If your qualifying time period will overlap your value limitation period, do not also include investments in the remaining rows of Schedule A2 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 313.02(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally

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)

Antelope Flats Wind, LLC

Form 50-296A
Revised May 2014

Date
Applicant Name
ISD Name

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Post-ISD		Qualified Property		Estimated Taxable Value			
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	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	2020-2021	2020	\$0						
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021							
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	\$0						
	1	2023-2024	2023	\$0	\$980,000	\$158,760,000	\$159,740,000	\$159,740,000	\$20,000,000	\$20,000,000
	2	2024-2025	2024	\$0	\$921,200	\$149,234,400	\$150,155,600	\$150,155,600	\$20,000,000	\$20,000,000
	3	2025-2026	2025	\$0	\$865,928	\$140,280,336	\$141,146,264	\$141,146,264	\$20,000,000	\$20,000,000
	4	2026-2027	2026	\$0	\$813,972	\$131,863,516	\$132,677,488	\$132,677,488	\$20,000,000	\$20,000,000
	5	2027-2028	2027	\$0	\$765,134	\$123,951,705	\$124,716,839	\$124,716,839	\$20,000,000	\$20,000,000
	6	2028-2029	2028	\$0	\$719,226	\$116,514,603	\$117,233,829	\$117,233,829	\$20,000,000	\$20,000,000
	7	2029-2030	2029	\$0	\$676,072	\$109,523,726	\$110,199,799	\$110,199,799	\$20,000,000	\$20,000,000
	8	2030-2031	2030	\$0	\$635,508	\$102,952,303	\$103,587,811	\$103,587,811	\$20,000,000	\$20,000,000
	9	2031-2032	2031	\$0	\$597,378	\$96,775,165	\$97,372,542	\$97,372,542	\$20,000,000	\$20,000,000
	10	2032-2033	2032	\$0	\$561,535	\$90,968,655	\$91,530,190	\$91,530,190	\$20,000,000	\$20,000,000
	11	2033-2034	2033	\$0	\$527,843	\$85,510,536	\$86,038,378	\$86,038,378	\$20,000,000	\$20,000,000
	12	2034-2035	2034	\$0	\$496,172	\$80,379,903	\$80,876,076	\$80,876,076	\$20,000,000	\$20,000,000
	13	2035-2036	2035	\$0	\$466,402	\$75,557,109	\$76,023,511	\$76,023,511	\$20,000,000	\$20,000,000
	14	2036-2037	2036	\$0	\$438,418	\$71,023,683	\$71,462,100	\$71,462,100	\$20,000,000	\$20,000,000
	15	2037-2038	2037	\$0	\$412,113	\$66,762,262	\$67,174,374	\$67,174,374	\$20,000,000	\$20,000,000
	16	2038-2039	2038	\$0	\$387,386	\$62,756,526	\$63,143,912	\$63,143,912	\$20,000,000	\$20,000,000
	17	2039-2040	2039	\$0	\$364,143	\$58,991,134	\$59,355,277	\$59,355,277	\$20,000,000	\$20,000,000
	18	2040-2041	2040	\$0	\$342,294	\$55,451,666	\$55,793,961	\$55,793,961	\$20,000,000	\$20,000,000
	19	2041-2042	2041	\$0	\$321,757	\$52,124,566	\$52,446,323	\$52,446,323	\$20,000,000	\$20,000,000
	20	2042-2043	2042	\$0	\$302,451	\$48,997,092	\$49,299,544	\$49,299,544	\$20,000,000	\$20,000,000
	21	2043-2044	2043	\$0	\$284,304	\$46,057,267	\$46,341,571	\$46,341,571	\$20,000,000	\$20,000,000
	22	2044-2045	2044	\$0	\$267,246	\$43,293,831	\$43,561,077	\$43,561,077	\$20,000,000	\$20,000,000
	23	2045-2046	2045	\$0	\$251,211	\$40,696,201	\$40,947,412	\$40,947,412	\$20,000,000	\$20,000,000
	24	2046-2047	2046	\$0	\$236,138	\$38,254,429	\$38,490,567	\$38,490,567	\$20,000,000	\$20,000,000
	25	2047-2048	2047	\$0	\$221,970	\$35,959,163	\$36,181,133	\$36,181,133	\$20,000,000	\$20,000,000
Continue to maintain viable presence										
Additional years for 25 year economic impact as required by 313.026(c)(1)										

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

Form 50-296A
Revised May 2014

Date
Applicant Name
ISD Name

Antelope Flats Wind, LLC
Post ISD

	Construction			Non-Qualifying Jobs		Qualifying Jobs	
	Column A	Column B	Column C	Column D	Column E	Column D	Column E
Year	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		
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	21 FTEs	\$40,000	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	150 FTEs	\$40,000	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022				
	1	2023-2024	2023	N/A	N/A	0	4
	2	2024-2025	2024	N/A	N/A	0	4
	3	2025-2026	2025	N/A	N/A	0	4
	4	2026-2027	2026	N/A	N/A	0	4
	5	2027-2028	2027	N/A	N/A	0	4
	6	2028-2029	2028	N/A	N/A	0	4
	7	2029-2030	2029	N/A	N/A	0	4
	8	2030-2031	2030	N/A	N/A	0	4
	9	2031-2032	2031	N/A	N/A	0	4
	10	2032-2033	2032				4
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2048	N/A	N/A	0	4

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)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes No

Yes No

Yes No

Schedule D: Other Incentives (Estimated)

Form 50-296A
Revised May 2014

Date
Applicant Name
ISD Name

Antelope Flats Wind, LLC
Post ISD

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
	County: N/A	N/A	N/A	N/A	N/A	N/A
	City: N/A	N/A	N/A	N/A	N/A	N/A
	Other: N/A	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 311	County: Garza County	2023	10 years	\$1,061,748	\$1,013,310	\$48,438
	City: N/A	N/A	N/A	N/A	N/A	N/A
	Other: Garza County Hospital District	2023	10 years	267,138	218,700	48,438
	County: N/A	N/A	N/A	N/A	N/A	N/A
	City: N/A	N/A	N/A	N/A	N/A	N/A
	Other: N/A	N/A	N/A	N/A	N/A	N/A
Local Government Code Chapters 380/381	N/A	N/A	N/A	N/A	N/A	N/A
Freepoint Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL				\$1,061,748	\$387,660	\$318,000

Additional information on incentives for this project:

Annual Net Tax Levy (Garza County and Garza County Hospital District) Years 1-5: \$312.50/MW
Annual Net Tax Levy (Garza County and Garza County Hospital District) Years 6-10: \$375.00/MW

Tab Item 15

Economic Impact Analysis

Not applicable.

Tab Item 16

Description of Reinvestment Zone

The Post ISD portion of the Project lies within the reinvestment zone established by order on January 30, 2017 in Garza County. Documentation for the Reinvestment Zone is attached.

The following documents are attached:

1. Guidelines and Criteria for Tax Abatement for Garza County
2. Reinvestment zone established by order on January 30, 2017 in Garza County

COMMISSIONERS' COURT OF GARZA COUNTY
GARZA COUNTY COURTHOUSE
POST, TEXAS

RESOLUTION AND ORDER

**ELECTING TO BECOME ELIGIBLE TO PARTICIPATE IN PROPERTY TAX
ABATEMENTS AND ADOPTING GUIDELINES AND CRITERIA
FOR GRANTING PROPERTY TAX ABATEMENTS**

The Commissioners' Court of Garza County, Texas, meeting in regular session on January 30, 2017, considered the following resolution:

WHEREAS, the Property Redevelopment and Tax Abatement Act (the "Act"), Chapter 312 of the Texas Tax Code, authorizes counties, cities, and other taxing units to provide temporary property tax abatements for limited periods of time as an inducement for the development or redevelopment of property; and

WHEREAS, the Act further requires that in order to become eligible to participate in tax abatements, a county or other taxing unit must (1) adopt a resolution stating its election to so participate and (2) adopt guidelines and criteria for property tax abatements; and

WHEREAS, Garza County, Texas, a "taxing unit" governed by the Act, desires to affirm its eligibility to participate in tax abatements; and,

WHEREAS, the Commissioners' Court of Garza County, Texas, desires to adopt Guidelines and Criteria for property tax abatements;

NOW, THEREFORE, BE IT ORDERED, by the Commissioner's Court of Garza County, Texas, that:

- (1) Garza County is eligible to participate in tax abatements; and further
- (2) the Guidelines and Criteria attached hereto as Exhibit A are hereby adopted by Garza County in accordance with the requirements of the Act.

The foregoing Resolution and Order was lawfully moved by Ted Brannon, duly seconded by Jeff Williams, and duly adopted by the Commissioner's Court of Garza County, Texas, on January 30th, 2017.

Lee Norman
County Judge

Jeff Williams
Jeff Williams
Commissioner Precinct 1

Charles Morris
Commissioner Precinct 2

Ted Brannon
Ted Brannon
Commissioner Precinct 3

Jerry Benham
Jerry Benham
Commissioner Precinct 4

The foregoing Resolution and Order is a true and correct copy of the Resolution and Order passed by the Commissioners' Court in open and regular session at the Garza County Courthouse at 9:45 a.m. on January 30th 2017.

Jim Plummer
Jim Plummer
County Clerk, Garza County, Texas

Exhibit A

Guidelines and Criteria

[see attached]

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS IN REINVESTMENT ZONES

Garza County, Texas

I. PURPOSE

Garza County, hereinafter referred to as "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 incentives, which may include the designation of reinvestment zones, application for tax abatements, and entering into tax abatement agreements to stimulate growth and development.

It is the intent of the County that such incentives will be provided in accordance with the procedures and criteria outlined in this document and in Chapter 312 of the Texas Tax Code. However, nothing in these Guidelines and Criteria shall imply or suggest to be construed to imply or suggest that tax entities are under any obligation to provide any incentives to any applicant. All such applicants for tax incentives shall be considered on an individual basis for both the qualification for tax abatement and the amount of any tax abatement. The adoption of these Guidelines and Criteria shall not create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement.

Only that increase in the fair market value of the property directly resultant from the development, redevelopment, and improvement specified in the contract will be eligible for abatement. All abatement contracts will be for a term no longer than allowed by law. Additionally, the Garza County Commissioners Court reserves the right to negotiate a tax abatement agreement in order to compete favorably with other communities.

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

In order to be eligible for designation as a reinvestment zone and to receive tax abatement, the planned improvement as a minimum must meet the following:

- (a) Be an authorized Facility. A facility may be eligible for abatement if it is a(n);

Aquaculture/Agriculture Facility,

Distribution Center Facility,
Manufacturing Facility,
Office Building,
Regional Entertainment/Tourism Facility,
Research Facility,
Regional Service Facility,
Historic Building in designated area,
Renewable Energy Facility, or
Other Basic Industry

- (b) The project must be reasonably expected to have an increase in positive net economic benefit to Garza County of at least \$15,000,000.00 over the life of the abatement, computed to include (but not limited to) new sustaining payroll and capital improvement. In consideration of the request for designation as a reinvestment zone and to receive tax abatement, the following factors will also be considered:
- (1) **Jobs.** The projected New Jobs created including the number of jobs, the retention of existing jobs, the type of jobs, the average payroll, the total 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, the amount of direct sales tax that will be generated, the infrastructure improvements by the County that will be required by the facility, the infrastructure improvements made by the facility, and the compatibility of the project with the County's development goals.
 - (3) **Community Impact, including:**
 - i. The pollution, if any, as well as other negative environmental impacts affecting the health and safety of the community that will be created by the project;
 - ii. The revitalization of a depressed area;
 - iii. The business opportunities of existing local vendors;
 - iv. The alternative development possibilities for proposed site;
 - v. The impact on other taxing entities, including the use of municipal or county infrastructure; and/or
 - vi. Whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Garza County to another.

IV. ABATEMENT AUTHORIZED

- (a) Authorized Date. A facility may be eligible for tax abatement for a period not to exceed ten years if it has applied for such abatement prior to the commencement of construction provided that such facility meets the criteria granting tax abatement in reinvestment zones created in Garza County pursuant to these Guidelines and Criteria.
- (b) Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the owner or lessee (and lessor if required pursuant to IV(f)) of the facility or improvements receiving the abatement, all subject to such limitations as the 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 facility replacement, 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 the following: new, expanded, replaced or modernized buildings and structures; fixed machinery and equipment; site improvements; office space and related fixed improvements necessary to the operation and administration of the facility; and all other real and tangible personal property as permitted by Chapter 312 of the Texas Tax Code.
- (e) Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement:
 - i. Land,
 - ii. Animals,
 - iii. Inventories,
 - iv. Supplies,
 - v. Tools,
 - vi. Furnishings and other forms of movable personal property other than machinery and equipment that are an essential part of the facility or improvements receiving abatement,
 - vii. Vehicles,
 - viii. Vessels,
 - ix. Aircraft,
 - x. Housing or residential property,
 - xi. Fauna,
 - xii. Flora,
 - xiii. Deferred Maintenance investments,
 - xiv. Property to be rented or leased (except as provided in Part IV(f)),

- xv. Any improvements including those to produce, store or distribute natural gas or fluids that are not integral to the operation of the facility,
 - xvi. Property owned or used by the State of Texas or its political subdivision or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- (f) Owned/Leased Facilities. If a leased facility or leased improvements are granted an abatement, the agreement shall be executed with the lessor and lessee of the facility or improvements. The owner of the real property where the facility or improvements are located is not required to execute the abatement agreement if it is not the lessor or lessee of the facility or improvements.
- (g) Value and Term of Abatement. Abatement shall be granted effective no earlier than the January 1 valuation date immediately following the date of execution of the agreement. The agreement may provide that the period for which the abatement applies will commence on a later date. The value of new eligible property shall be abated according to the approved agreement between applicant and the governing body. The Garza County Commissioners Court, in its sole discretion, shall determine the amount of any abatement.
- (h) Taxability. From the execution of the abatement contract to the end of the period during which the abatement applies, 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 as determined each year shall be fully taxable; and
 - (3) The additional value of new eligible property shall be taxable in the manner described in the abatement agreement.

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner, assignee, or lessee of taxable property in Garza County may request the creation of a reinvestment zone and the consideration of a tax abatement agreement by filing written request with the County. The completed Application must be accompanied by the payment of a five hundred dollar (\$500) non-refundable application fee for administrative costs associated with the processing of the tax abatement request. All checks in payment of the administrative fee shall be made payable to Garza County.
- (b) The application shall consist of a completed application form (if provided by the County) 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 which will be 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; and
- (5) In the case of modernizing or replacing existing facilities in whole or in part, a statement of the assessed value of the facility separately stated for real and personal property for the tax year immediately preceding the year in which the application is filed.

The County may require that the applicable be supplemented with such 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 shall, through public hearings, afford the applicant and the designated representative of any Affected Jurisdiction 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 Garza County Commissioners Court to be posted at least seven (7) days prior to the hearing.
- (d) The County shall approve or disapprove the application for tax abatement within forty-five (45) days after receipt of the application and notify the applicant of the approval or disapproval promptly thereafter.
- (e) A request for reinvestment zone for the purpose of abatement shall not be granted by the County if the County finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization expansion or new facility. Before the Garza County Commissioners Court holds a public hearing to designate a reinvestment zone, it shall do the following:
 - (1) Not later than the seventh day before the date of the hearing, publish notice of the hearing in a newspaper having general circulation in the County; and
 - (2) Not later than the seventh day before the date of the hearing, deliver written notice of the hearing to the presiding officer of the governing body of each taxing unit that includes in its boundaries any real property that is to be included in the proposed reinvestment zone.

- (f) Requested Variances. Requests for variance from any provision of these Guidelines and Criteria may be made in written form to the Garza County Commissioners Court. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) vote of the Garza County Commissioners Court.
- (g) Deemed Variances. The Garza County Commissioners' Court may approve a tax abatement agreement that varies from any requirement in these Guidelines and Criteria so long as such variance is permitted by Chapter 312 of the Texas Tax Code. Any aspect of a tax abatement agreement duly authorized and approved by the Garza County Commissioners' Court that varies in any respect from any requirement in these Guidelines and Criteria shall be deemed to have been granted a variance from the Guidelines and Criteria by the Court. It is the express intention of the Garza County Commissioners Court that no tax abatement agreement that has been duly authorized and approved by the Court shall be challenged or held to be invalid because such authorized and approved tax abatement agreement varies from any requirement contained in these Guidelines and Criteria.

VI. PUBLIC HEARING

- (a) Should any Affected Jurisdiction be able to show cause in the public hearing why the granting of abatement by the County will have a substantial adverse effect on its bonds, tax revenue, service incapacity or the provision of service, that showing shall be considered by the Garza County Commissioners Court when deciding to approve or disapprove of the application for tax abatement.
- (b) Neither a reinvestment zone nor an abatement shall be authorized if it is determined that:
 - (1) There would be a substantial adverse effect on the provision of a government service or the tax base of an Affected Jurisdiction;
 - (2) The applicant has insufficient financial capacity to construct and operate the proposed facility or improvements;
 - (3) The planned or potential use of the property would constitute a hazard to public safety, health, or morals; or
 - (4) The planned or potential use of the property violates other governmental codes or laws.

VII. AGREEMENT

- (a) If an application for tax abatement is approved by the Garza County Commissioners Court, the Court shall formally pass a resolution and execute an agreement with the owner and/or lessee of the facility which shall include:
- (1) The percentage of value to be abated each year as provided in Part IV(g) of these Guidelines and Criteria.
 - (2) The commencement date and the termination date of abatement.
 - (3) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description, and improvements list as provided in Part V of these Guidelines and Criteria.
 - (4) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration and assignment (as provided in the agreement), and other provisions that may be required for uniformity or by state law or that are mutually agreed to by the County and the applicant.
 - (5) Amount of investment and/or average number of jobs applicant commits to create (if any) for the period of abatement.
 - (6) Any other provisions required by Chapter 312 of the Texas Tax Code.
- (b) The County will use its best efforts to cause such agreement to be executed within thirty (30) days after the later of the date applicant has forwarded all necessary information to the jurisdiction receiving the application or the date of the approval of the application. Prior to the execution of the Agreement, the County will comply with the following notice requirement in Tax Code § 312.2041(a):
- Not later than the seventh day before the date on which a municipality or county enters into an abatement agreement, the governing body of the municipality or county or a designated officer or employee of the municipality or county shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice that the municipality or county intends to enter into the agreement. The notice must include a copy of the proposed agreement.
- (c) Each other taxing unit that has jurisdiction over the facility or improvements for which the County approves or disapproves an application for tax abatement shall make its own determination of abatement which shall not bind any other Affected Jurisdiction.

VIII. RECAPTURE

- (a) In the event that the facility or improvements are completed and begin operating but subsequently discontinue operating for any reason excepting a force majeure event (as such event may be more specifically defined in the tax abatement agreement) for a period of more than one (1) year during the abatement period, then the abatement agreement shall terminate along with 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. The County is permitted to enter into a tax abatement agreement that varies from the provisions of this paragraph without being deemed to be in violation of these Guidelines and Criteria so long as the agreement provides for the recapture of property taxes in the event that the approved facility or improvement discontinue operations during the period of tax abatement.
- (b) If the County determines that a party to a tax abatement agreement is in default according to the terms and conditions of its agreement, the County shall notify the party in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice, then 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. Further, it will be a default under a tax abatement granted pursuant to these Guidelines and Criteria if the owner of the eligible property subject to the abatement is delinquent in paying any undisputed taxes to any taxing authority in Garza County, Texas. The County is permitted to enter into a tax abatement agreement that varies from the provisions of this paragraph without being deemed to be in violation of these Guidelines and Criteria so long as the agreement provides for the recapture of property tax in the event that the applicant named in the tax abatement agreement defaults in its obligations under the agreement.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Garza County Appraisal District shall annually determine an assessment of any real and/or personal property that is the subject of a tax abatement agreement. Each party to a tax abatement agreement shall be required to furnish the assessor with such information as may be necessary to determine an assessment. Once a value has been established, the Chief Appraiser shall notify the Affected Jurisdictions of the appraised value.
- (b) The abatement agreement shall stipulate that employees and/or designated representatives of the County will have access to the facility or improvements that are the subject of the agreement during the term of the abatement to inspect the facility or improvements to determine if the terms and conditions of the agreement are being met. The terms, guidelines, and requirements concerning inspections shall be set forth in the abatement agreement.

- (c) After the period of abatement begins, the County shall annually evaluate each facility receiving abatement and report possible violations of the abatement agreement to the Garza County Commissioners Court. The abatement agreement may also require the party receiving the abatement to file annual certifications with the County.
- (d) All proprietary information acquired by the County for purposes monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.

X. ASSIGNMENT

- (a) Except as otherwise provided in the abatement agreement, an abatement agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Garza County Commissioners Court, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of an assignment and assumption agreement between the holder of the agreement and the assignee. Approval shall not be unreasonably withheld.
- (b) No assignment or transfer shall be approved if the party to the existing agreement or the proposed assignee is liable to any taxing jurisdiction for outstanding taxes or other obligations.

XI. SUNSET PROVISION

- (a) These Guidelines and Criteria are effective upon the date of the adoption and will remain in force for two (2) years unless amended by three quarters vote of the Garza County Commissioners Court, at which time all reinvestment zones and tax abatement contracts created pursuant hereto will be reviewed by each Affected Jurisdiction to determine whether the goals have been achieved. Based on that review, these Guidelines and Criteria may be modified, renewed, or not renewed, providing that such actions shall not affect existing abatement agreements.
- (b) These Guidelines and Criteria do not amend any existing Industrial District Contracts or agreements with the owners of real property in areas deserving of specific attention as agreed by the Affected Jurisdiction.
- (c) Prior to the date for review, as defined above, these Guidelines and Criteria may be modified by a two-thirds (2/3) vote of the County Commissioners as provided for under 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 and Criteria shall for any reason be adjudged by any court of

competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.

- (b) Property that is located in a reinvestment zone and that is owned or leased by a person who is a member of the Commissioners Court may not be subject to a tax abatement agreement entered into with the County.
- (c) If these Guidelines and Criteria have omitted any mandatory requirements of the applicable tax abatement laws of the State of Texas, then such requirements are hereby incorporated as a part of these Guidelines and Criteria.

[end of document – Glossary follows]

GLOSSARY:

- (a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real or tangible personal property in a reinvestment zone designated by the County or a municipality for economic development purposes.
- (b) "Aquaculture/Agriculture Facility" means building, structures and major earth structure improvements, including fixed machinery and equipment, the primary purpose of which is of food and/or fiber products in commercially marketable quantities.
- (c) "Affected Jurisdiction" means Garza County and any municipality, or school district, the majority of which is located in Garza County that levies ad valorem taxes upon and/or provides services to property located within the proposed or existing reinvestment zone designated by Garza County or any municipality.
- (d) "Agreement" means a contractual agreement between a property owner and/or lessee and the County for the purpose of tax abatement.
- (e) "Base year value" means the assessed value of eligible property on January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the filing of an application for tax abatement.
- (f) "Deferred maintenance" means improvements necessary for continued operations which do not improve productivity or alter the process of technology.
- (g) "Distribution Center Facility" means building and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility from which a majority of revenue generated by activity at the facility are derived from outside of Garza County.
- (h) "Expansion" means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (i) "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) "Manufacturing Facility" means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (k) "Modernization" means the upgrading and or replacement of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction,

alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

- (l) "New Facility" means improvements to real estate previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (m) "New Jobs" means a newly created employment position on a full-time permanent basis. Two or more part-time permanent employees totaling an average of not less than 40 hours per week may be considered as one full-time permanent employee.
- (n) "Office Building" means a new office building.
- (o) "Other Basic Industry" means buildings and structures, including fixed machinery and equipment not elsewhere described used or to be used for the production of products or services which serve a market primarily outside the County and results in the creation of new permanent jobs and new wealth in the County.
- (p) "Regional Entertainment/Tourism Facility" means buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment and/or tourism related services, from which a majority of revenues generated by activity at the facility are derived from outside Garza County.
- (q) "Research Facility" means buildings and structures, including fixed machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production process thereto.
- (r) "Regional Service Facility" means buildings and structures, including fixed machinery and equipment, used or to be used to provide a service from which a majority of revenues generated by activity at the facility are derived from outside Garza County.
- (s) "Renewable Energy Facility" means buildings and structures, including but not limited to electricity generating equipment (such as wind turbines or photovoltaic solar panels), electric transmission lines, electric power substations, electrical gathering equipment, communications systems and roads, fixed machinery and equipment, used or to be used to provide electrical energy, and which meet the definition of "Renewable Energy Electric Generation" in Chapter 313 of the Texas Tax Code.

COMMISSIONERS' COURT OF GARZA COUNTY
GARZA COUNTY COURTHOUSE
POST, TEXAS

RESOLUTION AND ORDER DESIGNATING THE
GARZA COUNTY REINVESTMENT ZONE NO. 1
IN THE JURISDICTION OF GARZA COUNTY, TEXAS

The Commissioners' Court of Garza County, Texas, meeting in regular session on January 30, 2017, considered the following resolution:

WHEREAS, the Commissioners Court of Garza County, Texas (the "County") has elected to become eligible to participate in tax abatement agreements under the provisions of the Texas Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code) (the "Act"); and,

WHEREAS, the County has adopted guidelines and criteria governing tax abatement agreements in a resolution dated on or about January 30, 2017 (the "Guidelines and Criteria"); and,

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and

WHEREAS, the County (a) timely published or posted all applicable notices of public hearing regarding the designation of the real estate described in the attached Exhibit A as a reinvestment zone for tax abatement purposes, and (b) timely notified all applicable presiding officers of the governing body of each taxing unit that includes in its boundaries real property that may be included in the proposed reinvestment zone;

WHEREAS, the improvements proposed for the reinvestment zone are feasible and of benefit to the reinvestment zone after expiration of an abatement agreement; and

WHEREAS, the property described on Exhibit A meets the criteria established in the Guidelines and Criteria for a reinvestment zone; and

WHEREAS, the designation of the reinvestment zone would contribute to the retention or expansion of primary employment or would attract major investment in the reinvestment zone that would be of benefit to the property described on Exhibit A and would contribute to the economic development of the County; and

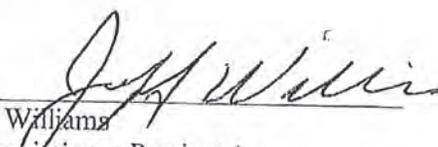
WHEREAS, all interested members of the public were given an opportunity to make comment at the public hearing.

NOW, THEREFORE, BE IT ORDERED, by the Commissioners' Court of Garza County, that:

1. The County hereby designates the property located in Garza County, Texas, having the property description in Exhibit A attached to this Order as a reinvestment zone under the County's Guidelines and Criteria, having determined that (a) the property described on Exhibit A meets the criteria established in the Guidelines and Criteria, and (b) the designation of such reinvestment zone would contribute to the retention or expansion of primary employment or would attract major investment in the reinvestment zone that would be of benefit to the property described on Exhibit A and that would contribute to the economic development of the County.
2. The reinvestment zone created by this Order to include the real property described in Exhibit A shall be known as "Garza County Reinvestment Zone No. 1".

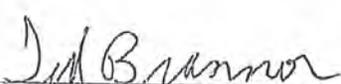
The foregoing Resolution and Order was lawfully moved by Ted Brannon, duly seconded by Jerry Benham, and duly adopted by the Commissioner's Court of Garza County, Texas, on JANUARY 30, 2017.

Lee Norman
County Judge

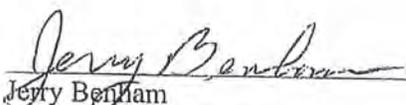


Jeff Williams
Commissioner Precinct 1

Charles Morris
Commissioner Precinct 2



Ted Brannon
Commissioner Precinct 3



Jerry Benham
Commissioner Precinct 4

The foregoing Resolution and Order is a true and correct copy of the Resolution and Order passed by the Commissioners' Court in open and regular session at the Garza County Courthouse at 9:50 a.m. on JANUARY 30, 2017.



Jim Plummer
County Clerk, Garza County, Texas

Exhibit A

Property Included in the Reinvestment Zone

The Reinvestment Zone is described by metes and bounds below, and a map is attached as the last page of this Exhibit A:

LEGAL DESCRIPTION: BEING APPROXIMATELY 96,900 ACRES OF LAND AND BEING ALL OF AND/OR ANY PORTIONS OF SECTIONS: 12, A-709 AND 1, A-375, BLOCK 10, E.L. & R.R. Co. SURVEY, 301, A-455, 308, A-1073, 307, A-440, 303, A-389, 304, A-1072, 305, A-388 AND 306, A-773, BLOCK 31, H.E. & W.T. RR Co. SURVEY, 4, A-587, 3, A-588, 1, A-585, RM. THOMPSON SURVEY, 1, A-1140, BLOCK C, JT CORY SURVEY, 16, A-623, T.T RR Co. SURVEY, 19, A-387, H. & G.N. RR Co. SURVEY, AND 18, A-1136 AND A-1165, J. MASSEY SURVEY, BLOCK 30, T-7-N, 1, A-586, BLOCK O, RM THOMPSON SURVEY, 14, A-536, BLOCK 1, J. HAYES SURVEY, 2, A-1123, BLOCK C, J. MAXEY SURVEY, 397, A-367, 400, A-710, 393, A-366, 394, A-729, 391, A-371 AND 392, A-711, BLOCK 9, E.L. & R.R. RR Co. SURVEY, 277, A-429, AND 278, A-1068, D. & S.E. RR Co. SURVEY, 275, A-435, AND 276, A-1071, E.L. & R.R. RR Co. SURVEY, 1360, A-723, 1359, A-306, F.L. & R.R. RR Co. SURVEY, 401, A-348, 403, A-350, 404, 721, 405, A-349 AND 406, A-726, T.T. RR Co. SURVEY, 1, A-461, 2, A-1075, 3, A-460, 4, A-1208, 4, A-1214, 4, A-1090, 5, A-411, 6, A-718, 7, A-456, 8, A-1089, 9, A-457, 10, A-1163, 10, A-1159, 10, A-1069, 11, A-410, 14, A-720, 15, A-414 AND 17, A-458, BLOCK 8, T.T. RR Co. SURVEY, 19, A-424 AND 20, A-1076, BLOCK 2, D. & S.E. RR Co. SURVEY, 27, A-549, 28, A-574 AND 29, A-575, BLOCK 1, JASPER HAYS SURVEY, 30, A-1211 AND 31, A-1212, BLOCK 1, G.E. LOCKHART SURVEY, 30, A-1220, BLOCK RM, G.E. LOCKHART SURVEY, 9, A-13, 10, A-1077 AND 10, A-1078, BLOCK 2, G.H. & H.R. RR Co. SURVEY, 7, A-480, 8, A-487, 9, A-513, 11, A-511, 12, A-510 AND 13, A-512, BLOCK 5, K. AYCOCK SURVEY, 1, A-1167, 2, A-1168, 3, A-1169, 3.5, A-1170 AND 4, A-1171, C.W. POST SURVEY, 1, A-1083, D.L. PHILLIPS SURVEY, 2, A-1082, J.T. LOFTIN SURVEY, 1, A-1229, 4, A-1179, A-1215, A-1217 AND A-1180, JOHN B. SLAUGHTER SURVEY, 1, A-1219, 1, A-1205, 2, A-1218 AND 2, A-1221, L.N. BROOKS SURVEY, 2, A-543, BLOCK 8, JASPER HAYS SURVEY, 1214, A-647, 1216, A-646, 1311, A-338, 1312, A-651, T.T. RR. Co. SURVEY, 1313, A-318, 1314, A-704, 1315, A-317, 1316, A-705, 1317, A-319, 1318, A-709, 1319, A-320, 1320, A-701, 1321, A-322, 1323, A-323, 1324, A-700, 1325, A-321, 1326, A-698, 1327, A-324, 1328, A-697, 1329, A-327, 1330, A-696, 1331, A-325, 1332, A-695 AND 1374, A-706, BLOCK 1, H. & O.B. RR Co. SURVEY, 1, A-544, 1, A-554, 3, A-550, AND 4, A-555, JASPER HAYS SURVEY, 1236, A-644, A.B. & M. SURVEY, 1237, A-315 AND 1238, A-653, G.W.T. & P. RR Co. SURVEY, 1307, A-282 AND 1308, A-748, B.S. & F. SURVEY, 1305, A-339, 1306, A-745, 1309, A-341 AND 1310, A-678, T.T.RR Co. SURVEY, 1, A-1063, 2, A-1064, 4, A-1065, 4.5, A-1066 AND 5, A-1062, HORACE G. BRANDON SURVEY, 1, A-1117, BLOCK H, MRS S.E. HARPER SURVEY, 4, A-1121 AND 5, A-1134, BLOCK M, J.T. LOFTON SURVEY, 1303, A-295, 1304, A-742, 1401, A-294, 1402, A-650, 1403, A-296, 1404, A-679, 1405, A-297, 1406, A-744, 1419, A-302, 1420, A-684, BLOCK 1, E.L. & R.R. RR Co. SURVEY, 1, A-439 AND 2, A-891, H.E. & W.T. RR Co. SURVEY, 1297, A-293 AND 1298, A-643, D. & W. RR Co. SURVEY, 1301, A-316 AND 1302, A-741, G.C. & S.F. RR Co. SURVEY, 1206, A-649, 1207, A-328 AND 1208, A-648, H. & O.B. RR Co. SURVEY, 1281, A-287 AND 1282, A-652, B.S. & F.

SURVEY, 4, A-291, WILLIAM H. COBBS SURVEY, 1239, A-292 AND 1240, A-666, D. & W. RR Co. SURVEY, 1245, A-344, 1246, A-738, 1253, A-345, 1254, A-739, 1255, A-342 AND 1421, A-347, T.T. RR Co. SURVEY, 1247, A-286 AND 1248, A-892, B.S. & F. SURVEY, 1249, A-278, 1250, A-759, 1251, A-275 AND 1252, A-617, A.B. & M. SURVEY, 3, A-425 AND 4, A-894, BLOCK D18, D. & S.E. RR Co. SURVEY, 1273, A-305, E.L. & R.R. RR Co. SURVEY, 1259, A-309, 1260, A-685, 1261, A-310, 1262, A-686, 1263, A-307, 1264, A-1007, 1267, A-308 AND 1268, A-1079, JOHN H. GIBSON SURVEY, 725, A-428 AND 726, A-893, D. & S.E. RR Co. SURVEY, 1305, A-289 AND 1306, A-656, B.S. & F. SURVEY, A-397, SHELBY COUNTY SCHOOL LAND SURVEY, 724, A-1038, BLOCK 9, E.L. & R.R. RR Co. SURVEY, 1269, A-279, 1270, A-1206, 1270, A-1204, 1270, A-1080 AND 1271, A-276, A.B. & M. SURVEY, 4, A-801, BLOCK 1, K. AYCOCK SURVEY, AND 1, A-384, 2, A-1005, 3, A-823, 7, A-386, 8, A-939, 9, A-822 AND 10, A-1006, BLOCK 24, H.E. & W.T. RR Co. SURVEY, ALL LYING IN AND BEING SITUATED OUT OF GARZA COUNTY, TEXAS: SAID 96,900 ACRE TRACT BEING GENERALLY DESCRIBED AS FOLLOWS:

BEGINNING at a point at or near the intersection of the common line of Lynn County, Texas and said Garza County with the north line of Borden County, Texas for the southwest corner hereof and having an approximate Latitude and Longitude of 32.9611° and 101.5575°;

THENCE generally along the common line of said Lynn and Garza Counties the following five (5) calls:

1. North 01°39'09" East an approximate distance of 26438.87 feet to a point for an angle point;
2. North 01°27'15" East an approximate distance of 5315.79 feet to a point for an angle point;
3. North 01°43'50" East an approximate distance of 48382.52 feet to a point for an angle point;
4. North 01°50'22" East an approximate distance of 27318.21 feet to a point for an angle point;
5. North 01°47'10" East an approximate distance of 50448.57 feet to a point at or near the common corner of Lubbock county, Texas, Crosby County, Texas and said Lynn and Garza Counties and the northwest corner hereof and having an approximate Latitude and Longitude of 33.3951°, 101.5568°;

THENCE South 88°29'59" East a distance of 14380.16 feet generally along the common line of said Crosby and Garza Counties to a point for the northerly northeast corner and having an approximate Latitude and Longitude of 33.3952°, 101.5097°;

THENCE South 14°55'02" West a distance of 13293.36 feet crossing said Section 4, A-801, Section 1, A-384 and Section 724, A-1038 to a point at or near the north line of the Shelby County School Land, A-397 for an interior corner hereof;

THENCE South 87°56'46" East a distance of 7517.75 feet generally along said north line to a point at or near the northeast corner of said Shelby County School Land and an ell corner hereof;

THENCE South 02°20'35" West a distance of 9002.43 feet generally along the east line of said

Shelby County School Land and crossing said Section 3, A-550 to a point at or near the north line of said Section 1306, A-656 for an interior corner hereof;

THENCE South $88^{\circ}16'22''$ East a distance of 3636.44 feet generally along the north line of said Section 1306 and said Section 1305, A-289 to a point for an ell corner hereof;

THENCE South $01^{\circ}48'26''$ West a distance of 16278.66 feet crossing said Section 1305, Section 726, A-893, Section 4, A-894 and Section 1239, A-292 to a point for an angle point hereof and having an approximate Latitude and Longitude of 33.2900° , 101.4837° ;

THENCE South $60^{\circ}56'30''$ East a distance of 7362.09 feet crossing said Section 1239, W.11, Cobbs Survey, A-291, and Section 5, A-1062 to a point at or near the east line of said Section 5, A-1062 for an angle point hereof;

THENCE South $41^{\circ}58'34''$ East a distance of 10679.14 feet crossing said Section 1207, A-328, Section 1208, A-648, and Section 1206, A-649 to a point for an angle point hereof;

THENCE South $35^{\circ}41'49''$ East a distance of 5879.46 feet crossing said Section 1206 and Section 1214, A-647 to a point at or near the east line of said Section 1214 for an angle point hereof and having an approximate Latitude and Longitude of 33.2465° , 101.4265° ;

THENCE South $00^{\circ}05'39''$ East a distance of 23152.38 feet generally along the east lines of said Section 1214, A-647, Section 1236, A-644, Section 5, A-1134, Section 1, A-1117 and Section 3.5, A-1170 to a point at or near the common corner of said Section 3.5, Section 1232, A-938, Section 11, A-511 and Section 12, A-510 for an interior corner hereof and having an approximate Latitude and Longitude of 33.1829° , 101.4243° ;

THENCE South $89^{\circ}02'41''$ East a distance of 5187.56 feet generally along the north line of said Section 11, A-511 to a point at or near the northeast corner of said Section 11, A-511 for an ell corner hereof;

THENCE South $00^{\circ}12'13''$ West a distance of 5301.36 feet generally along the east line of said Section 11, A-511 to a point at or near the north line of said Section 9, A-513 for the southeast corner of said Section 11 and interior corner hereof;

THENCE South $89^{\circ}12'06''$ East a distance of 2515.81 feet generally along the north line of said Section 9, A-513 to a point at or near the northeast corner of said Section 9 for an ell corner hereof;

THENCE South $00^{\circ}13'42''$ West a distance of 2963.22 feet generally along the east line of said Section 9 to a point for an ell corner hereof;

THENCE North $89^{\circ}09'53''$ West a distance of 2524.85 feet crossing said Section 9 to a point for an interior corner hereof;

THENCE South $00^{\circ}24'10''$ West a distance of 2377.83 feet to a point at or near the common line of said Section 9 and Section 8, A-487 for an interior corner hereof;

THENCE South 89°30'51" East a distance of 7813.51 feet generally along the north line of said Section 8 and said Section 7, A-480 to a point at or near the northeast corner of said Section 7, A-480 for an ell corner hereof and having an approximate Latitude and Longitude of 33.1542°, 101.3810°;

THENCE South 00°02'12" East a distance of 5625.44 feet generally along the east line of said Section 7 and crossing said Section 9, A-13 to a point for an ell corner hereof;

THENCE North 87°32'19" West a distance of 5330.33 feet crossing said Section 9 and said Section 10, A-1078 to a point for an angle point hereof;

THENCE South 66°19'48" West a distance of 1234.61 feet crossing said Section 10 to a point for an angle point hereof;

THENCE South 02°41'58" West a distance of 4271.65 feet crossing said Section 10 and said Section 10, A-1077 to a point at or near the common line of said Section 10, A-1077 and Section 29, A-575 for an interior corner hereof;

THENCE South 88°21'10" East a distance of 1713.69 feet generally along said common line to a point for an ell corner hereof;

THENCE South 00°15'23" West a distance of 2910.50 feet crossing said Section 29, A-575 to a point for an angle point hereof;

THENCE South 24°42'19" West a distance of 4871.02 feet crossing said Section 29 and said Section 28, A-574 to a point for an ell corner hereof and having an approximate Latitude and Longitude of 33.1055°, 101.4023°;

THENCE North 87°57'01" West a distance of 26071.88 feet crossing said Section 28, Section 31, A-1212, Section 19, A-424 and generally along the south line of said Section 17, A-458, Section 15, A-414, Section 14, A-720 to a point at or near the southerly common corner of said Section 14 and said Section 11, A-410 and an angle point hereof;

THENCE North 87°44'06" West a distance of 16538.32 feet generally along the south line of said Section 11, Section 401, A-348 and Section 405, A-349 to a point at or near the common corner of Section 1, A-500 and said Section 406, A-726, Section 1359, A-306 and Section 405 for an interior corner hereof and having an approximate Latitude and Longitude of 33.1066°, 101.5414°;

THENCE South 02°01'23" West a distance of 10609.03 feet generally along the east line of said Section 1359 and Section 1360, A-723 to a point at or near the easterly common corner of said Section 1360 and Section 276, A-1071 for an angle point hereof;

THENCE South 10°08'25" West a distance of 5344.53 feet generally along the east line of said Section 276 to a point at or near the common corner of said Section 276, Section 275, A-435 and Section 278, A-1068 and an interior corner hereof;

THENCE South 88°56'11" East a distance of 2946.09 feet generally along the north line of said Section 278 to a point at or near the west line of Section 6, A-620 for the northeast corner of said Section 278 and an ell corner hereof and having an approximate Latitude and Longitude of 33.0630°, 101.5346°;

THENCE South 14°27'47" East a distance of 6724.68 feet generally along the east line of said Section 278 and said Section 277, A-429 to a point at or near the westerly common corner of Section 7, A-396 and said Section 18, A-1136 for an interior corner hereof;

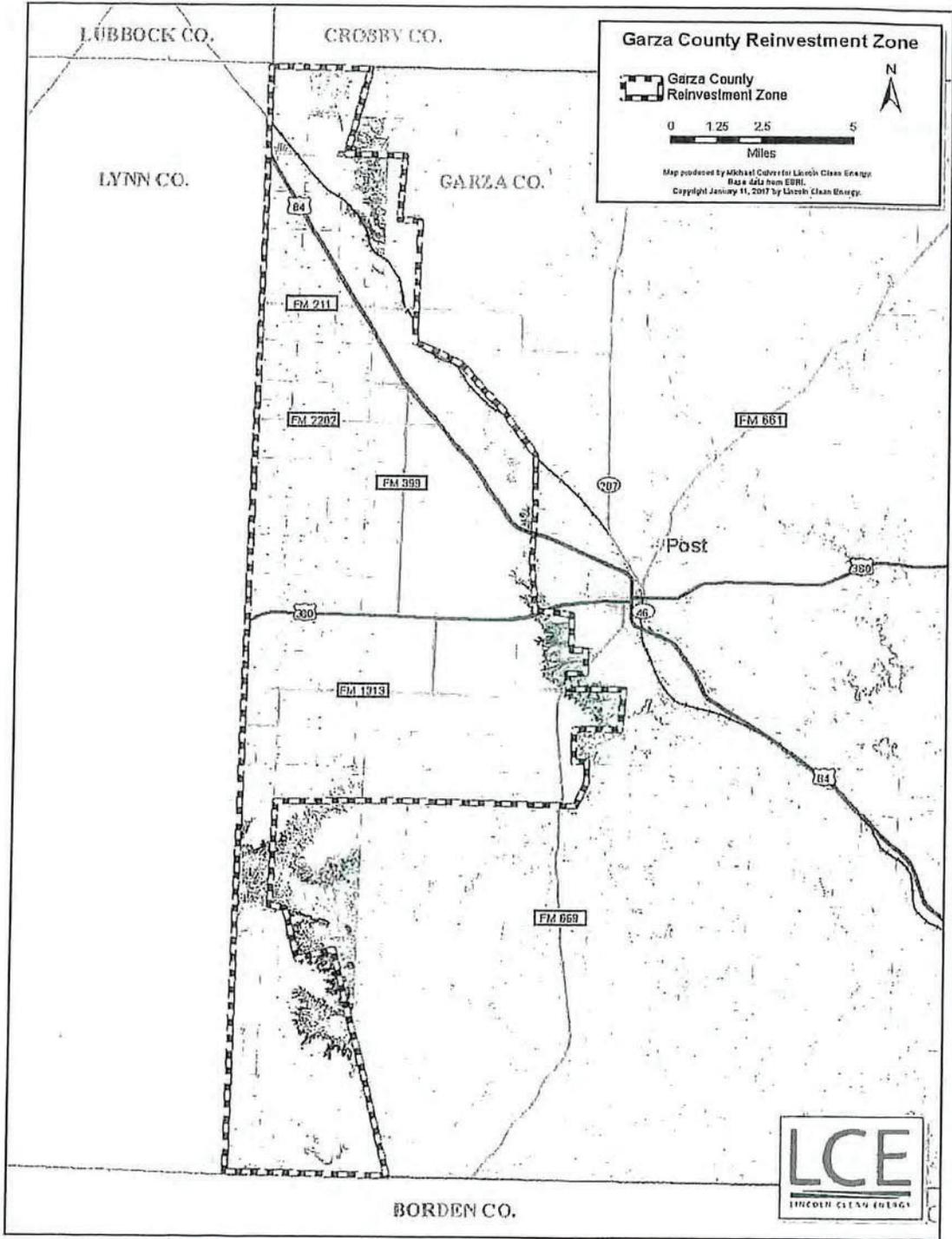
THENCE North 76°01'17" East a distance of 5249.84 feet generally along the north line of said Section 18 to a point at or near the northeast corner of said Section 18 for an ell corner hereof;

THENCE South 14°16'24" East a distance of 33068.50 feet generally along the east line of said Section 18, Section 18, A-1165, Section 14, A-536, Section 1, A-586, Section 19, A-387, Section 16, A-623, Section 3, A-588 and Section 1, A-585 to a point at or near the common line of said Garza and Borden Counties for the southerly southeast corner hereof and having an approximate Latitude and Longitude of 32.9617°, 101.4825°;

THENCE generally along said common line of Garza and Borden Counties the following three (3) calls:

1. North 88°54'14" West a distance of 11259.99 feet to a point for an angle point;
2. North 88°54'43" West a distance of 9365.66 feet to a point for an angle point;
3. North 88°55'11" West a distance of 2382.65 feet to the **POINT OF BEGINNING** and containing 96,900 acres of land, more or less.

Note: Bearings and distances shown hereon are NAD83, Texas North Central Zone, and coordinates shown hereon are WGS84 Latitude (North) and Longitude (West) and all are approximate based on GIS mapping. This description does not constitute a boundary survey and is provided for reference purposes only.



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 → Heath Dickson
Print Name (Authorized School District Representative)

Superintendent
Title

sign here → [Signature]
Signature (Authorized School District Representative)

5-29-19
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.

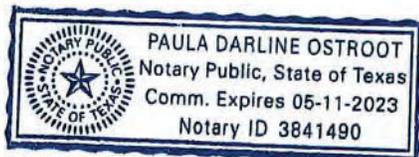
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here → Philip Moore
Print Name (Authorized Company Representative (Applicant))

SP. VICE PRESIDENT
Title

sign here → [Signature]
Signature (Authorized Company Representative (Applicant))

5/28/19
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

28 day of May

[Signature of Paula Darline Ostroot]

Notary Public in and for the State of Texas

My Commission expires: 5/11/2023

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.

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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

November 12, 2019

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

RE: Amendment001 to the Post Independent School District from Antelope Flats Wind, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Amendment001 to Post ISD from Antelope Flats Wind, LLC. The following changes have been made:

1. Section 10 Q1. Per the map provided, Project boundary is located in Garza, therefore only list Garza. (Remove Lynn) - **Updated**
2. Tab 7 & 8. Add language. "This application covers all qualified property in the reinvestment zone and project boundary within Post ISD." - **Updated**
3. Section 14.
 - a. Question 7a. The wages for 7a (all industries) must be set to ownership "Total All." (Ownership was entered as "Private" – which is only correct for the 7b wages). Under Tab 13, please provide a new "Quarterly Employment and Wages (QCEW)" reflecting the change to "Total All." - **Updated**
 - b. Question 7c. Should be **881.93** ($41,691/52= 801.75, 801.75*1.1=881.925=881.93$) - **Updated**
 - c. Question 9. Updated to 45,860.1 - **Updated**
 - d. Question 10. Will need to update to meet minimum. Also update Schedule C with new wage. - **Updated**
4. Schedule A1. Section 9 states the 1st full QTP year will be 2021 (2021-2022). Schedule A1 has the 1st QTP as 2023 you will need to correct. Also update Note 2 which states "Note 2: QTP period begins 1/2/2023" - **Updated**
5. Schedule D. Annual Incentive should be listed as a percent - **Updated**
6. Tab 11 Maps. You will need to make the Project Boundary and RZ lines a solid and darker color. I am unable to distinguish one line from the other.
 - a. Make sure the Roads are dark and pronounced. Also that the Road name is labeled and clear to see. - **Updated**
7. Question from Comptroller (Tab 2): 2 Dates provided, when was the ISD paid?

The Post ISD was paid by means of a UPS overnight package (UPS tracking number 1Z99YA531592683629) on October 8, 2019 by means of confirmed delivery to the attention of Mr. Heath Dickson, the Post ISD Superintendent. The check "cleared" our bank on October 11, 2019.

Question from Comptroller (Tab 2): “*The district received the application on May 15, 2019, is there any reason the fee was received after this date?*”

The fee paid to Post ISD was received after that date for two, primary reasons. First, and most importantly, on May 15, 2019 the School Board was not ready to confirm with Lincoln Clean Energy (LCE) who their law firm/consultant was going to be in our application process OR, for that matter, what the fee was going to be. So, on May 15, 2019 there was not a confirmation of either the Payee or the amount of the check to be cut to Post ISD for our application. Second, once the payee (i.e. Moak Casey) was confirmed, as well as the amount, LCE did cut the check but due to an issue inside LCE—having nothing to do with Post ISD—the check was inadvertently cancelled and had to be reissued. Once the reissued check was obtained, it was sent out to the Post ISD and received by them on October 8, 2019.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Garza County Appraisal District
Antelope Flats Wind, LLC

Texas Comptroller of Public Accounts

SECTION 9: Projected Timeline

- 1. Application approval by school board February 2020
- 2. Commencement of construction Q1 2022
- 3. Beginning of qualifying time period 1/2/2020
- 4. First year of limitation 1/1/2023
- 5. Begin hiring new employees Q1 2023
- 6. Commencement of commercial operations Q4 2022
- 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 2021

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Garza
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Garza 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>Garza, \$0.6554, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Garza County HD, \$0.1649, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>High Plains UWD, \$.007319, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</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? 10,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
- 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

Texas Comptroller of Public Accounts

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? 4
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 779.50
 - b. 110% of the average weekly wage for manufacturing jobs in the county is No wage data available
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 881.93
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? 45,860.10
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 45,860.10
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**.

Tab Item 7

Description of Qualified Investment

Antelope Flats Wind, LLC plans to construct a 155 MW wind farm in Garza County consisting of approximately 55 turbines.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Post ISD. The qualified investment in Post ISD is expected to include approximately fifty five (55) GE 2.82MW wind turbine generators, including 89m towers, nacelles, rotors with 127m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, access roads, meteorological towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the western part of Garza County and eastern part of Lynn County. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the Project will also include an operations and maintenance building that will likely be in the approximate center of the Project. (It is also shown on the map in Tab 11.) The Project will also require a series of new access roads to the turbines, underground electrical collection cables, permanent meteorological towers, a substation, and an overhead transmission line connecting the project substation to the Point of Interconnection.

The Point of Interconnection and a portion of the Project's transmission line are located outside of Garza County. The Qualified Investment that is the subject of this application does not include any Project facilities located outside of Garza County.

The 2,000 ft. of road constructed on the project in late 2016 to assist with Production Tax Credit qualification will not be part of the qualified investment or qualified property.

This application covers all qualified property and qualified investment in the reinvestment zone and project boundary within Post ISD.

Tab Item 8

Description of Qualified Property

Antelope Flats Wind, LLC plans to construct a 155 MW wind farm in Garza County consisting of approximately 55 turbines.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Post ISD. The qualified investment in Post ISD is expected to include approximately fifty five (55) GE 2.82MW wind turbine generators, including 89m towers, nacelles, rotors with 127m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, access roads, meteorological towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the western part of Garza County and eastern part of Lynn County. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

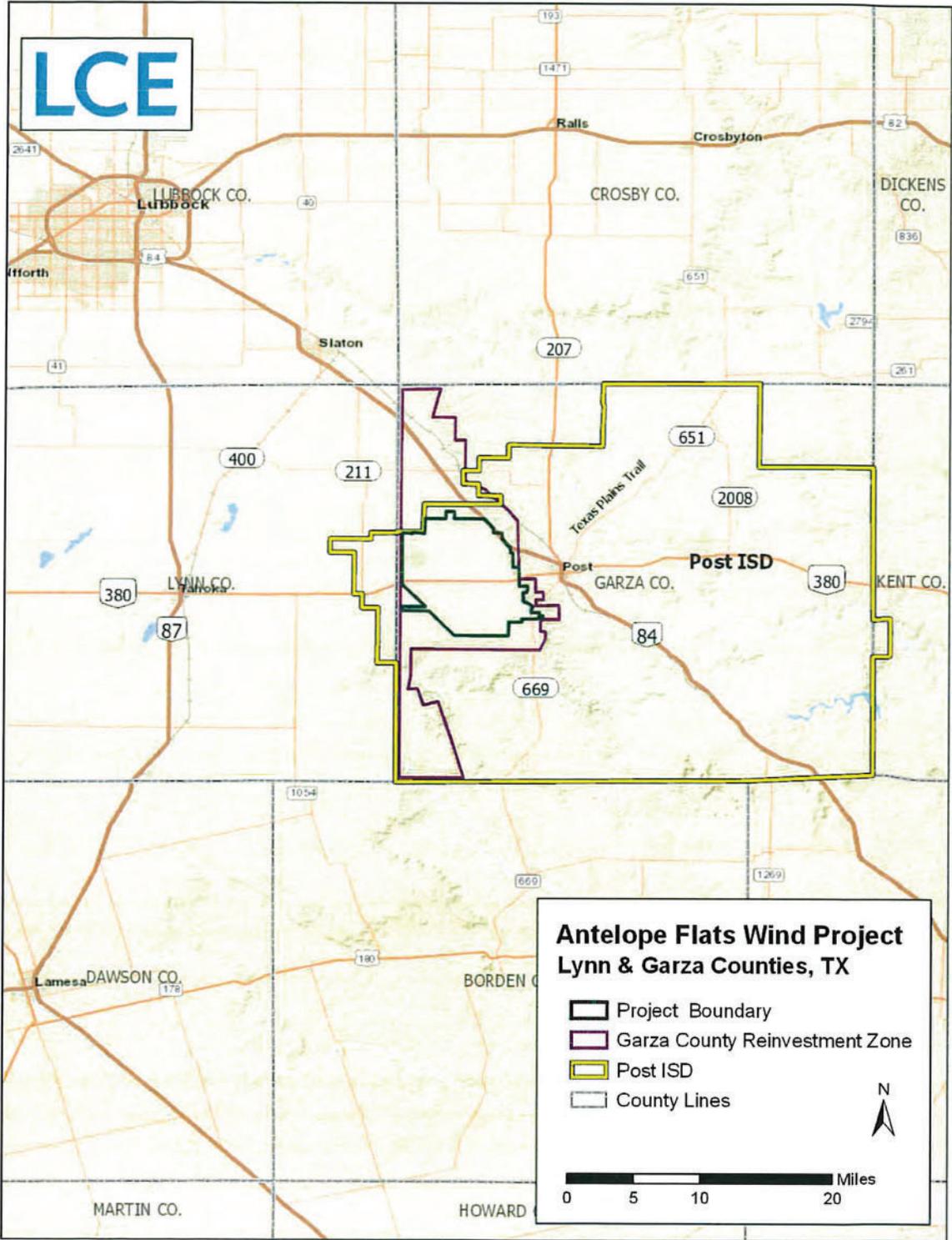
In addition to the wind turbines, the Project will also include an operations and maintenance building that will likely be in the approximate center of the Project. (It is also shown on the map in Tab 11.) The Project will also require a series of new access roads to the turbines, underground electrical collection cables, permanent meteorological towers, a substation, and an overhead transmission line connecting the project substation to the Point of Interconnection.

The Point of Interconnection and a portion of the Project's transmission line are located outside of Garza County. The Qualified Investment that is the subject of this application does not include any Project facilities located outside of Garza County.

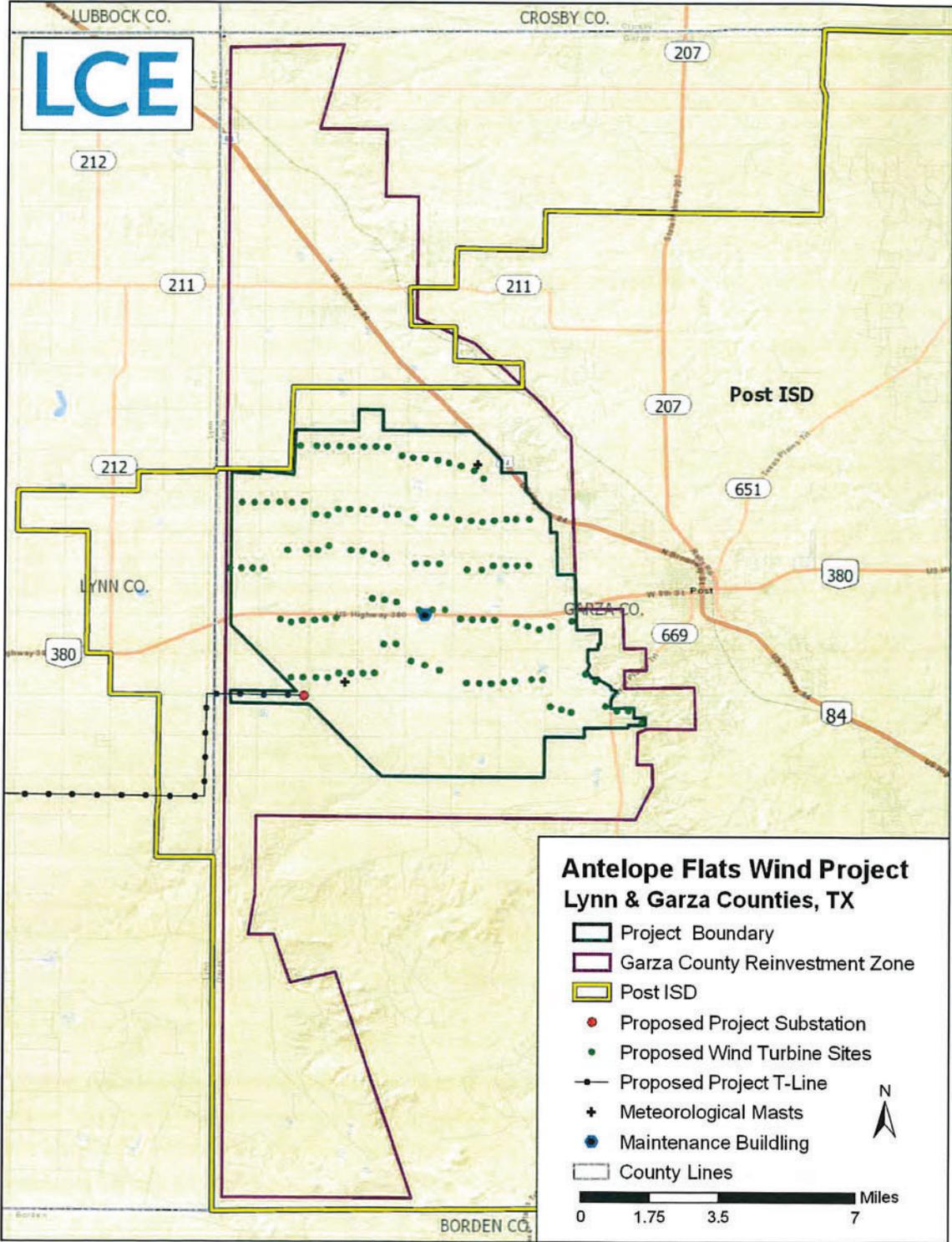
The 2,000 ft. of road constructed on the project in late 2016 to assist with Production Tax Credit qualification will not be part of the qualified investment or qualified property.

This application covers all qualified property and qualified investment in the reinvestment zone and project boundary within Post ISD.

Location of Lynn County, Garza County, Post ISD, Lynn County RZ, Garza County RZ, Project Boundary



**Location of Post ISD Boundary, County Boundary, Reinvestment Zone, Project Boundary,
Qualified Investment, and Qualified Property:**



Tab Item 13

Calculation of three possible wage requirements with TWC documentation

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for All Jobs (All Industries) in Garza County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2018	2 nd Qtr	Garza	Total All	10	Total, All Industries	\$751
2018	3 rd Qtr	Garza	Total All	10	Total, All Industries	\$740
2018	4 th Qtr	Garza	Total All	10	Total, All Industries	\$834
2019	1 st Qtr	Garza	Total All	10	Total, All Industries	\$793
Average						\$779.50

1437-Post-Antelope Flats-Amendment001
November 12, 2019

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2019	01	Garza	Total All	10	Total, All Industries	0	\$ 793.00
2018	02	Garza	Total All	10	Total, All Industries	0	\$ 751.00
2018	03	Garza	Total All	10	Total, All Industries	0	\$ 740.00
2018	04	Garza	Total All	10	Total, All Industries	0	\$ 834.00
Total							\$ 3,118.00
Avg							\$ 779.50

Region	Annual	1.1	\$ 41,691.00
			\$ 45,860.10
			\$ 881.93

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Region

Garza County is included in the South Plains Association of Governments. The most recently reported (2018) average wage for the South Plains Association of Governments is \$41,691.

$$\$41,691 / 52 = \$801.75$$

$$110\% \text{ of } \$801.75 = \$881.925 = \$881.93$$

2018 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	COG Number	Wages	
		Hourly	Annual
Texas		\$27.04	\$56,240
Alamo Area Council of Governments	18	\$22.80	\$47,428
Ark-Tex Council of Governments	5	\$18.73	\$38,962
Brazos Valley Council of Governments	13	\$18.16	\$37,783
Capital Area Council of Governments	12	\$32.36	\$67,318
Central Texas Council of Governments	23	\$19.60	\$40,771
Coastal Bend Council of Governments	20	\$28.52	\$59,318
Concho Valley Council of Governments	10	\$21.09	\$43,874
Deep East Texas Council of Governments	14	\$18.28	\$38,021
East Texas Council of Governments	6	\$21.45	\$44,616
Golden Crescent Regional Planning Commission	17	\$28.56	\$59,412
Heart of Texas Council of Governments	11	\$22.71	\$47,245
Houston-Galveston Area Council	16	\$29.76	\$61,909
Lower Rio Grande Valley Development Council	21	\$17.21	\$35,804
Middle Rio Grande Development Council	24	\$20.48	\$42,604
NORTEX Regional Planning Commission	3	\$25.14	\$52,284
North Central Texas Council of Governments	4	\$27.93	\$58,094
Panhandle Regional Planning Commission	1	\$24.19	\$50,314
Permian Basin Regional Planning Commission	9	\$25.90	\$53,882
Rio Grande Council of Governments	8	\$18.51	\$38,493
South East Texas Regional Planning Commission	15	\$36.26	\$75,430
South Plains Association of Governments	2	\$20.04	\$41,691
South Texas Development Council	19	\$17.83	\$37,088
Texoma Council of Governments	22	\$21.73	\$45,198
West Central Texas Council of Governments	7	\$21.84	\$45,431

Calculated by the Texas Workforce Commission Labor Market and Career Information Department

Data published: July 2019

Data published annually, next update will be July 31, 2020

Annual wage figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment Statistics (OES) data, and is not to be compared to BLS estimates.

Data intended only for use in implementing Chapter 313, Tax Code.

Date
Applicant Name
ISD Name

10.29.19
Antelope Flats Wind, LLC
Post ISD

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

1437-Post-Antelope Flats-Amendment001
November 12, 2019

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 (NOTE)	Column D Other new investment made during this year that may become Qualified Property (NOTE)	Column E Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district			Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is listed.]	
Investment made after filing complete application with district, but before final board approval of application	2019	2019 (see Note 1)					
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	2020	2020					\$0
Complete tax years of qualifying time period	2021	2021	\$161,000,000	\$1,000,000			\$0
	2022	2022					\$162,000,000
Total Investment through Qualifying Time Period (ENTER this row in Schedule A2)			\$161,000,000	\$1,000,000	\$0	\$0	\$162,000,000
Total Qualified Investment (sum of green cells)			Enter amounts from TOTAL row above in Schedule A2				\$162,000,000

Note 1: 2019 is NOT part of the Qualifying Time Period.

Note 2: The Qualifying Time Period begins on 1/1/2021.

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.

Column B: Only tangible personal property that is specifically described in the application can become qualified property.

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

Column D: Dollar value 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 E: 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 D: Other Incentives (Estimated)

Antelope Flats Wind, LLC
Post ISD

Date: 10.29.19

Applicant Name:

ISD Name

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	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: N/A City: N/A Other: N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	County: Garza County City: N/A Other: Garza County Hospital District	2023 2023 10 years	2023 10 years	\$ 1,061,748	95%	\$48,438	\$ 1,061,748	N/A	\$48,438
Local Government Code Chapters 380/381	County: N/A City: N/A Other: N/A	N/A	N/A	\$ 267,138	82%	48,438	\$ 267,138	N/A	48,438
Freepport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL				\$ 1,061,748	\$387,660	\$318,000	\$ 1,061,748	\$387,660	\$318,000

Additional information on incentives for this project:

Annual Net Tax Levy (Garza County and Garza County Hospital District) Years 1-5: \$312.50/MW
Annual Net Tax Levy (Garza County and Garza County Hospital District) Years 6-10: \$375.00/MW

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 → Heath Dickson
Print Name (Authorized School District Representative)

Superintendent
Title

sign here → *Heath Dickson*
Signature (Authorized School District Representative)

11-11-19
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.

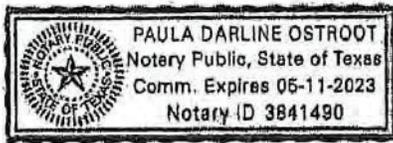
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here → Philip Moore
Print Name (Authorized Company Representative (Applicant))

SVP
Title

sign here → *Philip Moore*
Signature (Authorized Company Representative (Applicant))

11/11/2019
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the
11th day of November
Paula Darline Ostroot
Notary Public in and for the State of Texas
My Commission expires: 5/11/2023

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.

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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

January 17, 2020

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

RE: Supplement001 to the Post Independent School District from Antelope Flats Wind, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Supplement001 to Post ISD from Antelope Flats Wind, LLC. The following changes have been made:

1. Section 2: Applicant Information – Question 2a. Updated contact information to Eric Barnett.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Garza County Appraisal District
Antelope Flats Wind, LLC

SECTION 1: School District Information *(continued)*

3. Authorized School District Consultant *(If Applicable)*

Mali	Hanley
First Name	Last Name
Consultant	
Title	
O'Hanlon, Demerath & Castillo	
Firm Name	
(512) 494-9949	(512) 494-9919
Phone Number	Fax Number
	mhanley@808west.com
Mobile Number <i>(optional)</i>	Email Address

4. On what date did the district determine this application complete?
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Philip	Moore	
First Name	Last Name	
Senior Vice President - Development	Orsted Onshore North America, LLC	
Title	Organization	
401 N. Michigan Ave, Suite 501		
Street Address		
401 N. Michigan Ave, Suite 501		
Mailing Address		
Chicago	IL	60611
City	State	ZIP
312-422-1604	312-527-0538	
Phone Number	Fax Number	
	pmoore@lincolnclean.com	
Mobile Number <i>(optional)</i>	Business Email Address	

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

Eric	Barnett	
First Name	Last Name	
Director of Development	Orsted Onshore North America, LLC	
Title	Organization	
401 N. Michigan Ave, Suite 501		
Street Address		
401 N. Michigan Ave, Suite 501		
Mailing Address		
Chicago	IL	60611
City	State	ZIP
(512) 484-4613	(312) 527-0538	
Phone Number	Fax Number	
	ebarnett@lincolnclean.com	
Mobile Number <i>(optional)</i>	Business Email Address	

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

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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

February 12, 2020

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

RE: Supplement002 to the Post Independent School District from Antelope Flats Wind, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Supplement002 to Post ISD from Antelope Flats Wind, LLC. The following changes have been made:

1. Tab 10 – Company is submitting a letter from the CAD stating land has no value.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

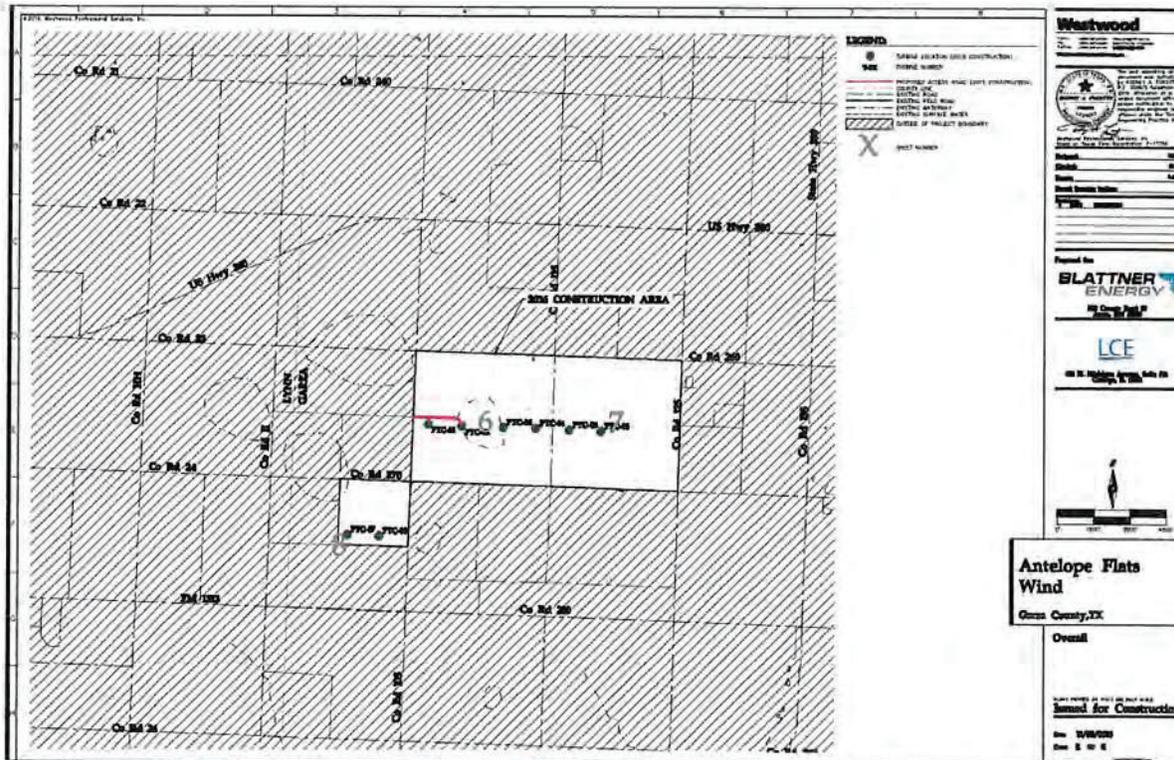
Cc: Garza County Appraisal District
Antelope Flats Wind, LLC

Tab Item 10

Description of all property not eligible to become qualified property

Applicant completed a minor amount of pre-construction work in 2016 at the Project site in order to qualify the Project for the federal income tax Production Tax Credit in accordance with federal law. This pre-construction work consisted of earth-moving to prepare eight (8) holes for turbine foundations (though foundations were not installed) and the installation of 2,000 linear feet of road connecting two foundation holes. All work was completed in Garza County. These pre-construction activities were not deemed to have created taxable improvements by the Garza County Central Appraisal District, and no tax bill was delivered (see letter attached). The pre-construction activities did not result in the creation of any Qualified Property.

The 2016 pre-construction activities occurred on the following described lands with a map below.



GARZA CENTRAL APPRAISAL DISTRICT

P.O. BOX F (124 EAST MAIN STREET)

POST, TX 79356-0290

Phone: 806-495-3518 Fax: 806-495-2055

garzacad@poka.com

February 11, 2020

Re: Antelope Flats Wind LL

To Whom it May Concern:

Please be advised there was no taxable value for Antelope Flats Wind LLC assessed for the Post ISD roll in 2016.

Sincerely,


Diane Josey
Chief Appraiser

Attachment B

Franchise Tax Account Status



Franchise Tax Account Status

As of : 04/27/2020 09:21:30

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

ANTELOPE FLATS WIND, LLC

Texas Taxpayer Number 32061842095

Mailing Address 401 N MICHIGAN AVE STE 501 CHICAGO, IL
60611-5883

Right to Transact Business in Texas ACTIVE

State of Formation DE

Effective SOS Registration Date 10/17/2016

Texas SOS File Number 0802564421

Registered Agent Name NATIONAL REGISTERED AGENTS, INC.

Registered Office Street Address 1999 BRYAN ST., STE. 900 DALLAS, TX 75201

Attachment C

State Comptroller's Certification



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

February 25, 2020

Heath Dickson
Superintendent
Post Independent School District
501 South Avenue K
Post, TX 79356

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Post Independent School District and Antelope Flats Wind, LLC, Application 1437

Dear Superintendent Dickson:

On December 6, 2019, the Comptroller issued written notice that Antelope Flats Wind, LLC (applicant) submitted a completed application (Application 1437) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on May 15, 2019, to the Post Independent School District (school district) by the applicant.

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

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

Determination required by 313.025(h)

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

¹ All Statutory references are to the Texas Tax Code, unless otherwise noted.

- Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
- Sec. 313.024(d-2) Not applicable to Application 1437.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

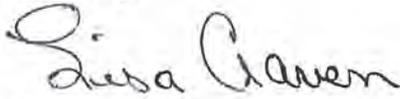
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2020.

Note that any building or improvement existing as of the application review start date of December 6, 2019, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Craven".

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Antelope Flats Wind, LLC (project) applying to Post Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code .1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Antelope Flats Wind, LLC.

Applicant	Antelope Flats Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Post ISD
2018-2019 Average Daily Attendance	760
County	Garza
Proposed Total Investment in District	\$172,000,000
Proposed Qualified Investment	\$162,000,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	4*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$882
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$882
Minimum annual wage committed to by applicant for qualified jobs	\$45,860
Minimum weekly wage required for non-qualifying jobs	\$781
Minimum annual wage required for non-qualifying jobs	\$40,586
Investment per Qualifying Job	\$43,000,000
Estimated M&O levy without any limit (15 years)	\$15,616,368
Estimated M&O levy with Limitation (15 years)	\$5,641,272
Estimated gross M&O tax benefit (15 years)	\$9,975,096

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Antelope Flats Wind, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2021	21	24	45	\$840,000	\$2,160,000	\$3,000,000
2022	150	166	316	\$6,000,000	\$17,000,000	\$23,000,000
2023	4	19	23	\$183,440	\$3,816,560	\$4,000,000
2024	4	17	21	\$183,440	\$2,816,560	\$3,000,000
2025	4	10	14	\$183,440	\$1,816,560	\$2,000,000
2026	4	7	11	\$183,440	\$1,816,560	\$2,000,000
2027	4	5	9	\$183,440	\$1,816,560	\$2,000,000
2028	4	5	9	\$183,440	\$816,560	\$1,000,000
2029	4	6	10	\$183,440	\$816,560	\$1,000,000
2030	4	7	11	\$183,440	\$1,816,560	\$2,000,000
2031	4	8	12	\$183,440	\$1,816,560	\$2,000,000
2032	4	9	13	\$183,440	\$1,816,560	\$2,000,000
2033	4	8	12	\$183,440	\$1,816,560	\$2,000,000
2034	4	8	12	\$183,440	\$1,816,560	\$2,000,000
2035	4	8	12	\$183,440	\$1,816,560	\$2,000,000
2036	4	8	12	\$183,440	\$1,816,560	\$2,000,000

Source: CPA REMI, Antelope Flats Wind, LLC

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Post ISD I&S Tax Levy	Post ISD M&O Tax Levy	Post ISD M&O and I&S Tax Levies	Garza County Tax Levy	Garza County Hospital District Tax Levy	Hight Plains UWD Tax Levy	Estimated Total Property Taxes
2023	\$159,740,000	\$159,740,000		\$926,492	\$1,549,478	\$2,475,970	\$1,046,936	\$263,411	\$11,691	\$3,798,009
2024	\$150,155,600	\$150,155,600		\$870,902	\$1,456,509	\$2,327,412	\$984,120	\$247,607	\$10,990	\$3,570,128
2025	\$141,146,264	\$141,146,264		\$818,648	\$1,369,119	\$2,187,767	\$925,073	\$232,750	\$10,330	\$3,355,920
2026	\$132,677,488	\$132,677,488		\$769,529	\$1,286,972	\$2,056,501	\$869,568	\$218,785	\$9,711	\$3,154,565
2027	\$124,716,839	\$124,716,839		\$723,358	\$1,209,753	\$1,933,111	\$817,394	\$205,658	\$9,128	\$2,965,291
2028	\$117,233,829	\$117,233,829		\$679,956	\$1,137,168	\$1,817,124	\$768,351	\$193,319	\$8,580	\$2,787,374
2029	\$110,199,799	\$110,199,799		\$639,159	\$1,068,938	\$1,708,097	\$722,249	\$181,719	\$8,066	\$2,620,131
2030	\$103,587,811	\$103,587,811		\$600,809	\$1,004,802	\$1,605,611	\$678,915	\$170,816	\$7,582	\$2,462,923
2031	\$97,372,542	\$97,372,542		\$564,761	\$944,514	\$1,509,274	\$638,180	\$160,567	\$7,127	\$2,315,148
2032	\$91,530,190	\$91,530,190		\$530,875	\$887,843	\$1,418,718	\$599,889	\$150,933	\$6,699	\$2,176,239
2033	\$86,038,378	\$86,038,378		\$499,023	\$834,572	\$1,333,595	\$563,896	\$141,877	\$6,297	\$2,045,665
2034	\$80,876,076	\$80,876,076		\$469,081	\$784,498	\$1,253,579	\$530,062	\$133,365	\$5,919	\$1,922,925
2035	\$76,023,511	\$76,023,511		\$440,936	\$737,428	\$1,178,364	\$498,258	\$125,363	\$5,564	\$1,807,549
2036	\$71,462,100	\$71,462,100		\$414,480	\$693,182	\$1,107,663	\$468,363	\$117,841	\$5,230	\$1,699,096
2037	\$67,174,374	\$67,174,374		\$389,611	\$651,591	\$1,041,203	\$440,261	\$110,771	\$4,916	\$1,597,151
			Total	\$9,337,622	\$15,616,368	\$24,953,989	\$10,551,513	\$2,654,782	\$117,831	\$38,278,116

Source: CPA, Antelope Flats Wind, LLC

*Tax Rate per \$100 Valuation

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

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Post ISD I&S Tax Levy	Post ISD M&O Tax Levy	Post ISD M&O and I&S Tax Levies	Garza County Tax Levy	Garza County Hospital District Tax Levy	Hight Plains UWD Tax Levy	Estimated Total Property Taxes	
				0.5800	0.9700		0.6554	0.1649	0.0073		
2023	\$159,740,000	\$20,000,000		\$926,492	\$194,000	\$1,120,492	\$52,347	\$263,411	\$11,691	\$1,447,941	
2024	\$150,155,600	\$20,000,000		\$870,902	\$194,000	\$1,064,902	\$49,206	\$247,607	\$10,990	\$1,372,705	
2025	\$141,146,264	\$20,000,000		\$818,648	\$194,000	\$1,012,648	\$46,254	\$232,750	\$10,330	\$1,301,983	
2026	\$132,677,488	\$20,000,000		\$769,529	\$194,000	\$963,529	\$43,478	\$218,785	\$9,711	\$1,235,504	
2027	\$124,716,839	\$20,000,000		\$723,358	\$194,000	\$917,358	\$40,870	\$205,658	\$9,128	\$1,173,013	
2028	\$117,233,829	\$20,000,000		\$679,956	\$194,000	\$873,956	\$38,418	\$193,319	\$8,580	\$1,114,273	
2029	\$110,199,799	\$20,000,000		\$639,159	\$194,000	\$833,159	\$36,112	\$181,719	\$8,066	\$1,059,056	
2030	\$103,587,811	\$20,000,000		\$600,809	\$194,000	\$794,809	\$33,946	\$170,816	\$7,582	\$1,007,153	
2031	\$97,372,542	\$20,000,000		\$564,761	\$194,000	\$758,761	\$31,909	\$160,567	\$7,127	\$958,364	
2032	\$91,530,190	\$20,000,000		\$530,875	\$194,000	\$724,875	\$29,994	\$150,933	\$6,699	\$912,502	
2033	\$86,038,378	\$86,038,378		\$499,023	\$834,572	\$1,333,595	\$563,896	\$141,877	\$6,297	\$2,045,665	
2034	\$80,876,076	\$80,876,076		\$469,081	\$784,498	\$1,253,579	\$530,062	\$133,365	\$5,919	\$1,922,925	
2035	\$76,023,511	\$76,023,511		\$440,936	\$737,428	\$1,178,364	\$498,258	\$125,363	\$5,564	\$1,807,549	
2036	\$71,462,100	\$71,462,100		\$414,480	\$693,182	\$1,107,663	\$468,363	\$117,841	\$5,230	\$1,699,096	
2037	\$67,174,374	\$67,174,374		\$389,611	\$651,591	\$1,041,203	\$440,261	\$110,771	\$4,916	\$1,597,151	
				Total	\$9,337,622	\$5,641,272	\$14,978,894	\$2,903,373	\$2,654,782	\$117,831	\$20,654,880
				Diff	\$0	\$9,975,096	\$9,975,096	\$7,648,140	\$0	\$0	\$17,623,236

Assumes School Value Limitation and Tax Abatements with the County and Hospital District.

Source: CPA, Antelope Flats Wind, LLC

*Tax Rate per \$100 Valuation

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

Attachment B - Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller's determination that Antelope Flats Wind, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2023	\$194,000	\$194,000	\$1,355,478	\$1,355,478
	2024	\$194,000	\$388,000	\$1,262,509	\$2,617,987
	2025	\$194,000	\$582,000	\$1,175,119	\$3,793,106
	2026	\$194,000	\$776,000	\$1,092,972	\$4,886,078
	2027	\$194,000	\$970,000	\$1,015,753	\$5,901,831
	2028	\$194,000	\$1,164,000	\$943,168	\$6,844,999
	2029	\$194,000	\$1,358,000	\$874,938	\$7,719,937
	2030	\$194,000	\$1,552,000	\$810,802	\$8,530,739
	2031	\$194,000	\$1,746,000	\$750,514	\$9,281,253
	2032	\$194,000	\$1,940,000	\$693,843	\$9,975,096
Maintain Viable Presence (5 Years)	2033	\$834,572	\$2,774,572	\$0	\$9,975,096
	2034	\$784,498	\$3,559,070	\$0	\$9,975,096
	2035	\$737,428	\$4,296,498	\$0	\$9,975,096
	2036	\$693,182	\$4,989,681	\$0	\$9,975,096
	2037	\$651,591	\$5,641,272	\$0	\$9,975,096
Additional Years as Required by 313.026(c)(1) (10 Years)	2038	\$612,496	\$6,253,768	\$0	\$9,975,096
	2039	\$575,746	\$6,829,514	\$0	\$9,975,096
	2040	\$541,201	\$7,370,716	\$0	\$9,975,096
	2041	\$508,729	\$7,879,445	\$0	\$9,975,096
	2042	\$478,206	\$8,357,651	\$0	\$9,975,096
	2043	\$449,513	\$8,807,164	\$0	\$9,975,096
	2044	\$422,542	\$9,229,706	\$0	\$9,975,096
	2045	\$397,190	\$9,626,896	\$0	\$9,975,096
	2046	\$373,359	\$10,000,255	\$0	\$9,975,096
	2047	\$350,957	\$10,351,212	\$0	\$9,975,096

\$10,351,212
 is greater than **\$9,975,096**

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes

Source: CPA, Antelope Flats Wind, LLC

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

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller's determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Antelope Flats Wind, LLC's decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per Antelope Flats Wind, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, airspace, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability”
 - B. “The applicant's current projects in development include projects in the following states: Nebraska, South Dakota, New Mexico, Colorado, and Virginia. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.”
 - C. “Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.”
- Provided by Applicant
 - A. The Project has not been known by any other names during its development. The Project applied to ERCOT on December 21st, 2018, and it has been assigned GINR number 20INR0233.
 - B. Antelope Flats Wind, LLC (“Antelope Flats Wind”) is a Delaware limited liability company. Antelope Flats Wind has one member with 100% ownership, Lincoln Clean Energy, LLC (“LCE”).

- Provided by Applicant
 - A. CG Wharton County, LLC is also known as Sandy Branch Solar, Inverter Fields Solar and Wharton County Solar Project.
 - B. "Based on ConnectGEN's preliminary investment and investigations, the Sandy Branch Solar Project appears to have a high quality energy resource and other development factors that would make it a potentially attractive project for further investment, and ConnectGEN is excited about the potential opportunity to make this significant investment in Texas and in Wharton County."
 - C. The project requested an ERCOT Screening Study on January 3rd 2019 and a Full Interconnection Study on March 29th 2019. The ERCOT INR number is 22INR0205

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value

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

Supporting Information

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

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

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

Supporting Information

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

Tab Item 5

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

Antelope Flats Wind, LLC ("Antelope Flats Wind") is a Delaware limited liability company. Antelope Flats Wind has one member with 100% ownership, Lincoln Clean Energy, LLC ("LCE"). LCE has successfully developed projects involving over \$1 billion in capital investments in some of the largest electricity markets in the United States, including California, New Jersey, and Texas.

The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, airspace, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability.

The Project has not been known by any other names during its development. The Project applied to ERCOT on December 21st, 2018, and it has been assigned GINR number 20INR0233.

For the project to qualify for the federal income tax Production Tax Credit (PTC), the Applicant was required to complete a minimum amount of PTC qualification work before the statutorily imposed deadline of December 31, 2016. This work consisted of earth-moving to prepare eight (8) holes for turbine foundations (though foundations were not installed) and installation of 2,000 linear feet of road connecting two foundation holes.

The Applicant is a national wind developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. The applicant's current projects in development include projects in the following states: Nebraska, South Dakota, New Mexico, Colorado, and Virginia. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.

Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.

Attachment D

Summary of Financial Impact

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED ANTELOPE FLATS
WIND, LLC PROJECT IN THE POST INDEPENDENT
SCHOOL DISTRICT
(PROJECT # 1437)**

PREPARED BY



JANUARY 10, 2020

Executive Summary

Antelope Flats Wind, LLC (Company) has requested that the Post Independent School District (PISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to PISD on the Company plans to invest \$159.7 million in new taxable value to construct a renewable energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Antelope Flats project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others, although few of these other types of projects have been the basis for Chapter 313 applications.

Under the provisions of Chapter 313, PISD may offer a minimum value limitation of \$20 million. This value limitation, under the proposed application, will begin in the 2023-24 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report. This analysis incorporates to the fullest extent possible the changes approved in House Bill 3 as approved in 2019, the most significant school finance revisions in more than 30 years. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to PISD	\$1.4 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$8.4 million

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. A Completeness Letter was issued for this application on December 6, 2019.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of

the project and provide its certificate for a limitation on appraised value. After the certificate is received, the district has until the 150th day from the receipt of the Completeness Letter to adopt an agreement, although extensions may be requested by the Company and granted by the District.

After the Comptroller's certificate is received, O'Hanlon, Demerath & Castillo (O'Hanlon firm) will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

Prior to final board meeting, the O'Hanlon firm will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. In some instances, the school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting.

How the 313 Agreement Interacts with Texas School Finance

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). Recapture costs are primarily a Tier I issue, although Tier II also can involve recapture costs for some school districts.

The basic allotment is now set at \$6,160 per weighted ADA (WADA) and is the basis for Tier I calculations. In the case of Tier II, the first eight cents of additional tax effort can be used to generate state aid of up to \$98.56 per WADA for what are known as "golden" pennies. Tax effort for golden pennies is not subject to recapture. Up to an additional nine cents may be levied to generate \$49.28 per WADA for what are known as "copper" pennies (generating half the revenue per WADA of the golden pennies).

Changes in the recapture calculation are an important part of HB 3, for those districts subject to recapture under the new law. Rather than being tied to property wealth exceeding an equalized wealth level per WADA, recapture is now defined as the amount of revenue collected in excess of a district's Tier I allotment, or for Tier II the amount of collections in excess of the entitlement provided for tax effort generating copper-penny level state aid. (Golden pennies are not subject to recapture.) The changes in the recapture methodology may affect the results of revenue protection payments relative to what was calculated when the equalized wealth level was used to determine the amount of recapture owed the state by school districts subject to recapture. It does not appear to be an issue for PISD, based on the calculations shown below.

Another significant school funding change is establishing current-year property values to determine state funding and recapture under the Foundation School Program. The traditional

approach for the last 30 years has been to rely upon prior-year state property values as determined annually under the Comptroller's State Property Value Study (Section 403 of the Government Code). The change in House Bill 3 calls for using current-year property values as determined by the Comptroller's Property Value Study, without an explanation as to how the property value study is to be completed on a real-time basis.

While school district funding will now be determined based on current-year property values, House Bill 3 included language that addressed the property values to be used in determining calculating revenue protection payments under Chapter 313 agreements. This information is contained in Section 48.256(d), Education Code, as shown below:

- d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. **A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year [emphasis added].**

Given the directive regarding the use of preceding-tax-year values to calculate revenue protection payments required under Chapter 313 agreements, the amounts collected are expected to be consistent with the patterns shown since these calculations were first calculated under the standard Chapter 313 agreement language, dating back to 2004. The most significant impact is typically in the first limitation year, although major value increases in project values in later limitation years may also trigger a revenue protection payment. The additional factor that may generate a variance with the traditional pattern of revenue protection amounts is the new methodology in the calculation of recapture, as noted previously.

The calculations shown below are based on the Section 48.256(d), Education Code directive to use preceding-tax-year property values to determine the revenue protection payment, if any, owed to the school district under the terms of the Chapter 313 Agreement between the Applicant and the School District. These calculations are to be made for each of the 10 limitation years under the terms of the Agreement. Chapter 313 will be subject to legislative renewal in 2021 and any changes made may impact these calculations moving forward.

(For more detailed information on the school finance funding system, please review the Texas Education Agency's (TEA) website. The current information is expected to be updated as the details of House Bill 3 implementation are determined by TEA.

The implementation of recent legislative action on school funding in House Bill 3 could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment is now set to \$6,160, the Tier II golden penny yield is set to \$98.56 per WADA for up to eight cents, while the copper penny yield is \$49.28 per WADA for up to nine cents of local tax effort. These are maintained for future years at this time.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used.

ADA:	768
Local M&O Tax Base	\$438.4 million
2019-20 M&O Tax Rate:	\$0.9701 per \$100 of Taxable Value
2020-21 Projected M&O Tax Rate:	\$0.9566 per \$100 of Taxable Value
I&S Tax Rate:	\$0.5800 per \$100 of Taxable Value

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

Table 1 – Base District Information with Antelope Flats Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP0	2022-23	768.49	1,284.05	\$0.9566	\$0.5800	\$473,965,117	\$473,965,117	\$369,116	\$369,116
QTP1/VL1	2023-24	768.49	1,284.05	\$0.9566	\$0.5800	\$489,462,679	\$489,462,679	\$381,186	\$381,186
VL2	2024-25	768.49	1,284.05	\$0.9566	\$0.5800	\$665,206,976	\$525,466,976	\$518,053	\$409,225
VL3	2025-26	768.49	1,284.05	\$0.9566	\$0.5800	\$672,150,176	\$541,994,576	\$523,460	\$422,097
VL4	2026-27	768.49	1,284.05	\$0.9566	\$0.5800	\$680,208,854	\$559,062,590	\$529,736	\$435,389
VL5	2027-28	768.49	1,284.05	\$0.9566	\$0.5800	\$689,366,177	\$576,688,689	\$536,867	\$449,116
VL6	2028-29	768.49	1,284.05	\$0.9566	\$0.5800	\$699,607,959	\$594,891,120	\$544,844	\$463,292
VL7	2029-30	768.49	1,284.05	\$0.9566	\$0.5800	\$710,922,557	\$613,688,729	\$553,655	\$477,931
VL8	2030-31	768.49	1,284.05	\$0.9566	\$0.5800	\$723,300,774	\$633,100,976	\$563,295	\$493,049
VL9	2031-32	768.49	1,284.05	\$0.9566	\$0.5800	\$736,735,769	\$653,147,958	\$573,758	\$508,661
VL10	2032-33	768.49	1,284.05	\$0.9566	\$0.5800	\$751,222,973	\$673,850,431	\$585,040	\$524,784
VP1	2033-34	768.49	1,284.05	\$0.9566	\$0.5800	\$766,760,016	\$695,229,826	\$597,140	\$541,434
VP2	2034-35	768.49	1,284.05	\$0.9566	\$0.5800	\$783,346,656	\$783,346,656	\$610,058	\$610,058
VP3	2035-36	768.49	1,284.05	\$0.9566	\$0.5800	\$800,984,720	\$800,984,720	\$623,794	\$623,794
VP4	2036-37	768.49	1,284.05	\$0.9566	\$0.5800	\$819,678,041	\$819,678,041	\$638,352	\$638,352
VP5	2037-38	768.49	1,284.05	\$0.9566	\$0.5800	\$839,432,412	\$839,432,412	\$653,737	\$653,737

*Basic Allotment: \$6,160; Golden Penny Yield: \$98.56; Copper Penny Yield: \$49.28

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact of the Antelope Flats Project on PISD

A model is established to make a calculation of the "Baseline Revenue Model" (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the "Value Limitation Revenue Model" (Table 3) by adding the project's limited value of \$20 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$1.4 million over the course of the Agreement, with all the loss reflected in the first limitation year (2023-24).

Table 2- "Baseline Revenue Model" --Project Value Added to DPV with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP0	2022-23	\$4,507,874	\$3,881,996	\$0	\$197,235	\$329,305	\$0	-\$9,794	\$8,906,616
QTP1/VL1	2023-24	\$6,112,067	\$3,739,961	\$0	\$267,424	\$423,750	\$0	-\$13,308	\$10,529,894
VL2	2024-25	\$6,172,774	\$2,129,268	\$0	\$270,080	\$243,744	\$0	-\$13,447	\$8,802,419
VL3	2025-26	\$6,243,609	\$2,065,633	\$0	\$273,180	\$240,925	\$0	-\$13,608	\$8,809,739
VL4	2026-27	\$6,324,414	\$1,991,776	\$0	\$276,715	\$238,239	\$0	-\$13,792	\$8,817,352
VL5	2027-28	\$6,415,056	\$1,907,849	\$0	\$280,681	\$234,512	\$0	-\$13,997	\$8,824,101
VL6	2028-29	\$6,515,425	\$1,813,983	\$0	\$285,073	\$230,344	\$0	-\$14,223	\$8,830,602
VL7	2029-30	\$6,625,434	\$1,710,285	\$0	\$289,886	\$226,294	\$0	-\$14,471	\$8,837,428
VL8	2030-31	\$6,745,015	\$1,596,839	\$0	\$295,118	\$221,243	\$0	-\$14,740	\$8,843,475
VL9	2031-32	\$6,874,123	\$1,473,707	\$0	\$300,767	\$215,762	\$0	-\$15,030	\$8,849,329
VL10	2032-33	\$7,012,734	\$1,340,932	\$0	\$306,832	\$209,851	\$0	-\$15,341	\$8,855,008
VP1	2033-34	\$7,148,735	\$1,198,536	\$0	\$312,782	\$203,512	\$0	-\$15,673	\$8,847,892
VP2	2034-35	\$7,307,296	\$1,046,519	\$0	\$319,720	\$196,745	\$0	-\$16,026	\$8,854,254
VP3	2035-36	\$7,475,340	\$884,867	\$0	\$327,072	\$189,548	\$0	-\$16,400	\$8,860,427
VP4	2036-37	\$7,652,918	\$713,543	\$0	\$334,842	\$182,367	\$0	-\$16,795	\$8,866,875
VP5	2037-38	\$7,840,100	\$532,495	\$0	\$343,032	\$174,287	\$0	-\$17,212	\$8,872,702

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$9.8 million over the life of the agreement. The PISD revenue losses are expected to total approximately \$1.4 million. The total potential net tax benefits (after hold-harmless payments are made) are estimated to total \$8.4 million, prior to any negotiations with Antelope Flats on supplemental payments. (See Table 5.)

It should be noted that a key element in the revenue-loss calculation appears to be linked to the retention of prior-year property values in the calculation of the revenue protection amount for the 2023-24 school year. Under the standard agreement, these calculations are based on whatever school finance and property tax laws are in effect each year. With a legislative session occurring in 2021, there could be changes made to current school finance law. While the District will still be protected against revenue losses, these calculations may be reduced below what we are projecting under what is now current law.

Table 3- "Value Limitation Revenue Model" --Project Value Added to DPV with Value Limitation in Effect

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
		State Aid	State Aid						
QTP0	2022-23	\$4,507,874	\$3,881,996	\$0	\$197,235	\$329,305	\$0	-\$9,794	\$8,906,616
QTP1/VL1	2023-24	\$4,831,352	\$3,739,961	\$0	\$211,389	\$335,275	\$0	-\$11,568	\$9,106,409
VL2	2024-25	\$4,979,900	\$3,409,982	\$0	\$217,888	\$307,139	\$0	-\$11,827	\$8,903,082
VL3	2025-26	\$5,133,306	\$3,258,507	\$0	\$224,600	\$299,557	\$0	-\$12,100	\$8,903,870
VL4	2026-27	\$5,291,727	\$3,102,079	\$0	\$231,532	\$292,491	\$0	-\$12,389	\$8,905,440
VL5	2027-28	\$5,455,328	\$2,940,536	\$0	\$238,690	\$285,194	\$0	-\$12,693	\$8,907,055
VL6	2028-29	\$5,624,279	\$2,773,711	\$0	\$246,082	\$277,658	\$0	-\$13,013	\$8,908,717
VL7	2029-30	\$5,798,754	\$2,601,431	\$0	\$253,716	\$269,224	\$0	-\$13,348	\$8,909,777
VL8	2030-31	\$5,978,934	\$2,423,519	\$0	\$261,599	\$261,206	\$0	-\$13,699	\$8,911,559
VL9	2031-32	\$6,165,005	\$2,239,788	\$0	\$269,741	\$252,927	\$0	-\$14,067	\$8,913,394
VL10	2032-33	\$6,357,161	\$2,050,050	\$0	\$278,148	\$244,377	\$0	-\$14,450	\$8,915,286
VP1	2033-34	\$7,148,735	\$1,854,109	\$0	\$312,782	\$256,650	\$0	-\$15,673	\$9,556,603
VP2	2034-35	\$7,307,296	\$1,046,519	\$0	\$319,720	\$196,745	\$0	-\$16,026	\$8,854,254
VP3	2035-36	\$7,475,340	\$884,867	\$0	\$327,072	\$189,548	\$0	-\$16,400	\$8,860,427
VP4	2036-37	\$7,652,918	\$713,543	\$0	\$334,842	\$182,367	\$0	-\$16,795	\$8,866,875
VP5	2037-38	\$7,840,100	\$532,495	\$0	\$343,032	\$174,287	\$0	-\$17,212	\$8,872,702

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

Table 4 - Value Limitation Revenue Model Less Baseline Revenue Model with No Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
		State Aid	State Aid						
QTP0	2022-23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1/VL1	2023-24	-\$1,280,715	\$0	\$0	-\$56,035	-\$88,475	\$0	\$1,740	-\$1,423,485
VL2	2024-25	-\$1,192,874	\$1,280,714	\$0	-\$52,192	\$63,395	\$0	\$1,620	\$100,663
VL3	2025-26	-\$1,110,303	\$1,192,874	\$0	-\$48,580	\$58,632	\$0	\$1,508	\$94,131
VL4	2026-27	-\$1,032,687	\$1,110,303	\$0	-\$45,183	\$54,252	\$0	\$1,403	\$88,088
VL5	2027-28	-\$959,728	\$1,032,687	\$0	-\$41,991	\$50,682	\$0	\$1,304	\$82,954
VL6	2028-29	-\$891,146	\$959,728	\$0	-\$38,991	\$47,314	\$0	\$1,210	\$78,115
VL7	2029-30	-\$826,680	\$891,146	\$0	-\$36,170	\$42,930	\$0	\$1,123	\$72,349
VL8	2030-31	-\$766,081	\$826,680	\$0	-\$33,519	\$39,963	\$0	\$1,041	\$68,084
VL9	2031-32	-\$709,118	\$766,081	\$0	-\$31,026	\$37,165	\$0	\$963	\$64,065
VL10	2032-33	-\$655,573	\$709,118	\$0	-\$28,684	\$34,526	\$0	\$891	\$60,278
VP1	2033-34	\$0	\$655,573	\$0	\$0	\$53,138	\$0	\$0	\$708,711
VP2	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2035-36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2036-37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2037-38	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

Table 5 - Estimated Financial Impact of the Antelope Flats Project Property Value Limitation Request Submitted to PISD at \$0.95660 per \$100 M&O Tax Rate

Year of Agreement	School Year	Project Taxable Value for M&O if No Limitation	Project Taxable Value for M&O with Limitation	Assumed M&O Tax Rate	Tax Savings to Company	School District Revenue Protection	Estimated Net Tax Benefits
QTP0	2022-23	\$0	\$0	\$0.95660	\$0	\$0	\$0
QTP1/VL1	2023-24	\$159,740,000	\$20,000,000	\$0.95660	\$1,336,750	-\$1,423,485	-\$86,735
VL2	2024-25	\$150,155,600	\$20,000,000	\$0.95660	\$1,245,066	\$0	\$1,245,066
VL3	2025-26	\$141,146,264	\$20,000,000	\$0.95660	\$1,158,883	\$0	\$1,158,883
VL4	2026-27	\$132,677,488	\$20,000,000	\$0.95660	\$1,077,871	\$0	\$1,077,871
VL5	2027-28	\$124,716,839	\$20,000,000	\$0.95660	\$1,001,719	\$0	\$1,001,719
VL6	2028-29	\$117,233,829	\$20,000,000	\$0.95660	\$930,137	\$0	\$930,137
VL7	2029-30	\$110,199,799	\$20,000,000	\$0.95660	\$862,850	\$0	\$862,850
VL8	2030-31	\$103,587,811	\$20,000,000	\$0.95660	\$799,600	\$0	\$799,600
VL9	2031-32	\$97,372,542	\$20,000,000	\$0.95660	\$740,144	\$0	\$740,144
VL10	2032-33	\$91,530,190	\$20,000,000	\$0.95660	\$684,257	\$0	\$684,257
VP1	2033-34	\$86,038,378	\$86,038,378	\$0.95660	\$0	\$0	\$0
VP2	2034-35	\$80,876,076	\$80,876,076	\$0.95660	\$0	\$0	\$0
VP3	2035-36	\$76,023,511	\$76,023,511	\$0.95660	\$0	\$0	\$0
VP4	2036-37	\$71,462,100	\$71,462,100	\$0.95660	\$0	\$0	\$0
VP5	2037-38	\$67,174,374	\$67,174,374	\$0.95660	\$0	\$0	\$0
					\$9,837,277	-\$1,423,485	\$8,413,792

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations, which could be significant under HB 3.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with PISD currently levying a \$0.5800 per \$100 I&S rate. As shown in the Table 6 below, local taxpayers could see a substantial benefit from the addition of the Antelope Flats project to the local I&S tax roll. Based on the data presented here, in the peak value year of 2023-24, the I&S rate could be decreased by as much as 14 cents from the current \$0.58 I&S rate levy.

The rate decrease associated with the Antelope Flats project would be reduced in future years as the project value depreciates, but the values included in the application represent the potential for a substantial benefit for local taxpayers. This becomes more critical since this analysis indicates that PISD is no longer eligible for state facilities support, based in its taxable values per student prior to the addition of the renewable energy project.

The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Table 6 - Estimated Impact of the Antelope Flats Project Property Value Limitation Request on PISD I&S Tax Rate

Year of Agreement	School Year	I&S Rate w/out Project	Local Value w/out Project	I&S Taxes w/out Project	Project Full Taxable Value	I&S Rate with Project Value	Change in I&S Rate
QTP0	2022-23	\$0.5800	\$498,595,764	\$2,891,855	\$0	\$0.580000	\$0.0000
QTP1/VL1	2023-24	\$0.5800	\$498,595,764	\$2,891,855	\$159,740,000	\$0.439268	-\$0.1407
VL2	2024-25	\$0.5800	\$498,595,764	\$2,891,855	\$150,155,600	\$0.445757	-\$0.1342
VL3	2025-26	\$0.5800	\$498,595,764	\$2,891,855	\$141,146,264	\$0.452035	-\$0.1280
VL4	2026-27	\$0.5800	\$498,595,764	\$2,891,855	\$132,677,488	\$0.458099	-\$0.1219
VL5	2027-28	\$0.5800	\$498,595,764	\$2,891,855	\$124,716,839	\$0.463949	-\$0.1161
VL6	2028-29	\$0.5800	\$498,595,764	\$2,891,855	\$117,233,829	\$0.469587	-\$0.1104
VL7	2029-30	\$0.5800	\$498,595,764	\$2,891,855	\$110,199,799	\$0.475013	-\$0.1050
VL8	2030-31	\$0.5800	\$498,595,764	\$2,891,855	\$103,587,811	\$0.480228	-\$0.0998
VL9	2031-32	\$0.5800	\$498,595,764	\$2,891,855	\$97,372,542	\$0.485236	-\$0.0948
VL10	2032-33	\$0.5800	\$498,595,764	\$2,891,855	\$91,530,190	\$0.490040	-\$0.0900
VP1	2033-34	\$0.5800	\$498,595,764	\$2,891,855	\$86,038,378	\$0.494644	-\$0.0854
VP2	2034-35	\$0.5800	\$498,595,764	\$2,891,855	\$80,876,076	\$0.499050	-\$0.0809
VP3	2035-36	\$0.5800	\$498,595,764	\$2,891,855	\$76,023,511	\$0.503265	-\$0.0767
VP4	2036-37	\$0.5800	\$498,595,764	\$2,891,855	\$71,462,100	\$0.507292	-\$0.0727
VP5	2037-38	\$0.5800	\$498,595,764	\$2,891,855	\$67,174,374	\$0.511136	-\$0.0689

IFA and EDA state aid are now based on current-year values, which could affect the tax rate needed for bond payments in districts eligible for these funds, although PISD is not expected to be eligible for future state facilities support under the current programs.

Attachment E

Taxable Value of Property

085-Garza

085-902/Post ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
A. SINGLE-FAMILY RESIDENCES	50,426,926	0.9537	52,875,040	50,426,926
B. MULTIFAMILY RESIDENCES	2,073,980	N/A	2,073,980	2,073,980
C1. VACANT LOTS	598,920	N/A	598,920	598,920
C2. COLONIA LOTS	0	N/A	0	0
D1. QUALIFIED AG LAND	31,071,268	1.2450	24,956,232	31,071,268
D2. REAL PROP:FARM & RANCH	6,008,684	N/A	6,008,684	6,008,684
E. REAL PROP NONQUAL ACREAGE	62,535,352	0.7586	82,435,212	62,535,352
F1. COMMERCIAL REAL	17,784,101	N/A	17,784,101	17,784,101
F2. INDUSTRIAL REAL	643,118	N/A	643,118	643,118
G. OIL,GAS,MINERALS	182,096,078	1.0212	178,315,783	182,096,078
J. UTILITIES	47,464,024	0.9664	49,114,263	47,464,024
L1. COMMERCIAL PERSONAL	4,183,771	N/A	4,183,771	4,183,771
L2. INDUSTRIAL PERSONAL	55,165,071	N/A	55,165,071	55,165,071
M. MOBILE HOMES	6,800,656	N/A	6,800,656	6,800,656
N. INTANGIBLE PERSONAL PROP	0	N/A	0	0
O. RESIDENTIAL INVENTORY	0	N/A	0	0
S. SPECIAL INVENTORY	0	N/A	0	0
Subtotal	466,851,949	0	480,954,831	466,851,949
Less Total Deductions	41,129,429	0	42,732,231	41,129,429
Total Taxable Value	425,722,520	0	438,222,600	425,722,520

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M & O Purposes

T1	T2	T3	T4
433,270,397	425,722,520	433,270,397	425,722,520

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
7,547,877	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I & S Purposes

T7	T8	T9	T10
433,270,397	425,722,520	433,270,397	425,722,520

T7 = School district taxable value for I & S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

132-Kent

085-902/Post ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
A. SINGLE-FAMILY RESIDENCES	0	N/A	0	0
B. MULTIFAMILY RESIDENCES	0	N/A	0	0
C1. VACANT LOTS	20,110	N/A	20,110	20,110
C2. COLONIA LOTS	0	N/A	0	0
D1. QUALIFIED AG LAND	70,120	N/A	70,120	70,120
D2. REAL PROP:FARM & RANCH	0	N/A	0	0
E. REAL PROP NONQUAL ACREAGE	45,810	N/A	45,810	45,810
F1. COMMERCIAL REAL	0	N/A	0	0
F2. INDUSTRIAL REAL	0	N/A	0	0
G. OIL,GAS,MINERALS	0	N/A	0	0
J. UTILITIES	24,090	N/A	24,090	24,090
L1. COMMERCIAL PERSONAL	0	N/A	0	0
L2. INDUSTRIAL PERSONAL	0	N/A	0	0
M. MOBILE HOMES	0	N/A	0	0
N. INTANGIBLE PERSONAL PROP	0	N/A	0	0

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
O. RESIDENTIAL INVENTORY	0	N/A	0	0
S. SPECIAL INVENTORY	0	N/A	0	0
Subtotal	160,130	0	160,130	160,130
Less Total Deductions	0	0	0	0
Total Taxable Value	160,130	0	160,130	160,130

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M & O Purposes

T1	T2	T3	T4
160,130	160,130	160,130	160,130

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
0	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I & S Purposes

T7	T8	T9	T10
160,130	160,130	160,130	160,130

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

153-Lynn

085-902/Post ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
A. SINGLE-FAMILY RESIDENCES	0	N/A	0	0
B. MULTIFAMILY RESIDENCES	0	N/A	0	0
C1. VACANT LOTS	3,360	N/A	3,360	3,360
C2. COLONIA LOTS	0	N/A	0	0
D1. QUALIFIED AG LAND	3,212,060	N/A	3,212,060	3,212,060
D2. REAL PROP:FARM & RANCH	147,780	N/A	147,780	147,780
E. REAL PROP NONQUAL ACREAGE	565,680	N/A	565,680	565,680
F1. COMMERCIAL REAL	0	N/A	0	0
F2. INDUSTRIAL REAL	0	N/A	0	0

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
G. OIL,GAS,MINERALS	12,900	N/A	12,900	12,900
J. UTILITIES	895,180	N/A	895,180	895,180
L1. COMMERCIAL PERSONAL	0	N/A	0	0
L2. INDUSTRIAL PERSONAL	0	N/A	0	0
M. MOBILE HOMES	73,850	N/A	73,850	73,850
N. INTANGIBLE PERSONAL PROP	0	N/A	0	0
O. RESIDENTIAL INVENTORY	0	N/A	0	0
S. SPECIAL INVENTORY	0	N/A	0	0
Subtotal	4,910,810	0	4,910,810	4,910,810
Less Total Deductions	438,543	0	438,543	438,543
Total Taxable Value	4,472,267	0	4,472,267	4,472,267

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M & O Purposes

T1	T2	T3	T4
4,552,267	4,472,267	4,552,267	4,472,267

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
80,000	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I & S Purposes

T7	T8	T9	T10
4,552,267	4,472,267	4,552,267	4,472,267

T7 = School district taxable value for I & S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

085-902-02/Post ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
A. SINGLE-FAMILY RESIDENCES	50,426,926	0.9537	52,875,040	50,426,926
B. MULTIFAMILY RESIDENCES	2,073,980	N/A	2,073,980	2,073,980
C1. VACANT LOTS	622,390	N/A	622,390	622,390

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
C2. COLONIA LOTS	0	N/A	0	0
D1. QUALIFIED AG LAND	34,353,448	1.2166	28,238,412	34,353,448
D2. REAL PROP:FARM & RANCH	6,156,464	N/A	6,156,464	6,156,464
E. REAL PROP NONQUAL ACREAGE	63,146,842	0.7604	83,046,702	63,146,842
F1. COMMERCIAL REAL	17,784,101	N/A	17,784,101	17,784,101
F2. INDUSTRIAL REAL	643,118	N/A	643,118	643,118
G. OIL,GAS,MINERALS	182,108,978	1.0212	178,328,683	182,108,978
J. UTILITIES	48,383,294	0.9670	50,033,533	48,383,294
L1. COMMERCIAL PERSONAL	4,183,771	N/A	4,183,771	4,183,771
L2. INDUSTRIAL PERSONAL	55,165,071	N/A	55,165,071	55,165,071
M. MOBILE HOMES	6,874,506	N/A	6,874,506	6,874,506
N. INTANGIBLE PERSONAL PROP	0	N/A	0	0
O. RESIDENTIAL INVENTORY	0	N/A	0	0
S. SPECIAL INVENTORY	0	N/A	0	0
Subtotal	471,922,889		486,025,771	471,922,889
Less Total Deductions	41,567,972		43,170,774	41,567,972
Total Taxable Value	430,354,917		442,854,997	430,354,917

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M & O Purposes

T1	T2	T3	T4
437,982,794	430,354,917	437,982,794	430,354,917

Loss To the Additional \$10,000 Homestead Exemption	50 % of the loss to the Local Optional Percentage Homestead Exemption
7,627,877	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10, 000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50 % of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50 % of the loss to the local optional percentage homestead exemption

Value Taxable For I & S Purposes

T7	T8	T9	T10
437,982,794	430,354,917	437,982,794	430,354,917

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

Attachment F

TEA's Facilities Value

Attachment G

Participation Agreement

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE
OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES**

by and between

POST INDEPENDENT SCHOOL DISTRICT

and

ANTELOPE FLATS WIND, LLC

(Texas Taxpayer ID # 32061842095)

Comptroller Application #1437

Dated

August 11, 2020

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

STATE OF TEXAS §

COUNTY OF GARZA §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this "Agreement," is executed and delivered by and between the **POST INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the "District," a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **ANTELOPE FLATS WIND, LLC**, Texas Taxpayer Identification Number 32061842095 hereinafter referred to as the "Applicant." The Applicant and the District are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, on May 15, 2019, the Superintendent of Schools of the Post Independent School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, on May 15, 2019, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

WHEREAS, the Application was delivered to the Texas Comptroller's Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, the District and the Texas Comptroller's Office have determined that the Application is complete and December 6, 2019, is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

WHEREAS, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the Garza County Appraisal District established in Garza County, Texas (the Garza County Appraisal District"), pursuant to Section 6.01 of the TEXAS TAX CODE;

WHEREAS, the Texas Comptroller's Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on February 25, 2020, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

WHEREAS, the District's Board of Trustees, ratified the Superintendent's Extension Letter, dated March 30th, 2020, extending the statutory deadline by which the District must consider the Application until December 31, 2020 and the Comptroller was provided notice of such extension as set out under 34 TEXAS ADMIN. CODE Section 9.1054(d);

WHEREAS, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller's Office pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, on August 11, 2020, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on August 11, 2020, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant's Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the District's maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

WHEREAS, on August 11, 2020, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in Section 313.051(b) of the TEXAS TAX CODE;

WHEREAS, on May 8, 2020, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

WHEREAS, on August 11, 2020, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary, or in the event the Board President and Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized the Board Vice President to execute and deliver such Agreement to the Applicant; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

ARTICLE I **DEFINITIONS**

Section 1.1 DEFINITIONS. Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE Section 9.1051.

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, as amended.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

“Applicant” means Antelope Flats Wind, LLC (*Texas Taxpayer ID #32061842095*), the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

“Applicant’s Qualified Investment” means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

“Applicant’s Qualified Property” means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on May 15, 2019. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

“Application Approval Date” means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

“Application Review Start Date” means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

“Appraisal District” means the Garza County Appraisal District.

“Board of Trustees” means the Board of Trustees of the Post Independent School District.

“Comptroller” means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

“County” means Garza County, Texas.

“District” or “School District” means the Post Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant’s Qualified Property or the Applicant’s Qualified Investment.

“Final Termination Date” means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

“Force Majeure” means acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome. Each Party must inform the other in writing with proof of receipt within 60 business days of the existence of such Force Majeure or otherwise waive this right as a defense.

“Land” means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

“Maintain Viable Presence” means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant’s maintenance of jobs and wages as required by the Act and as set forth in its Application.

“Market Value” shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the

Comptroller's Rules.

"New Non-Qualifying Jobs" means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

"Qualified Investment" has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller's Rules.

"Qualified Property" has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller's Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

"Qualifying Time Period" means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller's Rules, and this Agreement.

"State" means the State of Texas.

"Supplemental Payment" means any payments or transfers of things of value made to the 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 and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

"Tax Limitation Amount" means the maximum amount which may be placed as the Appraised Value on the Applicant's Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

"Tax Limitation Period" means the Tax Years for which the Applicant's Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

"Tax Year" shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

"Taxable Value" shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

Section 1.2 NEGOTIATED DEFINITIONS. Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller's Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Annual Limit” means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Section 313.027(i) of the TEXAS TAX CODE. For purposes of this Agreement, and as further provided in Sections 6.2A and 6.2D, the amount of the Annual Limit shall be equal to the greater of \$50,000 or an amount calculated for each calendar year by multiplying by the District’s Average Daily Attendance, as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, for the prior school year (rounded to the nearest whole number) times \$100, or any larger amount allowed by Section 313.027(i) of the TEXAS TAX CODE, if such limitation is increased for any future year of this Agreement and such increase is effective for purposes of this Agreement. The Annual Limit shall first be computed for Tax Year 2020, which is the Tax Year that includes the date on which the Qualifying Time Period commences under this Agreement as provided in Section 2.3.C.i. If any only if the limitation in Section 313.027(i) of the TEXAS TAX CODE is increased for any future year of this Agreement, the Annual Limit in such case shall be equal to the lesser of: (1) the Annual Limit calculated under the version Section 313.027(i) of the TEXAS TAX CODE that is in effect as of the date of this Agreement and (2) an amount equal to forty percent (40%) of the Applicant’s “Net Tax Benefit,” as such term is defined in this Section 1.2.

“Applicable School Finance Law” means Chapters 41, 42, 48, and 49 of the TEXAS EDUCATION CODE, the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District, and the Constitution and general laws of the State applicable to the school districts of the State for each and every year of this Agreement, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term includes any and all amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant’s ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement. For each year of this Agreement, the “Applicable School Finance Law” shall be interpreted to include all provisions made applicable for any calculations made for the specific year for which calculations are being made.

“Maintenance and Operations Revenue” or “M&O Revenue” means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace the District’s M&O Revenue lost as a result of such similar agreements, less (iv) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEXAS EDUCATION CODE.

“Net Tax Benefit” means, as of any relevant date, an amount equal to (but not less than zero): (i) the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for all Tax Years during the term of this Agreement if this Agreement had not been entered into by the Parties; *minus*, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas,

for all Tax Years during the term of this Agreement, plus (B) any and all payments due to the District under Articles IV, V, and VI of this Agreement.

"New M&O Revenue" means the total State and local Maintenance and Operations Revenue that District would have actually received for such school year if calculated using prior year taxable values.

"Option to Terminate" means Applicant's written notice to the District which: (i) in the event that Applicant determines that it will not commence or complete construction of the Applicant's Qualified Investment prior to the beginning of the Tax Limitation Period notifies the District of Applicant's unilateral determination to terminate this Agreement; or, (ii) with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, where the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The Applicant may exercise the Subsection (ii) option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year where the payment otherwise due exceeded the amount of taxes that Applicant would have paid had it not entered into the Agreement. Any termination of this Agreement under Subsection (ii) of this provision shall be effective immediately prior to the second Tax Year next following the Tax Year in which notice is given.

"Original M&O Revenue" means the total State and local Maintenance and Operations Revenue that District would have received for the Tax Year, under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Applicant's Qualified Property been subject to the ad valorem maintenance & operations tax at the rate applicable for such Tax Year. For purposes of this calculation, the Third Party will base its calculations upon actual local taxable values for the prior school year as certified by the County Appraisal District for all other taxable accounts in the District, save and except for the Qualified Property subject to this Agreement, *plus* the total appraised value of the Qualified Property for the prior school year subject to this Agreement. In this calculation, the total appraised value of the Qualified Property subject to this Agreement will be used for the Qualified Property in lieu of the property's M&O taxable value. (For clarification, the taxable value used by the District in calculating the taxes payable for Interest and Sinking Fund taxation purposes on Applicant's Qualified Property will be used for the Qualified Property in lieu of the property's M&O taxable value.)

"Revenue Protection Amount" means the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on the Final Termination Date as set forth in Section 4.2 of this Agreement.

ARTICLE II
AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant's Qualified Property listed and assessed by the Garza County Appraiser for the District's maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

- A. The Application Review Start Date for this Agreement is December 6, 2019, which will be used to determine the eligibility of the Applicant's Qualified Property and all applicable wage standards.
- B. The Application Approval Date for this Agreement is August 11th, 2020.
- C. The Qualifying Time Period for this Agreement:
 - i. Starts on December 31, 2020, a date not later than January 1 of the fourth Tax Year following the Application Approval Date for deferrals, as authorized by §313.027(h) of the TEXAS TAX CODE; and
 - ii. Ends on December 31, 2022; the last day of the second complete Tax Year following the Qualifying Time Period start date.
- D. The Tax Limitation Period for this Agreement:
 - i. Starts on January 1, 2023, the first complete Tax Year that begins after the end of Qualifying Time Period.
 - ii. Ends on December 31, 2032; which is the year the Tax Limitation Period starts as identified in Section 2.3.D.i plus 9 years.
- E. The Final Termination Date for this Agreement is December 31, 2037.
- F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

Section 2.4. TAX LIMITATION. So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- A. the Market Value of the Applicant's Qualified Property; or
- B. \$20,000,000 based on Section 313.054 of the TEXAS TAX CODE

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District

on the Application Approval Date, as set out by *Section 313.052* of the TEXAS TAX CODE.

Section 2.5. TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

- A. have completed the Applicant's Qualified Investment in the amount of \$10,000,000 during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least \$781 for all New Non-Qualifying Jobs created by the Applicant.

Section 2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

- A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project, as more fully specified in Article V;
- C. provide such Supplemental Payments as more fully specified in Article VI;
- D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and
- E. *No additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.*

ARTICLE III QUALIFIED PROPERTY

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for

purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in **EXHIBIT 4**, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE. The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(5) of the TEXAS TAX CODE as a renewable energy electricity generating project.

ARTICLE IV **PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES**

Section 4.1. INTENT OF THE PARTIES. Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue in each year of this Agreement for which this Agreement was, in any manner, a sole and direct producing cause. Such payments shall be independent of, and in addition to such other payments as set forth in Article V and Article VI in this Agreement. Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the risk of any and all negative financial consequences to the District's total annual Maintenance and Operations Revenue, for which the execution of this Agreement was a sole and direct producing cause will be borne solely by Applicant and not by District.

The Parties hereto expressly understand and agree that, for all years to which this Agreement may apply, the calculation of negative financial consequences will be defined for each applicable year in accordance with the Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may well periodically change in accordance with changes made from time to time in the Applicable School Finance Law. The Parties further agree that the printouts and projections produced during the negotiations and approval of this Agreement are: i) for illustrative purposes only, are not intended to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party to the Agreement; ii) are based upon current Applicable School Finance Law, which is subject to change by statute, by administrative regulation, or by judicial decision at any time; and, iii) may change in future years to reflect changes in the Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT

A. Calculation of the Revenue Protection Amount.

The amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the "Revenue Protection Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

The Revenue Protection Amount owed by the Applicant to District means the Original M&O Revenue minus the New M&O Revenue (as such terms are defined in Section 1.2);

B. In making the calculations required by this Section 4.2 of this Agreement:

- i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law as that law exists for each year for which the calculation is made.
- ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
- iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue, as calculated under this Section 4.2 of this Agreement, results in a negative number, the negative number will be considered to be zero.
- iv. For All calculations made for years during the Tax Limitation Period under Section 4.2 of this Agreement, Subsection ii of this subsection will reflect the Tax Limitation Amount for such year.

Section 4.3. CALCULATIONS TO BE MADE BY THIRD PARTY. All calculations under this Agreement shall be made annually by a qualified and experienced independent third party (the "Third Party") approved each year by the District. To the extent not inconsistent with a statutory change to Applicable School Finance Law, all calculations made by the Third Party under this Agreement shall be made using a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse District for other revenue losses created by other agreements or any other factors.

Section 4.4. DATA USED FOR CALCULATIONS. The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District for each Tax Year pursuant to Texas Tax Code § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected under Section 4.3. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon

the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 4.5. DELIVERY OF CALCULATIONS. On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 4.3 of this Agreement shall forward to the Parties a certification containing the calculations required under Sections 4.2, Article VI, and/or Section 7.1 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed, which fee shall be the sole responsibility of the District, but subject to the provisions of Section 4.6, below. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's calculations, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculation until the Final Termination Date of this Agreement. The Applicant shall not be liable for any of the Third Party's costs resulting from an audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement.

Section 4.6. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined by the Third Party to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement. For no Tax Year during the Tax Limitation Period of this Agreement shall the Applicant be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Fifteen Thousand Dollars (\$15,000.00). For any Tax Year outside of the Tax Limitation Period and for which the Comptroller's Biennial Report is not required, Applicant shall not be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Seven Thousand Five Hundred Dollars (\$7,500.00).

Section 4.7. RESOLUTION OF DISPUTES. Should the Applicant disagree with the certification containing the calculations, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days following the later of (i) receipt of the certification, or (ii) the date the Applicant is granted access to the books, records and other information in accordance with Section 4.5 for purposes of auditing or reviewing the information in connection with the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Third Party will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the Board of Trustees within thirty (30) days of the final determination of certification containing the calculations and shall be without limitation of the Applicant's other rights and remedies available hereunder, at law or in equity.

Section 4.8. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Third Party selected under Section 4.3 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Property, and/or the Applicant's Qualified Property and such appeal remains unresolved, the Third Party shall base its calculations upon the values placed upon the Applicant's Qualified Property and/or the Applicant's Qualified Property by the Appraisal District.

If as a result of an appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations for the applicable year or years using the new Taxable Value. In the event the new calculations result in a change in any amount paid or payable by the Applicant under this Agreement, the Party from whom the adjustment is payable shall remit such amounts to the other Party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 4.9. STATUTORY CHANGES AFFECTING M&O REVENUE. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, Applicant shall make payments to District within thirty (30) dates of receipt of written notice, up to the limit set forth in Section 7.1, that are necessary to offset any negative impact on District's Maintenance and Operations Revenue, as a sole and direct result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

Section 4.10. PAYMENT LIMITATION; OPTIONAL TERMINATION. In the event that the sum of all payments due to the District under Articles IV, V, and VI of this Agreement for any Tax Year during the Limitation Period of this Agreement shall exceed the Applicant's Net Tax Benefit for that Tax Year, then Applicant shall have the option to terminate this Agreement in accordance with Section 7.1. If Applicant does not elect to terminate this Agreement then the sum of all payments due to the District under Articles IV, V, and VI of this Agreement owed for that year shall automatically be limited to the Applicant's Net Tax Benefit for that Tax Year with amounts otherwise due and owing by the Applicant to the District which, by virtue of this payment limitation are not paid in that Tax Year, being carried forward from year to year into subsequent Tax Years until paid in full. Any amounts that remain unpaid under this Section on the Final Termination Date shall be canceled.

ARTICLE V
PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

Section 5.1. EXTRAORDINARY EXPENSES. In addition to the amounts determined pursuant to Section 4.2 of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following: all non-reimbursed costs, certified by District’s external auditor to have been incurred by District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project during any project construction year. Applicant shall have the right to contest the findings of the District’s external auditor in the same manner as described in Section 9.3 herein.

ARTICLE VI
SUPPLEMENTAL PAYMENTS

Section 6.1. SUPPLEMENTAL PAYMENTS. Applicant shall pay to the District the Supplemental Payments set forth on the following schedule on the payment due dates shown on the following schedule.

TAX YEAR	PAYMENT DUE DATE	AMOUNT OF SUPPLEMENTAL PAYMENT
2020	January 31, 2021	Equal to the “Annual Limit”
2021	January 31, 2022	Equal to the “Annual Limit”
2022	January 31, 2023	Equal to the “Annual Limit”
2023	January 31, 2024	Equal to the “Annual Limit”
2024	January 31, 2025	Equal to the “Annual Limit”
2025	January 31, 2026	Equal to the “Annual Limit”
2026	January 31, 2027	Equal to the “Annual Limit”
2027	January 31, 2028	Equal to the “Annual Limit”
2028	January 31, 2029	Equal to the “Annual Limit”
2029	January 31, 2030	Equal to the “Annual Limit”
2030	January 31, 2031	Equal to the “Annual Limit”
2031	January 31, 2032	Equal to the “Annual Limit”
2032	January 31, 2033	Equal to the “Annual Limit”
2033	January 31, 2034	Equal to the “Annual Limit”
2034	January 31, 2035	Equal to the “Annual Limit”
2035	January 31, 2036	Equal to the “Annual Limit”

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.

Notwithstanding the foregoing:

A. the total of the Supplemental Payments made pursuant to this Article shall not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year times the number of years beginning with the

first complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;

B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.

C. the limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)-(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of \$50,000 or \$100 multiplied by the District's Average Daily Attendance as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, based upon the District's Average Daily Attendance for the previous school year.

Section 6.3. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

A. All calculations required by this Article shall be calculated by the Third Party selected pursuant to Section 4.3, above.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.6, above.

C. The payment of all amounts due under this Article shall be made shall be paid on the dates set forth in the table in Section 6.3 above.

Section 6.4. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY. At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under Article VI of this agreement be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time.

Any designation of a successor beneficiary under this Section shall not alter the Supplemental Payments calculated as described in Section 6.4, above.

ARTICLE VII **ANNUAL LIMITATION OF PAYMENTS BY APPLICANT**

Section 7.1. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall

survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

ARTICLE VIII **ADDITIONAL OBLIGATIONS OF APPLICANT**

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section 9.1052 and as currently located on the Comptroller's website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller's website and starting on the first such due date after the Application Approval Date.

Section 8.3. COMPTROLLER'S REPORT ON CHAPTER 313 AGREEMENTS. During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. Upon the written request of the District, the State Auditor's Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant, the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor's Office to have reasonable access to the Applicant's Qualified Property and business records from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than ninety-six (96) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant, and

shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR.

By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non- Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are included

in the Applicant's compliance with job creation or wage standard requirement of the Act, the Comptroller's Rules, or this Agreement.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

ARTICLE IX **MATERIAL BREACH OR EARLY TERMINATION**

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a "Material Breach"):

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;

C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act;

D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;

E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;

F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;

H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;

I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified Property as more fully specified in Article VIII of this Agreement;

J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;

K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor's Office to have access to the Applicant's Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property under Sections 8.5 and 8.6;

M. The Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

- i. whether or not a breach of this Agreement has occurred;
- ii. whether or not such breach is a Material Breach;
- iii. the date such breach occurred, if any;
- iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);
- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District;

and

iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination") and provide a copy to the Comptroller.

Section 9.3. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have *not greater than sixty* (60) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within thirty (30) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Garza County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in Garza County, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the sixty (60) days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

Section 9.4. Consequences of Early Termination or Other Breach by Applicant.

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.1 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material

respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the sixty (60) days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT. Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make \$10,000,000 of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of

the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS. Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

ARTICLE X.

MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (e.g., by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received

by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to the District shall be addressed to the District's Authorized Representative as follows:

Heath Dickson
Superintendent of Schools
Post Independent School District
501 South Avenue K
Post, Texas 79356
Phone: (806) 495-3343
Facsimile: (806) 495-2945
Email: hdickson@postisd.net

C. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Phillip Moore
Senior Vice President-Development
Lincoln Clean Energy, LLC
401 N. Michigan Ave, Suite 501
Chicago, IL 60611
Phone: (312) 422-1604
Facsimile: (312) 527-0538
Email: pmoore@lincolnclean.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

D. A copy of any notice delivered to the Applicant shall also be delivered to any lender for which the Applicant has provided the District notice of collateral assignment information pursuant to Section 10.3.C, below.

Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

- i. The Applicant shall submit to the District and the Comptroller:
 - a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;
 - b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;
 - c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

Section 10.3. ASSIGNMENT.

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered an amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller's Rules.

B. In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

Section 10.4. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.5. Governing Law. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of

another jurisdiction. Venue in any legal proceeding shall be in a state district court in Garza County.

Section 10.6. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.7. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term “Law” shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.8. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.9. INTERPRETATION.

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words “include,” “includes,” and “including” when used in this Agreement shall be deemed in such case to be followed by the phrase, “but not limited to”. Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller’s Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and

iii. This Agreement and its Attachments including the Application as incorporated by reference.

Section 10.10. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.11. PUBLICATION OF DOCUMENTS. The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller's Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller's website;

This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAX CODE.

Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. The Applicant shall immediately notify the District and Comptroller's office in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

Section 10.13. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant's duty to disclose continues throughout the term of this Agreement.

Section 10.14. CONFLICTS OF INTEREST.

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of

the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION. Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated damages and tax payments), reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

- A. all payments, including liquidated damage and tax payments, have been made;
- B. all reports have been submitted;
- C. all records have been maintained in accordance with Section 8.6.A; and
- D. all disputes in controversy have been resolved.

Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.

A. This Agreement may be duly executed and delivered in person, by mail, or by facsimile or other electronic format (including portable document format (pdf) transmitted by e-mail). The executing Party must promptly deliver a complete, executed original or counterpart of this Agreement to the other executing Parties. This Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

B. Delivery is deemed complete as follows:

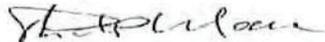
- i. When delivered if delivered personally or sent by express courier service;
- ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;
- iii. When transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine; or
- iv. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic "read receipt" does not constitute acknowledgment of an e-mail for delivery purposes).

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 11th day of August, 2020.

ANTELOPE FLATS WIND, LLC

POST INDEPENDENT SCHOOL DISTRICT

By: Orsted Onshore North America, LLC
Its: sole member

By: 
Name: Philip Moore
Title: Sr. Vice President

By: 
PRESIDENT, BOARD OF TRUSTEES

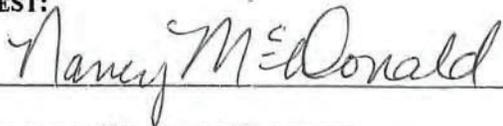
ATTEST:
By: 
SECRETARY, BOARD OF TRUSTEES

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

On January 30, 2017, the Commissioner's Court of Garza County adopted an Order creating the *Garza County Reinvestment Zone No. 1*. A legal description and map of the *Garza County Reinvestment Zone No. 1* is attached as the remaining pages of this **EXHIBIT 1** following the legal description of the zone. All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of the *Garza County Reinvestment Zone No. 1* and the Post Independent School District.

The Reinvestment Zone is described by metes and bounds below, and a map is attached as the last page of this Exhibit A:

LEGAL DESCRIPTION: BEING APPROXIMATELY 96,900 ACRES OF LAND AND BEING ALL OF AND/OR ANY PORTIONS OF SECTIONS: 12, A-709 AND 1, A-375, BLOCK 10, E.L. & R.R. Co. SURVEY, 301, A-455, 308, A-1073, 307, A-440, 303, A-389, 304, A-1072, 305, A-388 AND 306, A-773, BLOCK 31, H.E. & W.T. RR Co. SURVEY, 4, A-587, 3, A-588, 1, A-585, RM. THOMPSON SURVEY, 1, A-1140, BLOCK C, JT CORY SURVEY, 16, A-623, T.T RR Co. SURVEY, 19, A-387, H. & G.N. RR Co. SURVEY, AND 18, A-1136 AND A-1165, J. MASSEY SURVEY, BLOCK 30, T-7-N, 1, A-586, BLOCK O, RM THOMPSON SURVEY, 14, A-536, BLOCK 1, J. HAYES SURVEY, 2, A-1123, BLOCK C, J. MAXEY SURVEY, 397, A-367, 400, A-710, 393, A-366, 394, A-729, 391, A-371 AND 392, A-711, BLOCK 9, E.L. & R.R. RR Co. SURVEY, 277, A-429, AND 278, A-1068, D. & S.E. RR Co. SURVEY, 275, A-435, AND 276, A-1071, E.L. & R.R. RR Co. SURVEY, 1360, A-723, 1359, A-306, E.L. & R.R. RR Co. SURVEY, 401, A-348, 403, A-350, 404, 721, 405, A-349 AND 406, A-726, T.T. RR Co. SURVEY, 1, A-461, 2, A-1075, 3, A-460, 4, A-1208, 4, A-1214, 4, A-1090, 5, A-411, 6, A-718, 7, A-456, 8, A-1089, 9, A-457, 10, A-1163, 10, A-1159, 10, A-1069, 11, A-410, 14, A-720, 15, A-414 AND 17, A-458, BLOCK 8, T.T. RR Co. SURVEY, 19, A-424 AND 20, A-1076, BLOCK 2, D. & S.E. RR Co. SURVEY, 27, A-549, 28, A-574 AND 29, A-575, BLOCK 1, JASPER HAYS SURVEY, 30, A-1211 AND 31, A-1212, BLOCK 1, G.E. LOCKHART SURVEY, 30, A-1220, BLOCK RM, G.E. LOCKHART SURVEY, 9, A-13, 10, A-1077 AND 10, A-1078, BLOCK 2, G.H. & H.R. RR Co. SURVEY, 7, A-480, 8, A-487, 9, A-513, 11, A-511, 12, A-510 AND 13, A-512, BLOCK 5, K. AYCOCK SURVEY, 1, A-1167, 2, A-1168, 3, A-1169, 3.5, A-1170 AND 4, A-1171, C.W. POST SURVEY, 1, A-1083, D.L. PHILLIPS SURVEY, 2, A-1082, J.T. LOFTIN SURVEY, 1, A-1229, 4, A-1179, A-1215, A-1217 AND A-1180, JOHN B. SLAUGHTER SURVEY, 1, A-1219, 1, A-1205, 2, A-1218 AND 2, A-1221, L.N. BROOKS SURVEY, 2, A-543, BLOCK 8, JASPER HAYS SURVEY, 1214, A-647, 1216, A-646, 1311, A-338, 1312, A-651, T.T. RR. Co. SURVEY, 1313, A-318, 1314, A-704, 1315, A-317, 1316, A-705, 1317, A-319, 1318, A-709, 1319, A-320, 1320, A-701, 1321, A-322, 1323, A-323, 1324, A-700, 1325, A-321, 1326, A-698, 1327, A-324, 1328, A-697, 1329, A-327, 1330, A-696, 1331, A-325, 1332, A-695 AND 1374, A-706, BLOCK 1, H. & O.B. RR Co. SURVEY, 1, A-544, 1, A-554, 3, A-550, AND 4, A-555, JASPER HAYS SURVEY, 1236, A-644, A.B. & M. SURVEY, 1237, A-315 AND 1238, A-653, G.W.T. & P. RR Co. SURVEY, 1307, A-282 AND 1308, A-748, B.S. & F. SURVEY, 1305, A-339, 1306, A-745, 1309, A-341 AND 1310, A-678, T.T. RR Co. SURVEY, 1, A-1063, 2, A-1064, 4, A-1065, 4.5, A-1066 AND 5, A-1062, HORACE G. BRANDON SURVEY, 1, A-1117, BLOCK H, MRS S.E. HARPER SURVEY, 4, A-1121 AND 5, A-1134, BLOCK M, J.T. LOFTON SURVEY, 1303, A-295, 1304, A-742, 1401, A-294, 1402, A-650, 1403, A-296, 1404, A-679, 1405, A-297, 1406, A-744, 1419, A-302, 1420, A-684, BLOCK 1, E.L. & R.R. RR Co. SURVEY, 1, A-439 AND 2, A-891, H.E. & W.T. RR Co. SURVEY, 1297, A-293 AND 1298, A-643, D. & W. RR Co. SURVEY, 1301, A-316 AND 1302, A-741, G.C. & S.F. RR Co. SURVEY, 1206, A-649, 1207, A-328 AND 1208, A-648, H. & O.B. RR Co. SURVEY, 1281, A-287 AND 1282, A-652, B.S. & F.

SURVEY, 4, A-291, WILLIAM H. COBBS SURVEY, 1239, A-292 AND 1240, A-666, D. & W. RR Co. SURVEY, 1245, A-344, 1246, A-738, 1253, A-345, 1254, A-739, 1255, A-342 AND 1421, A-347, T.T. RR Co. SURVEY, 1247, A-286 AND 1248, A-892, B.S. & F. SURVEY, 1249, A-278, 1250, A-759, 1251, A-275 AND 1252, A-617, A.B. & M. SURVEY, 3, A-425 AND 4, A-894, BLOCK D18, D. & S.E. RR Co. SURVEY, 1273, A-305, E.L. & R.R. RR Co. SURVEY, 1259, A-309, 1260, A-685, 1261, A-310, 1262, A-686, 1263, A-307, 1264, A-1007, 1267, A-308 AND 1268, A-1079, JOHN H. GIBSON SURVEY, 725, A-428 AND 726, A-893, D. & S.E. RR Co. SURVEY, 1305, A-289 AND 1306, A-656, B.S. & F. SURVEY, A-397, SHELBY COUNTY SCHOOL LAND SURVEY, 724, A-1038, BLOCK 9, E.L. & R.R. RR Co. SURVEY, 1269, A-279, 1270, A-1206, 1270, A-1204, 1270, A-1080 AND 1271, A-276, A.B. & M. SURVEY, 4, A-801, BLOCK 1, K. AYCOCK SURVEY, AND 1, A-384, 2, A-1005, 3, A-823, 7, A-386, 8, A-939, 9, A-822 AND 10, A-1006, BLOCK 24, H.E. & W.T. RR Co. SURVEY, ALL LYING IN AND BEING SITUATED OUT OF GARZA COUNTY, TEXAS: SAID 96,900 ACRE TRACT BEING GENERALLY DESCRIBED AS FOLLOWS:

BEGINNING at a point at or near the intersection of the common line of Lynn County, Texas and said Garza County with the north line of Borden County, Texas for the southwest corner hereof and having an approximate Latitude and Longitude of 32.9611° and 101.5575°;

THENCE generally along the common line of said Lynn and Garza Counties the following five (5) calls:

1. North 01°39'09" East an approximate distance of 26438.87 feet to a point for an angle point;
2. North 01°27'15" East an approximate distance of 5315.79 feet to a point for an angle point;
3. North 01°43'50" East an approximate distance of 48382.52 feet to a point for an angle point;
4. North 01°50'22" East an approximate distance of 27318.21 feet to a point for an angle point;
5. North 01°47'10" East an approximate distance of 50448.57 feet to a point at or near the common corner of Lubbock county, Texas, Crosby County, Texas and said Lynn and Garza Counties and the northwest corner hereof and having an approximate Latitude and Longitude of 33.3951°, 101.5568°;

THENCE South 88°29'59" East a distance of 14380.16 feet generally along the common line of said Crosby and Garza Counties to a point for the northerly northeast corner and having an approximate Latitude and Longitude of 33.3952°, 101.5097°;

THENCE South 14°55'02" West a distance of 13293.36 feet crossing said Section 4, A-801, Section 1, A-384 and Section 724, A-1038 to a point at or near the north line of the Shelby County School Land, A-397 for an interior corner hereof;

THENCE South 87°56'46" East a distance of 7517.75 feet generally along said north line to a point at or near the northeast corner of said Shelby County School Land and an ell corner hereof;

THENCE South 02°20'35" West a distance of 9002.43 feet generally along the east line of said

Shelby County School Land and crossing said Section 3, a-550 to a point at or near the north line of said Section 1306, A-656 for an interior corner hereof;

THENCE South 88°16'22" East a distance of 3636.44 feet generally along the north line of said Section 1306 and said Section 1305, A-289 to a point for an ell corner hereof;

THENCE South 01°48'26" West a distance of 16278.66 feet crossing said Section 1305, Section 726, A-893, Section 4, A-894 and Section 1239, A-292 to a point for an angle point hereof and having an approximate Latitude and Longitude of 33.2900°, 101.4837°;

THENCE South 60°56'30" East a distance of 7362.09 feet crossing said Section 1239, W.H. Cobbs Survey, A-291, and Section 5, A-1062 to a point at or near the east line of said Section 5, A-1062 for an angle point hereof;

THENCE South 41°58'34" East a distance of 10679.14 feet crossing said Section 1207, A-328, Section 1208, A-648, and Section 1206, A-649 to a point for an angle point hereof;

THENCE South 35°41'49" East a distance of 5879.46 feet crossing said Section 1206 and Section 1214, A-647 to a point at or near the east line of said Section 1214 for an angle point hereof and having an approximate Latitude and Longitude of 33.2465°, 101.4265°;

THENCE South 00°05'39" East a distance of 23152.38 feet generally along the east lines of said Section 1214, A-647, Section 1236, A-644, Section 5, A-1134, Section 1, A-1117 and Section 3.5, A-1170 to a point at or near the common corner of said Section 3.5, Section 1232, A-938, Section 11, A-511 and Section 12, A-510 for an interior corner hereof and having an approximate Latitude and Longitude of 33.1829°, 101.4243°;

THENCE South 89°02'41" East a distance of 5187.56 feet generally along the north line of said Section 11, A-511 to a point at or near the northeast corner of said Section 11, A-511 for an ell corner hereof;

THENCE South 00°12'13" West a distance of 5301.36 feet generally along the east line of said Section 11, A-511 to a point at or near the north line of said Section 9, A-513 for the southeast corner of said Section 11 and interior corner hereof;

THENCE South 89°12'06" East a distance of 2515.81 feet generally along the north line of said Section 9, A-513 to a point at or near the northeast corner of said Section 9 for an ell corner hereof;

THENCE South 00°13'42" West a distance of 2963.22 feet generally along the east line of said Section 9 to a point for an ell corner hereof;

THENCE North 89°09'53" West a distance of 2524.85 feet crossing said Section 9 to a point for an interior corner hereof;

THENCE South 00°24'10" West a distance of 2377.83 feet to a point at or near the common line of said Section 9 and Section 8, A-487 for an interior corner hereof;

THENCE South 89°30'51" East a distance of 7813.51 feet generally along the north line of said Section 8 and said Section 7, A-480 to a point at or near the northeast corner of said Section 7, A-480 for an ell corner hereof and having an approximate Latitude and Longitude of 33.1542°, 101.3810°;

THENCE South 00°02'12" East a distance of 5625.44 feet generally along the east line of said Section 7 and crossing said Section 9, A-13 to a point for an ell corner hereof;

THENCE North 87°32'19" West a distance of 5330.33 feet crossing said Section 9 and said Section 10, A-1078 to a point for an angle point hereof;

THENCE South 66°19'48" West a distance of 1234.61 feet crossing said Section 10 to a point for an angle point hereof;

THENCE South 02°41'58" West a distance of 4271.65 feet crossing said Section 10 and said Section 10, A-1077 to a point to a point at or near the common line of said Section 10, A-1077 and Section 29, A-575 for an interior corner hereof;

THENCE South 88°21'10" East a distance of 1713.69 feet generally along said common line to a point for an ell corner hereof;

THENCE South 00°15'23" West a distance of 2910.50 feet crossing said Section 29, A-575 to a point for an angle point hereof;

THENCE South 24°42'19" West a distance of 4871.02 feet crossing said Section 29 and said Section 28, A-574 to a point for an ell corner hereof and having an approximate Latitude and Longitude of 33.1055°, 101.4023°;

THENCE North 87°57'01" West a distance of 26071.88 feet crossing said Section 28, Section 31, A-1212, Section 19, A-424 and generally along the south line of said Section 17, A-458, Section 15, A-414, Section 14, A-720 to a point at or near the southerly common corner of said Section 14 and said Section 11, A-410 and an angle point hereof;

THENCE North 87°44'06" West a distance of 16538.32 feet generally along the south line of said Section 11, Section 401, A-348 and Section 405, A-349 to a point at or near the common corner of Section 1, A-500 and said Section 406, A-726, Section 1359, A-306 and Section 405 for an interior corner hereof and having an approximate Latitude and Longitude of 33.1066°, 101.5414°;

THENCE South 02°01'23" West a distance of 10609.03 feet generally along the east line of said Section 1359 and Section 1360, A-723 to a point at or near the easterly common corner of said Section 1360 and Section 276, A-1071 for an angle point hereof;

THENCE South 10°08'25" West a distance of 5344.53 feet generally along the east line of said Section 276 to a point at or near the common corner of said Section 276, Section 275, A-435 and Section 278, A-1068 and an interior corner hereof;

THENCE South 88°56'11" East a distance of 2946.09 feet generally along the north line of said Section 278 to a point at or near the west line of Section 6, A-620 for the northeast corner of said Section 278 and an ell corner hereof and having an approximate Latitude and Longitude of 33.0630°, 101.5346°;

THENCE South 14°27'47" East a distance of 6724.68 feet generally along the east line of said Section 278 and said Section 277, A-429 to a point at or near the westerly common corner of Section 7, A-396 and said Section 18, A-1136 for an interior corner hereof;

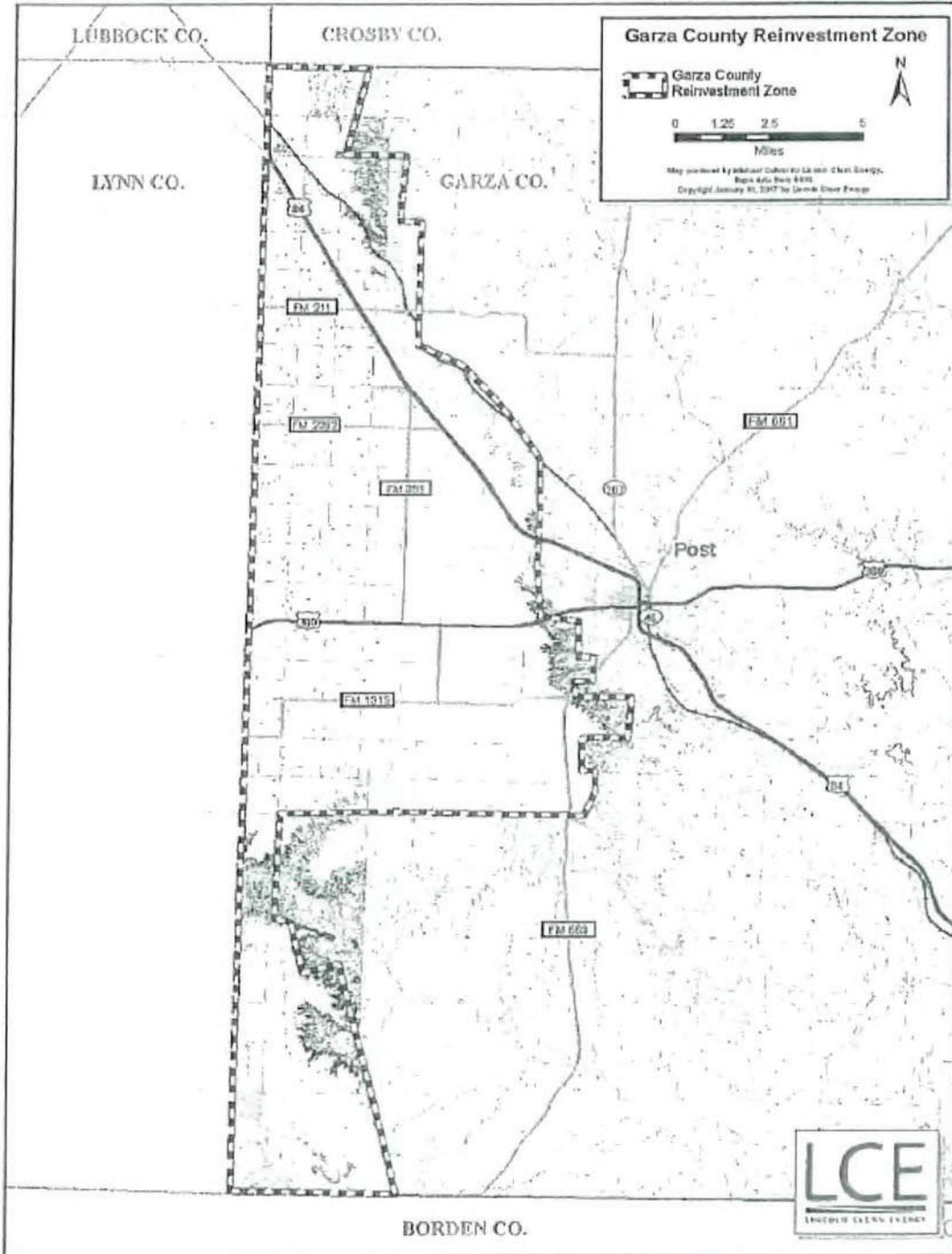
THENCE North 76°01'17" East a distance of 5249.84 feet generally along the north line of said Section 18 to a point at or near the northeast corner of said Section 18 for an ell corner hereof;

THENCE South 14°16'24" East a distance of 33068.50 feet generally along the east line of said Section 18, Section 18, A-1165, Section 14, A-536, Section 1, A-586, Section 19, A-387, Section 16, A-623, Section 3, A-588 and Section 1, A-585 to a point at or near the common line of said Garza and Borden Counties for the southerly southeast corner hereof and having an approximate Latitude and Longitude of 32.9617°, 101.4825°;

THENCE generally along said common line of Garza and Borden Counties the following three (3) calls:

1. North 88°54'14" West a distance of 11259.99 feet to a point for an angle point;
2. North 88°54'43" West a distance of 9365.66 feet to a point for an angle point;
3. North 88°55'11" West a distance of 2382.65 feet to the **POINT OF BEGINNING** and containing 96,900 acres of land, more or less.

Note: Bearings and distances shown hereon are NAD83, Texas North Central Zone, and coordinates shown hereon are WGS84 Latitude (North) and Longitude (West) and all are approximate based on GIS mapping. This description does not constitute a boundary survey and is provided for reference purposes only.



Agreement for Limitation on Appraised Value
Between Post ISD and Antelope Flats Wind, LLC

Texas Economic Development Act Agreement

Comptroller Form 50-826 (Jan 2020)

EXHIBIT 1

EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of the *Garza County Reinvestment Zone No. 1* and the Post Independent School District. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described by the legal description and maps attached to **EXHIBIT 1** AND **EXHIBIT 4**.

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

Applicant's Qualified Investment shall be all tangible personal property first placed in service after the Application Approval Date, that is owned by the Applicant, as more fully described in Tab #7 of the Application and located within the boundaries of the Post Independent School District and the *Garza County Reinvestment Zone No. 1* depicted by the map attached to **EXHIBIT 4**.

Description of Qualified Investment

Antelope Flats Wind, LLC plans to construct a 155 MW wind farm in Garza County consisting of approximately 55 turbines.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Post ISD. The qualified investment in Post ISD is expected to include approximately fifty five (55) GE 2.82MW wind turbine generators, including 89m towers, nacelles, rotors with 127m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, access roads, meteorological towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the western part of Garza County and eastern part of Lynn County. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the Project will also include an operations and maintenance building that will likely be in the approximate center of the Project. (It is also shown on the map in Tab 11.) The Project will also require a series of new access roads to the turbines, underground electrical collection cables, permanent meteorological towers, a substation, and an overhead transmission line connecting the project substation to the Point of Interconnection.

The Point of Interconnection and a portion of the Project's transmission line are located outside of Garza County. The Qualified Investment that is the subject of this application does not include any Project facilities located outside of Garza County.

The 2,000 ft. of road constructed on the project in late 2016 to assist with Production Tax Credit qualification will not be part of the qualified investment or qualified property.

This application covers all qualified property and qualified investment in the reinvestment zone and project boundary within Post ISD.

EXHIBIT 4

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

Antelope Flats Wind, LLC plans to construct a 155 MW wind farm in Garza County consisting of approximately 55 turbines.

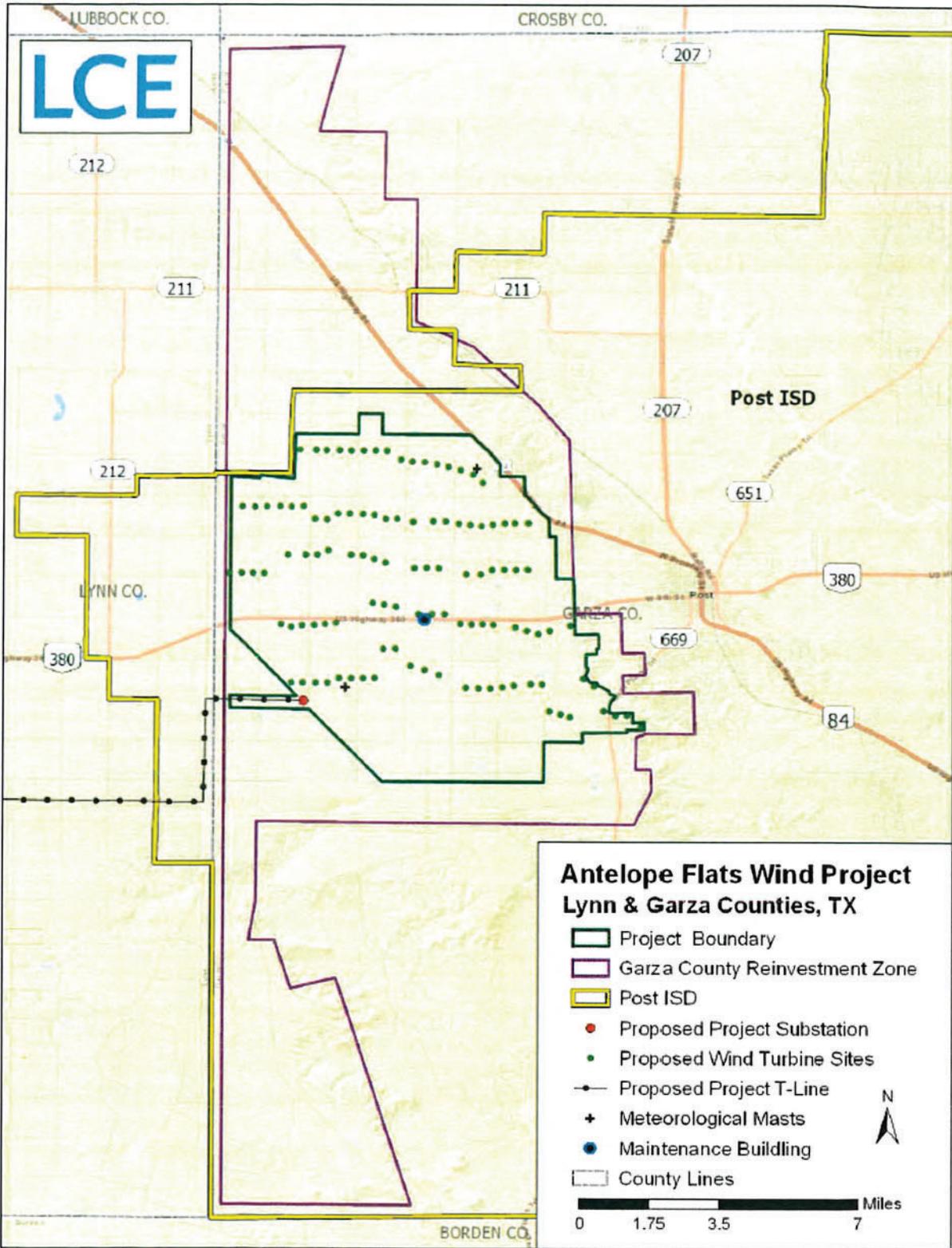
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The 2,000 ft. of road constructed on the project in late 2016 to assist with Production Tax Credit qualification will not be part of the qualified investment or qualified property.

This application covers all qualified property and qualified investment in the reinvestment zone and project boundary within Post ISD.



Agreement for Limitation on Appraised Value
Between Post ISD and Antelope Flats Wind, LLC

Texas Economic Development Act Agreement
Comptroller Form 50-826 (Jan 2020)

Attachment H

Consultant Verification Letter



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

August 11, 2020

President and Members
Board of Trustees
Post Independent School District
501 S. Ave. K
Post, Texas 79356

Re: Recommendations and Findings of the Firm Concerning the Application of Antelope Flats Wind, LLC (#1437) for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Post Independent School District, with respect to the pending Application of Antelope Flats Wind, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. Based upon our review, we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate revenue protection provisions to protect the interests of the District over the course of the Agreement.

Because of the foregoing, it is our recommendation that the Board of Trustees approve the Application of Antelope Flats Wind, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in black ink that reads "Daniel T. Casey". The signature is written in a cursive style.

Daniel T. Casey
Partner

www.moakcasey.com

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS & COUNSELORS AT LAW

808 WEST AVE

AUSTIN, TEXAS 78701

TELEPHONE: (512) 494-9949

FACSIMILE: (512) 494-9919

KEVIN O'HANLON

CERTIFIED, CIVIL APPELLATE

CERTIFIED, CIVIL TRIAL

JUSTIN DEMERATH

BENJAMIN CASTILLO

August 11, 2020

President and Members
Board of Trustees
Post Independent School District
501 S. Ave. K
Post, Texas 79356

Re: Recommendations and Findings of the Firm Concerning the Application of Antelope Flats Wind, LLC (#1437) for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Post Independent School District, with respect to the pending Application of Antelope Flats Wind, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. We have also negotiated an Agreement between the District and Antelope Flats Wind, LLC. Based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.

5. The proposed Agreement contains adequate legal provisions to protect the interests of the District.

As a result of the foregoing conclusions it is our recommendation that the Board of Trustees approve the Application of Antelope Flats Wind, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin O'Hanlon', written in a cursive style.

Kevin O'Hanlon
For the Firm

Attachment I

Agreement Review Letter



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

May 8, 2020

Heath Dickson
Superintendent
Post Independent School District
501 South Avenue K
Post, TX 79356

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Post Independent School District and Antelope Flats Wind, LLC Application 1437

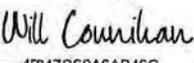
Dear Superintendent Dickson:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Post Independent School District and Antelope Flats Wind, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the Agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Tabita Collazo with our office. She can be reached by email at tabita.collazo@cpa.texas.gov or by phone at 1-800-531-5441, ext. 5-5626, or at 512-475-5626.

Sincerely,

DocuSigned by:

45D47260A6AB46C...

Will Courthian
Director
Data Analysis & Transparency Division

cc: Mali Hanley, O'Hanlon, Demerath & Castillo
Philip Moore, Lincoln Clean Energy, LLC
John Fedorko, Lincoln Clean Energy, LLC
David Sewell, Stahl, Davies, Sewell, Chavarria & Friend, LLP

Attachment J

Conflict Of Interest Disclosure

Conflicts of Interest Disclosure Procedure

In its recent audits of Chapter 313 Agreements, The Texas State Auditor's Office has required documentation of inquiries concerning Board Member conflicts of interest at critical junctions in the Chapter 313 approval process. A local public official or a person related to a local public official in the first degree by either affinity or consanguinity has a substantial interest in a business entity or in real property, the local public official, before a vote or decision on any matter involving the business entity or the real property, is required to file an affidavit with an official Board record keeper stating the nature and extent of the interest and shall abstain from further participation in the matter if:

1. In the case of a substantial interest in a business entity, the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or
2. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.
3. A person has a substantial interest in a business entity if:
The person owns at least:
 - a. Ten percent of the voting stock or shares of the business entity, or
 - b. Either ten percent or \$15,000 of the fair market value of the business entity; or
 - c. Funds received by the person from the business entity exceed ten percent of the person's gross income for the previous year.
4. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

The Board may contract with a business entity in which a Trustee has a substantial interest if the Trustee follows the disclosure and abstention procedure set out above.

Does any Board Member have a conflict of interest as defined above?

If so, has the required Affidavit, set forth at District Policy BBFA (Exhibit) been filed?

Please have the answers to the foregoing 2 questions and a copy of this Procedure included in the minutes of this meeting.