



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 black ink that reads "Lisa Craven". The signature is written in a cursive style with a large initial "L" and "C".

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
				0.5800	0.9700		0.6554	0.1649	0.0073	
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 (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

Supporting Information

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

Tab 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.