



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

May 8, 2020

Susana Garza
Superintendent
Jim Hogg County Independent School District
210 W. Lucille
Hebbronville, Texas 78361

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Jim Hogg County Independent School District and Barranca Wind Energy, LLC, Application 1452

Dear Superintendent Garza:

On March 17, 2020, the Comptroller issued written notice that Barranca Wind Energy, LLC (applicant) submitted a completed application (Application 1452) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on November 20, 2019, to the Jim Hogg County 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 1452.

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 March 17, 2020, 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,

DocuSigned by:

11EA6DEF0EC441E...

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A - Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Barranca Wind Energy, LLC (project) applying to Jim Hogg County Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Barranca Wind Energy, LLC.

Applicant	Barranca Wind Energy, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Wind
School District	Jim Hogg County ISD
2018-2019 Average Daily Attendance	1,054
County	Jim Hogg
Proposed Total Investment in District	\$212,400,000
Proposed Qualified Investment	\$212,400,00
Limitation Amount	\$25,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	3*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$785
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$785
Minimum annual wage committed to by applicant for qualified jobs	\$40,797
Minimum weekly wage required for non-qualifying jobs	\$774
Minimum annual wage required for non-qualifying jobs	\$40,248
Investment per Qualifying Job	\$70,800,000
Estimated M&O levy without any limit (15 years)	\$20,351,279
Estimated M&O levy with Limitation (15 years)	\$7,248,754
Estimated gross M&O tax benefit (15 years)	\$13,102,524

* 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 Barranca Wind Energy, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2021	13	15	28	\$530,361	\$1,442,339	\$1,972,700
2022	92	105	196,561	\$3,753,324	\$10,997,076	\$14,750,400
2023	3	17	20	\$122,391	\$2,593,409	\$2,715,800
2024	3	16	19	\$122,391	\$2,323,609	\$2,446,000
2025	3	12	15	\$122,391	\$1,922,209	\$2,044,600
2026	3	10	13	\$122,391	\$1,660,909	\$1,783,300
2027	3	9	12	\$122,391	\$1,506,509	\$1,628,900
2028	3	8	11	\$122,391	\$1,430,209	\$1,552,600
2029	3	8	11	\$122,391	\$1,411,609	\$1,534,000
2030	3	8	11	\$122,391	\$1,429,609	\$1,552,000
2031	3	9	12	\$122,391	\$1,468,509	\$1,590,900
2032	3	9	12	\$122,391	\$1,517,009	\$1,639,400
2033	3	7	10	\$122,391	\$1,347,109	\$1,469,500
2034	3	7	10	\$122,391	\$1,284,509	\$1,406,900
2035	3	6	9	\$122,391	\$1,258,409	\$1,380,800
2036	3	6	9	\$122,391	\$1,252,309	\$1,374,700

Source: CPA REMI, Barranca Wind Energy, 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*	Jim Hogg County I&S Tax Levy	Jim Hogg County M&O Tax Levy	Jim Hogg County ISD M&O and I&S Tax Levies	Jim Hogg County Tax Levy	Jim Hogg WCID #2	Jim Hogg County ESD	Brush Country Groundwater Conservation Tax Levy	Estimated Total Property Taxes
2022	\$208,152,000	\$208,152,000	0.3846	\$800,553	\$2,019,283	\$2,819,835	\$995,458	\$530,142	\$83,261	\$49,956	\$4,478,653
2024	\$195,662,880	\$195,662,880		\$752,519	\$1,898,126	\$2,650,645	\$935,730	\$498,334	\$78,265	\$46,959	\$4,209,933
2025	\$183,923,107	\$183,923,107		\$707,368	\$1,784,238	\$2,491,606	\$879,587	\$468,434	\$73,569	\$44,142	\$3,957,337
2025	\$172,887,721	\$172,887,721		\$664,926	\$1,677,184	\$2,342,110	\$826,811	\$440,328	\$69,155	\$41,493	\$3,719,897
2026	\$162,514,458	\$162,514,458		\$625,031	\$1,576,553	\$2,201,583	\$777,203	\$413,908	\$65,006	\$39,003	\$3,496,703
2027	\$152,763,590	\$152,763,590		\$587,529	\$1,481,960	\$2,069,488	\$730,570	\$389,074	\$61,105	\$36,663	\$3,286,901
2028	\$143,597,775	\$143,597,775		\$552,277	\$1,393,042	\$1,945,319	\$686,736	\$365,729	\$57,439	\$34,463	\$3,089,687
2029	\$134,981,908	\$134,981,908		\$519,140	\$1,309,459	\$1,828,600	\$645,532	\$343,785	\$53,993	\$32,396	\$2,904,306
2030	\$126,882,994	\$126,882,994		\$487,992	\$1,230,892	\$1,718,884	\$606,800	\$323,158	\$50,753	\$30,452	\$2,730,047
2031	\$119,270,014	\$119,270,014		\$458,712	\$1,157,038	\$1,615,751	\$570,392	\$303,769	\$47,708	\$28,625	\$2,566,245
2032	\$112,113,813	\$112,113,813		\$431,190	\$1,087,616	\$1,518,806	\$536,169	\$285,543	\$44,846	\$26,907	\$2,412,270
2033	\$105,386,984	\$105,386,984		\$405,318	\$1,022,359	\$1,427,677	\$503,998	\$268,410	\$42,155	\$25,293	\$2,267,534
2034	\$99,063,765	\$99,063,765		\$380,999	\$961,018	\$1,342,017	\$473,759	\$252,306	\$39,626	\$23,775	\$2,131,482
2035	\$93,119,939	\$93,119,939		\$358,139	\$903,357	\$1,261,496	\$445,333	\$237,167	\$37,248	\$22,349	\$2,003,593
2036	\$87,532,743	\$87,532,743		\$336,651	\$849,155	\$1,185,806	\$418,613	\$222,937	\$35,013	\$21,008	\$1,883,377
			Total	\$8,068,345	\$20,351,279	\$28,419,624	\$10,032,692	\$5,343,024	\$839,141	\$503,485	\$45,137,965

Source: CPA, Barranca Wind Energy, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Jim Hogg 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.

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*	Jim Hogg County ISD I&S Tax Levy	Jim Hogg County ISD M&O Tax Levy	Jim Hogg County ISD M&O and I&S Tax Levies	Jim Hogg County Tax Levy	Jim Hogg WCID #2	Jim Hogg County ESD	Brush Country Groundwater Conservation i Tax Levy	Estimated Total Property Taxes	
				0.3846	0.9701		0.4782	0.2547	0.0400	0.0240		
2022	\$208,152,000	\$25,000,000		\$800,553	\$242,525	\$1,043,078	\$0	\$530,142	\$83,261	\$49,956	\$1,706,437	
2023	\$195,662,880	\$25,000,000		\$752,519	\$242,525	\$995,044	\$0	\$498,334	\$78,265	\$46,959	\$1,618,602	
2024	\$183,923,107	\$25,000,000		\$707,368	\$242,525	\$949,893	\$0	\$468,434	\$73,569	\$44,142	\$1,536,038	
2025	\$172,887,721	\$25,000,000		\$664,926	\$242,525	\$907,451	\$0	\$440,328	\$69,155	\$41,493	\$1,458,427	
2026	\$162,514,458	\$25,000,000		\$625,031	\$242,525	\$867,556	\$0	\$413,908	\$65,006	\$39,003	\$1,385,473	
2027	\$152,763,590	\$25,000,000		\$587,529	\$242,525	\$830,054	\$0	\$389,074	\$61,105	\$36,663	\$1,316,896	
2028	\$143,597,775	\$25,000,000		\$552,277	\$242,525	\$794,802	\$0	\$365,729	\$57,439	\$34,463	\$1,252,434	
2029	\$134,981,908	\$25,000,000		\$519,140	\$242,525	\$761,665	\$0	\$343,785	\$53,993	\$32,396	\$1,191,839	
2030	\$126,882,994	\$25,000,000		\$487,992	\$242,525	\$730,517	\$606,800	\$323,158	\$50,753	\$30,452	\$1,741,681	
2031	\$119,270,014	\$25,000,000		\$458,712	\$242,525	\$701,237	\$570,392	\$303,769	\$47,708	\$28,625	\$1,651,731	
2032	\$112,113,813	\$112,113,813		\$431,190	\$1,087,616	\$1,518,806	\$536,169	\$285,543	\$44,846	\$26,907	\$2,412,270	
2033	\$105,386,984	\$105,386,984		\$405,318	\$1,022,359	\$1,427,677	\$503,998	\$268,410	\$42,155	\$25,293	\$2,267,534	
2034	\$99,063,765	\$99,063,765		\$380,999	\$961,018	\$1,342,017	\$473,759	\$252,306	\$39,626	\$23,775	\$2,131,482	
2035	\$93,119,939	\$93,119,939		\$358,139	\$903,357	\$1,261,496	\$445,333	\$237,167	\$37,248	\$22,349	\$2,003,593	
2036	\$87,532,743	\$87,532,743		\$336,651	\$849,155	\$1,185,806	\$418,613	\$222,937	\$35,013	\$21,008	\$1,883,377	
				Total	\$8,068,345	\$7,248,754	\$15,317,100	\$3,555,064	\$5,343,024	\$839,141	\$503,485	\$25,557,814
				Diff	\$0	\$13,102,524	\$13,102,524	\$6,477,627	\$0	\$0	\$0	\$19,580,152

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Barranca Wind Energy, 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 Barranca Wind Energy, 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	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2022	\$242,525	\$242,525	\$1,776,758	\$1,776,758
	2023	\$242,525	\$485,050	\$1,655,601	\$3,432,358
	2024	\$242,525	\$727,575	\$1,541,713	\$4,974,071
	2025	\$242,525	\$970,100	\$1,434,659	\$6,408,730
	2026	\$242,525	\$1,212,625	\$1,334,028	\$7,742,758
	2027	\$242,525	\$1,455,150	\$1,239,435	\$8,982,192
	2028	\$242,525	\$1,697,675	\$1,150,517	\$10,132,709
	2029	\$242,525	\$1,940,200	\$1,066,934	\$11,199,644
	2030	\$242,525	\$2,182,725	\$988,367	\$12,188,011
	2031	\$242,525	\$2,425,250	\$914,513	\$13,102,524
Maintain Viable Presence (5 Years)	2032	\$1,087,616	\$3,512,866	\$0	\$13,102,524
	2033	\$1,022,359	\$4,535,225	\$0	\$13,102,524
	2034	\$961,018	\$5,496,243	\$0	\$13,102,524
	2035	\$903,357	\$6,399,599	\$0	\$13,102,524
	2036	\$849,155	\$7,248,754	\$0	\$13,102,524
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$798,206	\$8,046,960	\$0	\$13,102,524
	2038	\$750,313	\$8,797,274	\$0	\$13,102,524
	2039	\$705,295	\$9,502,568	\$0	\$13,102,524
	2040	\$662,977	\$10,165,545	\$0	\$13,102,524
	2041	\$623,198	\$10,788,744	\$0	\$13,102,524
	2042	\$585,806	\$11,374,550	\$0	\$13,102,524
	2043	\$550,658	\$11,925,208	\$0	\$13,102,524
	2044	\$517,619	\$12,442,827	\$0	\$13,102,524
	2045	\$486,561	\$12,929,388	\$0	\$13,102,524
	2046	\$457,368	\$13,386,756	\$0	\$13,102,524

\$13,386,756	is greater than	\$13,102,524
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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

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, Barranca Wind Energy, 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 Barranca Wind Energy, 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 Barranca Wind Energy, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Barranca Wind Energy, LLC is a Delaware limited liability company. Barranca Wind Energy, LLC has one member with 100% ownership, Lincoln Clean Energy, LLC (“LCE”). LCE has successfully developed projects involving over \$1 billion in capital investment in some of the largest electricity markets in the United States, including California, New Jersey, and Texas.”
 - B. “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 obtained the following state and local permits: Tax Abatement Agreement with Jim Hogg County, Tax Abatement Agreement with Zapata County.”
 - C. “The Project was previously referred to as the Vaquero Wind Project when it was a wholly owned subsidiary of Bordas Renewable Energy. The project is now a wholly owned subsidiary of Lincoln Clean Energy, LLC. The Project has applied to ERCOT and it has been assigned GIR #19INR0165, which was assigned to Barranca Wind Energy, LLC on February 28, 2018.”
 - D. “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. LCE has several gigawatts of renewable energy development assets in over fifteen states that it is marketing to different off-takers throughout the United States. LCE is considering investment in many of these potential projects, instead of this Project. The applicant’s current projects in development that are competing for funding with

the Project are in 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.”

- E. “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 contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.”
- A Board Meeting of the Board of Trustees of Jim Hogg County ISD dated November 20, 2019, “Discuss and deliberate commercial and financial information received from Barranca Wind Energy, LLC related to the construction of a wind renewable energy facility and possible application for an Appraised Value Limitation on Qualified Property under the Texas Economic Development Act, Chapter 313 of the Texas Tax Code.”
 - According to *San Antonio Business Journal* article dated January 27, 2020, “The Austin office of Danish company Orsted could start construction on a 100-turbine, 300-megawatt farm by the end of this year, according to documents posted Thursday on the Texas Comptroller's website by Lincoln Clean Energy LLC. Lincoln, a Chicago company, changed its name to reflect its relationship with Orsted, which has been its parent for over a year. Orsted has signed tax incentive agreements for its Vaquero Wind Project with Jim Hogg and Zapata counties involving 10-year tax abatements of 100% and 76%, respectively, that will save the company \$29 million over 10 years.”

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
- c) Additional information provided by the Applicant or located by the Comptroller

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

SECTION 8: Limitation as Determining Factor

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

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

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:

Barranca Wind Energy, LLC is a Delaware limited liability company. Barranca Wind Energy, LLC has one member with 100% ownership, Lincoln Clean Energy, LLC (“LCE”). LCE has successfully developed projects involving over \$1 billion in capital investment 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 obtained the following state and local permits:

- Tax Abatement Agreement with Jim Hogg County
- Tax Abatement Agreement with Zapata County

The Project was previously referred to as the Vaquero Wind Project when it was a wholly owned subsidiary of Bordas Renewable Energy. The project is now a wholly owned subsidiary of Lincoln Clean Energy, LLC. The Project has applied to ERCOT and it has been assigned GIR #19INR0165, which was assigned to Barranca Wind Energy, LLC on February 28, 2018.

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. LCE has several gigawatts of renewable energy development assets in over fifteen states that it is marketing to different off-takers throughout the United States. LCE is considering investment in many of these potential projects, instead of this Project. The applicant’s current projects in development that are competing for funding with the Project are located in 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.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

Notice of Regular Meeting

The Board of Trustees Jim Hogg County ISD

A Regular Meeting of the Board of Trustees of Jim Hogg County ISD will be held **Wednesday, November 20, 2019**, beginning at **6:00 PM** in the Administration Building 210 W. Lucille Hebbroville, Texas.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

- 1. Call Meeting to Order**
- 2. Invocation/Pledge of Allegiance & Pledge To The Texas Flag**
- 3. Public Comment**
- 4. Student Recognitions**
 - A. Band Students
 - B. Special Olympics
 - C. Cross Country
- 5. Approve Minutes**
 - A. October 16, 2019 - Regular Meeting
- 6. Approve Tax Office Reports**
 - A. Monthly Collection Report and ARB Adjustments
7. Discuss, Consider and possible action to Approve and Adopt Local CCGB Policy
8. Discuss and deliberate commercial and financial information received from Barranca Wind Energy, LLC related to the construction of a wind renewable energy facility and possible application for an Appraised Value Limitation on Qualified Property under the Texas Economic Development Act, Chapter 313 of the Texas Tax Code.
9. Discuss, Consider and possible action to retain finance consultants, Moak Casey & Associates to assist the School District in processing and evaluating an Application for Appraised Value Limitation on Qualified Property.
10. Discuss, Consider and possible Action to hire the Underwood Law Firm as special legal counsel to provide professional services to the District concerning Applications and Agreements for Limitation on Appraised Value of Property under the Texas Economic Development Act, Texas Tax Code, Chapter 313.
11. Accept Book Donation from Jim Hogg County Historical Commission and

Hebbronville Museum Foundation.

12. Update on TDA Administrative Review - Informational
13. Discuss, Consider and possible Action to Approve a Finance Contract with Government Capital for the purchase of (2) 2021- 77 Seat Passenger Buses
14. **Energy Conservation Project Action Items** - For Individual Consideration
 - A. Approve payment of \$282,910.00 to E3 Entegral Solutions, Inc. - Payment #6
 - B. Approve Payment of \$101,650.00 - E3 Entegral Solutions, Inc. Payment #7
 - C. Approve payment of \$29,000.00 to E3 Entegral Solutions, Inc (Elem. Library AC Replacement)
15. **Construction Project Action Items** - For Individual Consideration
 - A. Approve payment of \$129,631.30 to Tri-Gen Construction, LLC- AIA# 004
 - B. Approve payment of \$75,481.78 to Hellas Construction, Inc. AIA #8 Final
16. **Business & Operations Action Items** - For Individual Consideration
 - A. Approve payment of \$48,690.72 to Region One Service Center for TXEIS Services for 2019-2020.
 - B. Approve payment of \$16,877.00 to Gateway Office Supplies for the student desk ordered for the Elementary Campus.
 - C. Approve payment of \$14,115.00 to CRI CPA's and Advisors, Invoice #16790149(Audit Services)
 - D. Approve payment of \$26,563.20 to McGraw Hill for textbooks, purchased with Textbook Allotment.
 - E. Discuss Consider and possible action to amend the retention incentives to \$500 for December pay
17. Discuss, Consider and possible Action to Approve Budget Amendment(s)
18. Discuss Consider and possible action to approve the Annual Review of the Jim Hogg County ISD Investment Policy.
19. Discuss, Consider and possible Action to approve the Adoption of TSLAC Schedules and Records Management Policy
20. **Superintendent's Update**
21. **ADJOURNMENT TO CLOSED SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION: 551-074 FOR THE PURPOSE OF CONSIDERING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER, EMPLOYEE, OR TO HEAR COMPLAINTS OR CHARGES AGAINST A PUBLIC OFFICER OR EMPLOYEE.**
 - A. PERSONNEL:
 1. Resignations
 2. Retirements

- 3. Recommendations
 - a. Early Childhood Coordinator

- 4. Reassignments

22. RECONVENE MEETING IN OPEN SESSION AND TAKE ACTION, IF ANY, ON ITEMS DISCUSSED IN CLOSED SESSION

A. Action on items discussed in Closed Session

- 1. Resignations
- 2. Retirements
- 3. Recommendations
 - a. Early Childhood Coordinator
- 4. Reassignments

23. Information items:

- A. Public Meeting - Dec. 4, 2019 @ 6:00pm (State Financial Accountability Rating)
- B. Regular Board Meeting - Dec. 18, 2019 @ 6:00pm

24. Adjourn

1. Resignations
 2. Retirements
 3. Recommendations
 4. Reassignments
20. Information items:
- A. Public Meeting - Dec. 4, 2019 @ 6:00pm (State Financial Accountability Rating)
 - B. Regular Board Meeting - Dec. 18, 2019 @ 6:00pm
21. Adjourn

If, during the course of the meeting covered by this Notice, the Board of Trustees should determine that a closed or executive meeting or session of the Board of Trustees is required, then such closed meeting or session as authorized by the Texas Open Meetings Act, Texas Government Section 551.001 et seq., will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet, in such closed or executive meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

- 551.071 Private consultation with the board's attorney*
- 551.072 Discussing purchase, exchange, lease, or value of real property*
- 551.073 Discussing negotiated contracts for prospective gifts or donations*
- 551.074 Discussing personnel or to hear complaints against personnel*
- 551.076 Considering the deployment, specific occasions for, or implementation of, security personnel or devices*
- 551.082 Considering discipline of a public school child, or complaint or charge against school student*
- 551.0821 Discussing matter that reveals personally identifiable information about public school student*
- 551.083 Considering the standards, guidelines, terms or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employee groups*
- 551.084 Excluding witnesses from a hearing.*

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed or executive meeting or session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting; or*
- (b) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.*

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on Nov. 15, 2019, at

4:45 pm.


Dr. Susana P. Garza
Superintendent

“Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.”

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ENERGY

Denmark company blowing into South Texas with \$360M wind farm



Six new wind farms could be operational in deep South Texas by 2021.

ACCIONA ENERGIA



By Jessica Corso
Reporter, San Antonio Business Journal

Jan 27, 2020, 9:43am CST

Updated Jan 31, 2020, 12:40pm CST

See Correction/Clarification at end of article

Denmark's largest energy company proposed a \$361 million wind farm in Zapata and Jim Hogg counties.

The Austin office of Danish company Orsted could start construction on a 100-turbine, 300-megawatt farm by the end of this year, according to documents posted Thursday on the Texas Comptroller's website by Lincoln Clean Energy LLC. Lincoln, a Chicago

company, changed its name to reflect its relationship with Orsted, which has been its parent for over a year.

Orsted has signed tax incentive agreements for its Vaquero Wind Project with Jim Hogg and Zapata counties involving 10-year tax abatements of 100% and 76%, respectively, that will save the company \$29 million over 10 years. Meanwhile, the company has agreed to make payments in lieu of taxes totaling more than \$4 million to Jim Hogg County based on the capacity of megawatt generation installed. Additionally, in Zapata County, it has agreed to make \$50,000 contributions each to five causes annually over 10 years – or \$2.5 million overall.

Separately, Orsted has proposed incentives to the Zapata and Jim Hogg school districts that would limit the property's appraised valuation applied to certain school district taxes. If approved, those incentives would limit the property's valuation to \$25 million in Zapata County and \$20 million in Jim Hogg County for 10 years, after which the property would be taxed at its full value in both school districts.

With the incentives, the company said it would pay about \$20 million in taxes to the counties and about the same to the school districts over 30 years.

Once the project is complete in 2021, Orsted believes the wind farm will only need five people to run it. The company is asking that the school districts waive job creation requirements needed to ask for an abatement because wind farms.

The farm will sit on land that is being used for ranching. The company said it has entered into agreements with local landowners but could back out of them if the tax incentives aren't approved.

Lincoln joins two other companies that have proposed building farms in the Rio Grande Valley at a total cost of \$1 billion. If all are built, far South Texas could have six new wind farms by the end of 2021.

"Historically, the Valley has been underserved by electrical transmission sufficient to support large-scale, power-intensive business and industry," Jenn Goodwillie, senior development director for Orsted's onshore arm, said in a statement. "Additional transmission capacity would benefit new generation sources like us, but also economic growth in the area."