



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

August 19, 2020

Heriberto Gonzalez  
Superintendent  
Webb Consolidated Independent School District  
619 Avenue F  
Bruni, Texas 78344

Re: Certificate for Limitation on Appraised Value of Property for School District  
Maintenance and Operations taxes by and between Webb Consolidated Independent  
School District and Siete Wind, LLC, Application 1494

Dear Superintendent Gonzalez:

On July 28, 2020, the Comptroller issued written notice that Siete Wind, LLC (applicant) submitted a completed application (Application 1494) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> This application was originally submitted on May 28, 2020, to the Webb Consolidated 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 B; 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.

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<sup>1</sup> 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 1494.

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 B.

**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 within a year from the date of this letter.

Note that any building or improvement existing as of the application review start date of July 28, 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](mailto: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 Siete Wind, LLC (project) applying to Webb Consolidated 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 Siete Wind, LLC.

Applicant	Siete Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Wind
School District	Webb CISD
2018-2019 Average Daily Attendance	238
County	Webb
Proposed Total Investment in District	\$185,961,238
Proposed Qualified Investment	\$185,961,238
Limitation Amount	\$60,000,000
Qualifying Time Period (Full Years)	2022-2023
Number of new qualifying jobs committed to by applicant	6*
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	\$717.00
Minimum annual wage required for non-qualifying jobs	\$37,284
Investment per Qualifying Job	\$30,993,540
Estimated M&O levy without any limit (15 years)	\$20,198,259
Estimated M&O levy with Limitation (15 years)	\$12,265,908
Estimated gross M&O tax benefit (15 years)	\$7,932,351

\* 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 Siete Wind, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2022	266	287	553	\$9,997,078	\$30,002,922	\$40,000,000
2023	6	23	29	\$244,780	\$4,755,220	\$5,000,000
2024	6	21	27	\$244,780	\$3,755,220	\$4,000,000
2025	6	10	16	\$244,780	\$2,755,220	\$3,000,000
2026	6	5	11	\$244,780	\$1,755,220	\$2,000,000
2027	6	3	9	\$244,780	\$1,755,220	\$2,000,000
2028	6	3	9	\$244,780	\$1,755,220	\$2,000,000
2029	6	5	11	\$244,780	\$1,755,220	\$2,000,000
2030	6	7	13	\$244,780	\$1,755,220	\$2,000,000
2031	6	8	14	\$244,780	\$1,755,220	\$2,000,000
2032	6	10	16	\$244,780	\$1,755,220	\$2,000,000
2033	6	11	17	\$244,780	\$1,755,220	\$2,000,000
2034	6	11	17	\$244,780	\$1,755,220	\$2,000,000
2035	6	11	17	\$244,780	\$1,755,220	\$2,000,000
2036	6	12	18	\$244,780	\$1,755,220	\$2,000,000
2037	6	11	17	\$244,780	\$2,755,220	\$3,000,000
2038	6	11	17	\$244,780	\$2,755,220	\$3,000,000

Source: CPA REMI, Siete 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*	Webb CISD I&S Tax Levy	Webb CISD M&O Tax Levy	Webb CISD M&O and I&S Tax Levies	Webb County Tax Levy	Estimated Total Property Taxes
				<b>0.1400</b>	<b>0.9700</b>		<b>0.4120</b>	
2023	\$185,961,238	\$185,961,238		\$260,346	\$1,803,824	\$2,064,170	\$766,160	\$2,830,330
2024	\$176,663,176	\$176,663,176		\$247,328	\$1,713,633	\$1,960,961	\$727,852	\$2,688,814
2025	\$167,830,017	\$167,830,017		\$234,962	\$1,627,951	\$1,862,913	\$691,460	\$2,554,373
2026	\$159,438,516	\$159,438,516		\$223,214	\$1,546,554	\$1,769,768	\$656,887	\$2,426,654
2027	\$151,466,591	\$151,466,591		\$212,053	\$1,469,226	\$1,681,279	\$624,042	\$2,305,322
2028	\$143,893,261	\$143,893,261		\$201,451	\$1,395,765	\$1,597,215	\$592,840	\$2,190,055
2029	\$136,698,598	\$136,698,598		\$191,378	\$1,325,976	\$1,517,354	\$563,198	\$2,080,553
2030	\$129,863,668	\$129,863,668		\$181,809	\$1,259,678	\$1,441,487	\$535,038	\$1,976,525
2031	\$123,370,485	\$123,370,485		\$172,719	\$1,196,694	\$1,369,412	\$508,286	\$1,877,699
2032	\$117,201,960	\$117,201,960		\$164,083	\$1,136,859	\$1,300,942	\$482,872	\$1,783,814
2033	\$111,341,862	\$111,341,862		\$155,879	\$1,080,016	\$1,235,895	\$458,728	\$1,694,623
2034	\$105,774,769	\$105,774,769		\$148,085	\$1,026,015	\$1,174,100	\$435,792	\$1,609,892
2035	\$100,486,031	\$100,486,031		\$140,680	\$974,714	\$1,115,395	\$414,002	\$1,529,397
2036	\$95,461,729	\$95,461,729		\$133,646	\$925,979	\$1,059,625	\$393,302	\$1,452,928
2037	\$90,688,643	\$90,688,643		\$126,964	\$879,680	\$1,006,644	\$373,637	\$1,380,281
2038	\$86,154,211	\$86,154,211		\$120,616	\$835,696	\$956,312	\$354,955	\$1,311,267
			<b>Total</b>	<b>\$2,915,213</b>	<b>\$20,198,259</b>	<b>\$23,113,472</b>	<b>\$8,579,054</b>	<b>\$31,692,526</b>

Source: CPA, Siete Wind, LLC

\*Tax Rate per \$100 Valuation

**Table 4** examines the estimated direct impact on ad valorem taxes to the school district and Webb 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		Webb CISD I&S Tax Levy	Webb CISD M&O Tax Levy	Webb CISD M&O and I&S Tax Levies	Webb County Tax Levy	Estimated Total Property Taxes
			<b>Tax Rate*</b>	<b>0.1400</b>	<b>0.9700</b>		<b>0.4120</b>	
2023	\$185,961,238	\$185,961,238		\$260,346	\$1,803,824	\$2,064,170	\$766,160	\$2,830,330
2024	\$176,663,176	\$60,000,000		\$247,328	\$582,000	\$829,328	\$109,178	\$938,506
2025	\$167,830,017	\$60,000,000		\$234,962	\$582,000	\$816,962	\$103,719	\$920,681
2026	\$159,438,516	\$60,000,000		\$223,214	\$582,000	\$805,214	\$98,533	\$903,747
2027	\$151,466,591	\$60,000,000		\$212,053	\$582,000	\$794,053	\$93,606	\$887,660
2028	\$143,893,261	\$60,000,000		\$201,451	\$582,000	\$783,451	\$88,926	\$872,377
2029	\$136,698,598	\$60,000,000		\$191,378	\$582,000	\$773,378	\$84,480	\$857,858
2030	\$129,863,668	\$60,000,000		\$181,809	\$582,000	\$763,809	\$80,256	\$844,065
2031	\$123,370,485	\$60,000,000		\$172,719	\$582,000	\$754,719	\$76,243	\$830,962
2032	\$117,201,960	\$60,000,000		\$164,083	\$582,000	\$746,083	\$72,431	\$818,514
2033	\$111,341,862	\$60,000,000		\$155,879	\$582,000	\$737,879	\$68,809	\$806,688
2034	\$105,774,769	\$105,774,769		\$148,085	\$1,026,015	\$1,174,100	\$435,792	\$1,609,892
2035	\$100,486,031	\$100,486,031		\$140,680	\$974,714	\$1,115,395	\$414,002	\$1,529,397
2036	\$95,461,729	\$95,461,729		\$133,646	\$925,979	\$1,059,625	\$393,302	\$1,452,928
2037	\$90,688,643	\$90,688,643		\$126,964	\$879,680	\$1,006,644	\$373,637	\$1,380,281
2038	\$86,154,211	\$86,154,211		\$120,616	\$835,696	\$956,312	\$354,955	\$1,311,267
			<b>Total</b>	<b>\$2,915,213</b>	<b>\$12,265,908</b>	<b>\$15,181,121</b>	<b>\$3,614,030</b>	<b>\$18,795,151</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$7,932,351</b>	<b>\$7,932,351</b>	<b>\$4,965,024</b>	<b>\$12,897,375</b>

Source: CPA, Siete 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 25<sup>th</sup> Anniversary of Limitation Start

This represents the Comptroller’s determination that Siete 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)
<b>Limitation Pre-Years</b>	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
	2023	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2024	\$582,000	\$582,000	\$1,131,633	\$1,131,633
	2025	\$582,000	\$1,164,000	\$1,045,951	\$2,177,584
	2026	\$582,000	\$1,746,000	\$964,554	\$3,142,138
	2027	\$582,000	\$2,328,000	\$887,226	\$4,029,364
	2028	\$582,000	\$2,910,000	\$813,765	\$4,843,128
	2029	\$582,000	\$3,492,000	\$743,976	\$5,587,105
	2030	\$582,000	\$4,074,000	\$677,678	\$6,264,782
	2031	\$582,000	\$4,656,000	\$614,694	\$6,879,476
	2032	\$582,000	\$5,238,000	\$554,859	\$7,434,335
	2033	\$582,000	\$5,820,000	\$498,016	\$7,932,351
<b>Maintain Viable Presence (5 Years)</b>	2034	\$1,026,015	\$6,846,015	\$0	\$7,932,351
	2035	\$974,714	\$7,820,730	\$0	\$7,932,351
	2036	\$925,979	\$8,746,709	\$0	\$7,932,351
	2037	\$879,680	\$9,626,388	\$0	\$7,932,351
	2038	\$835,696	\$10,462,084	\$0	\$7,932,351
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2039	\$793,911	\$11,255,995	\$0	\$7,932,351
	2040	\$754,215	\$12,010,211	\$0	\$7,932,351
	2041	\$716,505	\$12,726,715	\$0	\$7,932,351
	2042	\$680,679	\$13,407,395	\$0	\$7,932,351
	2043	\$646,646	\$14,054,040	\$0	\$7,932,351
	2044	\$614,313	\$14,668,354	\$0	\$7,932,351
	2045	\$583,598	\$15,251,951	\$0	\$7,932,351
	2046	\$554,418	\$15,806,369	\$0	\$7,932,351
	2047	\$526,697	\$16,333,066	\$0	\$7,932,351
	2048	\$500,362	\$16,833,428	\$0	\$7,932,351
		<b>\$16,833,428</b>	is greater than	<b>\$7,932,351</b>	
<b>Analysis Summary</b>					
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, Siete 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 Siete 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 Siete Wind, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. “Siete Wind, LLC or Apex on behalf of Siete Wind, LLC has entered into the following representative agreements and contracts for the development of a project within Webb CISD:
    - Grants of leases and easements of land,
    - Avian Study and contract,
    - Bat Acoustic Study and contract,
    - Threatened & Endangered Species Studies and contract,
    - FIS Submission, and
    - Interconnection Application with ERCOT”
  - B. “Other locations being evaluated include, but are not limited to: Oklahoma, Colorado, North Dakota, South Dakota, Idaho, Wyoming, Minnesota, Iowa, Kansas, Illinois, Indiana, Ohio, New York, Maine, Virginia, Tennessee”
  - C. “Without a Value Limitation program, Apex would seek to move to alternative sites outside of the State of Texas.”
  - D. “...the development resources necessary to advance the Project for a planned 375 MW could be redeployed to other renewable energy development projects in other power markets in the United States.”
  - E. “...a 313 Limitation of Appraised Value Agreement is a vital tax incentive necessary to ensure the Project is economically competitive with other wind projects with similar incentives. Without the requested value limitation, the Siete Wind Project will be unable to generate sufficient operating margins and net income to produce economically competitive energy and associate returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$370M needed to purchase wind turbines and other infrastructure, and to fund the construction of the facility. ”

- APEX Clean Energy has updated the interactive projects map on the APEX Clean Energy website to show the proposed location of Siete Wind, LLC, and that the project is currently in the development stage. The development stage is the process of conducting all necessary studies, as listed in question 2, review permitting & land leasing. This stage does not constitute the project is confirmed to be constructed but is to complete the due diligence process and confirm feasibility. A 313 Limitation of Appraised Value Agreement is a vital tax incentive necessary to ensure the Project is economically competitive with other wind projects with similar incentives.

**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 8: Limitation as Determining Factor

- 1. Does the applicant currently own the land on which the proposed project will occur? ... [ ] Yes [x] No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ... [x] Yes [ ] No
3. Does the applicant have current business activities at the location where the proposed project will occur? ... [ ] Yes [x] No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ... [x] Yes [ ] No
5. Has the applicant received any local or state permits for activities on the proposed project site? ... [ ] Yes [x] No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ... [ ] Yes [x] No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ... [x] 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 [x] No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ... [ ] Yes [x] 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? ... [x] 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

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

- 1. Estimated school board ratification of final agreement ... QTR 1 2021
2. Estimated commencement of construction ... QTR 1 2022
3. Beginning of qualifying time period (MM/DD/YYYY) ... 01/01/2022
4. First year of limitation (MM/DD/YYYY) ... 01/01/2024
4a. For the beginning of the limitation period, notate which one of the following will apply according to provision of 313.027(a-1)(2):
[ ] A. January 1 following the application date [ ] B. January 1 following the end of QTP
[x] C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations ... QTR 1 2023

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Webb County, Texas
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Webb CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ... [ ] Yes [x] 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:
M&O (ISD): Webb CISD, 0.97, 100% (Name, tax rate and percent of project)
I&S (ISD): Webb CISD, 0.14, 100% (Name, tax rate and percent of project)
County: Webb Co., v0.412, 100% (Name, tax rate and percent of project)
City: NA (Name, tax rate and percent of project)
Hospital District: NA (Name, tax rate and percent of project)
Water District: NA (Name, tax rate and percent of project)
Other (describe): NA (Name, tax rate and percent of project)
Other (describe): NA (Name, tax rate and percent of project)

# **Supporting Information**

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

## Attachment 5

### ***Documentation to assist in determining if limitation is a determining factor.***

***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.***

#### **2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?**

Siete Wind, LLC was formed in 2019. In support of its creation, the participating members of Apex, executed documents necessary to form the entity including an Operating Agreement Siete Wind, LLC.

Siete Wind, LLC or Apex on behalf of Siete Wind, LLC has entered into the following representative agreements and contracts for the development of a project within Webb CISD:

- Grants of leases and easements of land,
- Avian Study and contract,
- Bat Acoustic Study and contract,
- Threatened & Endangered Species Studies and contract,
- FIS Submission, and
- Interconnection Application with ERCOT

#### **3. Has the applicant made public statements in the SEC filings or other documents regarding its intentions regarding the proposed project location?**

Yes, APEX Clean Energy has updated the interactive projects map on the APEX Clean Energy website to show the proposed location of Siete Wind, LLC, and that the project is currently in the development stage. The development stage is the process of conducting all necessary studies, as listed in question 2, review permitting & land leasing. This stage does not constitute the project is confirmed to be constructed but is to complete the due diligence process and confirm feasibility. A 313 Limitation of Appraised Value Agreement is a vital tax incentive necessary to ensure the Project is economically competitive with other wind projects with similar incentives.

#### **4. Has the applicant made public statements in the SEC filings or other documents regarding its intentions regarding the proposed project location?**

Yes, APEX Clean Energy has updated its interactive projects map on the APEX Clean Energy website to show the proposed location of Siete Wind, LLC, and it has listed it's (APEX's) project role as development.

#### **7. Is the applicant evaluating other locations not in Texas for the proposed project?**

Yes. Apex management team is uniquely qualified to develop and construct wind and other renewable energy projects in the United States. In North America, Apex currently operates over 2,500 MW of renewable energy projects. Based on this experience the management team evaluates all potential projects for feasibility, finance-ability, and the economic returns they represent in comparison to other project opportunities both OUTSIDE the State of Texas as WITHIN the State of Texas. Other locations being evaluated include, but are not limited to:

Oklahoma

Colorado

North Dakota

South Dakota

Idaho

Wyoming

Minnesota

Iowa

Kansas

Illinois

Indiana

Ohio

New York

Maine

Virginia

Tennessee

For these reasons, Apex studies and evaluates various competing sites throughout the market areas across the U.S. where wind development is attractive. Without a Value Limitation program, Apex would seek to move to alternative sites outside of the State of Texas.

Siete Wind is currently in a period of assessment to determine whether the identified site within Webb CISD represents the best location or whether redeployment of its development resources and capital to other power markets in the United States is more advisable. As such, the development resources necessary to advance the Project for a planned 375 MW could be redeployed to other renewable energy development projects in other power markets in the United States.

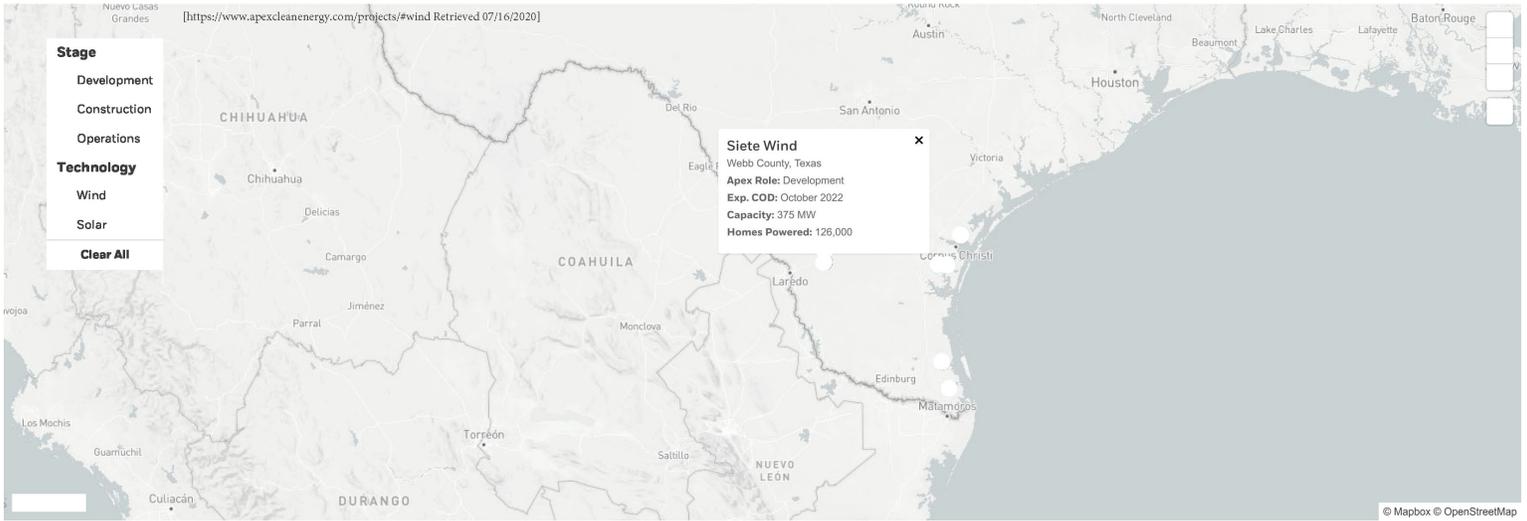
Therefore, a 313 Limitation of Appraised Value Agreement is a vital tax incentive necessary to ensure the Project is economically competitive with other wind projects with similar incentives. Without the requested value limitation, the Siete Wind Project will be unable to generate sufficient operating margins and net income to produce economically competitive energy and associate returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$370M needed to purchase wind turbines and other infrastructure, and to fund the construction of the facility.

**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?**

The information provided in this Attachment and throughout the Application has been assembled to provide the reviewer with the best possible information to make an assessment and determination of the critical nature of the Limitation on Appraised Value to the feasibility of the Project.

# **Supporting Information**

Additional information  
provided by the Applicant or  
located by the Comptroller



**Projects**

**Upper Midwest**

- Big Bend Wind  
Minnesota
- Isabella Wind  
Michigan
- Panfish Solar  
Minnesota
- Red Rock Solar  
Minnesota

**Midwest**

- Bedrock Solar  
Ohio
- Emerson Creek Wind  
Ohio
- Emerson West Wind  
Ohio
- Ford Ridge Wind  
Illinois
- Goose Creek Wind  
Illinois
- Great Pathfinder Wind  
Iowa
- Honey Creek Wind  
Ohio
- Hoopeston Wind  
Illinois
- Lincoln Land Wind  
Illinois
- Montpelier Solar  
Ohio
- Mulligan Solar  
Illinois
- Republic Wind  
Ohio
- Roaming Bison Wind  
Indiana
- Sugar Creek Wind  
Illinois
- Upland Prairie Wind  
Iowa

**Northeast**

- Alder Creek Solar  
New York
- Downeast Wind  
Maine
- Heritage Wind  
New York
- Lighthouse Wind  
New York
- Stockbridge Wind  
New York

**Great Plains**

- Balko Wind  
Oklahoma
- Big Stone Solar  
South Dakota
- Bowman Wind  
North Dakota
- Caddo Wind  
Oklahoma
- Canadian Hills Wind  
Oklahoma
- Cornhusker Harvest Wind  
Nebraska
- Dakota Range Wind I & II  
South Dakota
- Dakota Range Wind III  
South Dakota
- Diamond Spring Wind  
Oklahoma
- Grant Plains Wind  
Oklahoma
- Grant Wind  
Oklahoma
- Homestead Wind  
North Dakota
- Jayhawk Wind  
Kansas
- Kay Wind  
Oklahoma
- Kingfisher Wind  
Oklahoma
- Neosho Ridge Wind  
Kansas
- Pass Creek Wind  
South Dakota
- Ta'teh Topah  
South Dakota

**South**

- Angelo Solar  
Texas
- Aviator Wind  
Texas
- Black Angus Wind  
Texas
- Cameron Wind  
Texas
- Chapman Ranch Wind  
Texas
- Cotton Plains Wind  
Texas
- El Sauz Ranch Wind  
Texas
- Midway Wind  
Texas
- Old Settler Wind  
Texas
- Patriot Wind  
Texas
- Phantom Solar  
Texas
- Siete Wind  
Texas
- White Mesa Wind  
Texas
- Young Wind  
Texas

**West**

- Antelope Creek Wind  
Colorado
- Colorado PV Solar  
Colorado
- Grady Martin Wind  
New Mexico
- Singing Grass Wind  
Colorado

**Mid-Atlantic**

- Altavista Solar  
Virginia
  - Carvers Creek Solar  
Virginia
  - Moody Creek Solar  
Virginia
  - Pinewood Wind  
Virginia
  - Red Brick Solar  
Virginia
  - Rivanna Solar  
Virginia
  - Riverstone Solar  
Virginia
  - Rocky Forge Wind  
Virginia
  - Timbermill Wind  
North Carolina
- Canada**
- Oldman 2  
Alberta
  - Wintering Hills  
Alberta