

FINDINGS
OF THE
UVALDE CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION FOR APPRAISED VALUE LIMITATION
SUBMITTED BY
BLUE STONE RENEWABLE, LLC
(TEXAS TAXPAYER ID: # 32071498508)
(APPLICATION #1628)

NOVEMBER 15, 2021

FINDINGS
OF THE
UVALDE CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT

STATE OF TEXAS §

COUNTY OF UVALDE §

PREAMBLE

On the 15th day of November 2021, a public meeting of the Board of Trustees (“Board”) of the Uvalde Consolidated Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board took up and considered the Application (as amended, the “Application”) of Blue Stone Renewable IX, LLC (“Applicant”) for a limitation on appraised value on qualified property, pursuant to Chapter 313 of the Texas Tax Code. The Board heard presentations from the District’s administrative staff to advise the Board in this matter.

The Board considered the presentations made at the meeting, the Comptroller's recommendation and the economic impact evaluation and makes the following findings with respect to the Application in accordance with the Texas Economic Development Act, Texas Tax Code Chapter 313, and the Administrative regulations promulgated by the Texas Comptroller of Public Accounts published at 34 Texas Administrative Code Part 1, Chapter 9, Subchapter F:

1. On April 21, 2021 the District received an application for appraised value limitation on qualified property (“Application”) on the form prescribed by the Comptroller from Applicant pursuant to Chapter 313 of the Texas Tax Code. A copy of the Application is attached hereto as Exhibit A.
2. The Board acknowledged receipt of the Application, along with the requisite application fee, as established pursuant to Texas Tax Code Section 313.025(a)(1).
3. The Board elected to consider the Application.
4. The Application was delivered to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to Texas Tax Code Section 313.025(b).
5. Pursuant to a request received from the Comptroller, an Application amendment was submitted to the Comptroller on August 24, 2021. Supplement One was submitted to the

Comptroller on September 7, 2021, Supplement Two was submitted on September 14, 2021 and Supplement Three was submitted on October 8, 2021.

6. The Application (as amended) was reviewed by the Comptroller pursuant to Texas Tax Code Sections 313.025 and 313.026. After review, the Comptroller's Office, by letter dated October 8, 2021, recommended that the Board approve the Application. A copy of the Comptroller's letter along with the Comptroller's economic impact analysis completed pursuant to Texas Tax Code Section 313.025(b) is attached to these findings as Exhibit B. The Board has considered such evaluation.

7. The District's School Finance Consultant performed an independent economic impact analysis pursuant to Texas Tax Code Section 313.025(b). The Board has considered such evaluation. A copy of the economic impact evaluation is attached to these findings as Exhibit C.

8. After receipt of the Application, the District entered into negotiations with Applicant over the specific language to be included in an Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The proposed Agreement is attached to these findings as Exhibit D.

9. The Agreement was reviewed by the Comptroller. After review, the Comptroller's office, in a letter dated November 9, 2021, approved the Agreement.

FINDINGS

Findings as to each of the criterion listed in Texas Tax Code Section 313.025 and Texas Administrative Code Title 34, §9.1054. Based in the representation of Applicant set out in the Application attached as Exhibit A, the Comptroller's approval and Economic Impact Analysis attached as Exhibit B, the District Consultant's independent economic impact analysis attached as Exhibit C and the Franchise Tax Account Status attached as Exhibit E, the Board of Trustees finds:

1. That the Comptroller recommends approval of the Application.
2. That there is a strong and positive relationship between the Applicant's industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plans of the State.
3. That, based on the representations in the Application, the Applicant could locate or relocate the Project to another state or another region of this state.
4. That the Project will result in revenue gains by the school district and that the economic effects on the local and regional tax base are that the tax base will increase as a result of the Project and additional employment.
5. That there exists a small but undetermined possibility that the Project could have an impact on enrollment from families that might temporarily relocate during the construction phase, but that any impact during the operation phase can be absorbed by current facilities.

6. That the projected market value of the qualified property of the Applicant as determined by the Comptroller is \$120,000,000.
7. That the proposed limitation on appraised value for the qualified property of the Applicant is \$25,000,000.00.
8. That the projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does not receive a limitation on appraised value is \$9,026,186 as shown on Exhibit B, Attachment A, Table 3.
9. That the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the Agreement, if the property receives a limitation on appraised value is \$4,473,765 as shown on Exhibit B, Attachment A, Table 4.
10. That the total amount of taxes projected to be lost or gained by the District over the life of the Agreement computed by subtracting the projected taxes if the property receives a tax limitation from the projected taxes if the property does not receive a tax limitation is \$4,552,421, as shown on Exhibit B, Attachment A, Table 4.
11. The Applicant is eligible for the limitation on the appraised value of the Applicant's qualified property. Applicant's qualified property is eligible for a limitation on appraised value under Texas Tax Code § 313.024 as a renewable energy electric generation project.
12. The Project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period.
13. The limitation of appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in this state.
14. The job creation requirement of ten (10) new jobs exceeds the industry standard for the number of employees reasonably necessary for the operation of the Project described in the Application. Pursuant to Texas tax Code Section 313.025(f-1), the Board waives the new job creation requirement in Tax Code Section 313.051(b).
15. Applicant will create one (1) new qualifying job, and Applicant has confirmed that such job will meet all of the requirements of Texas tax Code § 313.021(3).
16. That the Project will be located within an area designated as a reinvestment zone pursuant to Texas Tax Code Chapter 312.
17. The information in the Application submitted by Applicant is true and correct.
18. The proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), attached hereto as Exhibit D, meets

all of the requirements set out in Texas Tax Code § 313.027, including adequate and appropriate revenue protection provisions for the District.

19. The proposed Agreement is in the form of the template Texas Economic Development Act Agreement adopted by the Comptroller as of October 2020, and the Comptroller has verified that the Agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Chapter 9, Subchapter F.

20. Considering the purpose and effect of the law and the terms of the Agreement, granting the Application and entering the Agreement are in the best interest of the District and the State.

21. The Applicant, Blue Stone Renewable IX, LLC (Tex. Taxpayer ID #32071498508) is an entity subject to Chapter 171, Texas Tax Code and is certified to be in good standing with the Texas Comptroller of Public Accounts. A copy of the Comptroller's Franchise Tax Account Status is attached as Exhibit E.

22. There are no conflicts of interest on the Board at the time of its consideration of the Agreement.

23. It is hereby found, determined and declared that sufficient written notice of the date, time, place and subject of the meeting of the Board of Trustees at which these Findings were made was posted at a place convenient and readily accessible at all times to the general public for the time required by law preceding this meeting, as required by chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these Findings were made and the subject matter thereof has been discussed, considered and formally acted upon. The Board of Trustees further ratifies, approves and confirms such written notice and posting thereof.

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[Orders and signatures follow]

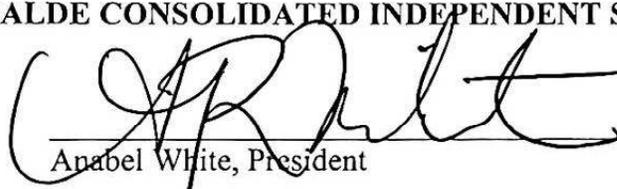
It is therefore **ORDERED** that:

1. The Findings above, including the recitals set out in the Preamble, are adopted and approved by the Board of Trustees.
2. The Application of Blue Stone Renewable IX, LLC for a limitation on the appraised value for school district maintenance and operations ad valorem tax purposes of qualified property is approved.
3. The Board President is designated and directed to sign the Agreement on behalf of the District if approved by the Board of Trustees by official action.
4. These findings and the Exhibits referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 15th day of November 2021.

UVALDE CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

By:


Anabel White, President

ATTEST:

By:


Robert Fowler, Secretary

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT A

Application for Appraised Value Limitation on Qualified Property



WALSH GALLEGOS
TREVINO KYLE & ROBINSON P.C.

July 21, 2021

Mr. John Villarreal
Chapter 313 Manager
Local Government Assistance and
Economic Development Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

VIA E-MAIL DELIVERY:
John.Villarreal@cpa.texas.gov
Ch313.apps@cpa.texas.gov

Re: Uvalde Consolidated Independent School District (“District”) / Tax Limitation Agreement: Blue Stone Renewable IX, LLC (“Applicant”)

Dear Mr. Villarreal:

Pursuant to Tax Code §313.025(b) and 34 TAC Rules §9.1053(a)(2) and 9.1054(c), attached is one (1) copy of the Application for Appraised Value Limitation on Qualified Property (“Application”), including schedules in Excel format, submitted to the Uvalde Consolidated Independent District by Blue Stone Renewable IX, LLC for public posting.

A draft application was received on April 21, 2021. The Board of Trustees of the District elected to consider the application on April 21, 2021. The District determined the Application was incomplete at that time and requested additional amendments before submission to the Comptroller’s Office. The Applicant submitted updated application materials, which the District determined to be complete July 16, 2021.

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

Please call if you have any questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/arm
Enclosures

cc: *(Via Certified Mail No. 7018 1130 0002 1891 2497; Return Receipt Requested)*
Dr. Hal Harrell, Superintendent of Schools
Uvalde Consolidated Independent School District
1000 N. Getty St.
Uvalde, Texas 78801

Via E-mail
Mr. Chris Grammer
Culwell Consulting
1303 Darter Lane
Austin, Texas 78746

(Via Certified Mail No. 7018 1130 0002 1891 2503; Return Receipt Requested)
Mr. Trey Patton, Project Development Manager
Abei Energy & Infrastructure, LLC
5540 N. Lamar Blvd., #9
Austin, Texas 78732

Uvalde County Appraisal District
Attention: Roberto Valdez, Chief Appraiser
209 N. High Street
Uvalde, Texas 78801

(Via U.S. Postal Service Delivery)

Tab 1

Application

Blue Stone Renewable IX, LLC

**Chapter 313 Application for Appraised Value Limitation to Uvalde Consolidated
Independent School District**

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

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

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

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

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

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

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

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

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

SECTION 1: School District Information

1. Authorized School District Representative

04/19/2021

Date Application Received by District

Hal

First Name

Harrell

Last Name

Superintendent of Schools

Title

Uvalde Consolidated Independent School District

School District Name

1000 N. Getty Street

Street Address

P.O. Box 1909

Mailing Address

Uvalde

City

830-278-6655

Phone Number

N/A

Mobile Number (optional)

Texas

State

830-591-4927

Fax Number

hharrell1029@uvaldecisd.net

Email Address

78802-1909

ZIP

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Form fields for authorized school district consultant including first name (Eddy), last name (Perez), title (Attorney), firm name (Walsh Gallegos), phone number (210-979-6633), fax number (210-979-7024), and email address (eperez@wabsa.com).

4. On what date did the district determine this application complete? July 16, 2021

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Form fields for authorized company representative including first name (Trey), last name (Patton), title (Project Development Manager), organization (Abei Energy & Infrastructure, LLC), street address (See above), mailing address (Austin, Texas), city (Austin), state (Texas), ZIP (78732), phone number (214-502-1993), fax number (N/A), and business email address (treypatton@abeienenergy.com).

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? [] Yes [x] No

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

Form fields for contact information of other company official including first name, last name, title, organization, street address, mailing address, city, state, ZIP, phone number, fax number, and business email address.

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Michael _____ First Name
 Lateur _____ Last Name
 Managing Director, Specialty Tax _____ Title
 Duff & Phelps, LLC - A Kroll Business _____ Firm Name
 (512) 671-5575 _____ Phone Number
 N/A _____ Fax Number
 michael.lateur@duffandphelps.com _____ Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No
 The total fee shall be paid at the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

\$ 75,000.00 _____ Payment Amount
 Wire Transfer _____ Transaction Type
 Abei Energy & Infrastructure, LLC _____ Payor
 Uvalde Consolidated Independent School District _____ Payee
 April 14, 2021 _____ Date transaction was processed

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? _____ Blue Stone Renewable IX, LLC
 2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter(177digits) _____ 32071498508
 3. Parent Company Name _____ Abei Energy S.L. Spain
 4. Parent Company Tax ID _____ N/A
 5. NAICS code _____ 221114
 6. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
 6a. If yes, please list application number, name of school district and year of agreement _____

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (corporation, limited liability corporation, etc) _____ Limited Liability Company
 2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No
 2a. If yes, attach in **Tab 3** a copy of the most recently submitted Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

SECTION 5: Applicant Business Structure (continued)

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

Blue Stone Renewable IX, LLC

2c. Reporting Entity Taxpayer Number

32071498508

3. Is the applicant current on all tax payments due to the State of Texas? Yes No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

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

*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- Land has no existing improvements
 - Land has existing improvements (complete Section 13)
 - Expansion of existing operation on the land (complete Section 13)
 - Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

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 October 2021
2. Estimated commencement of construction Q4 2021
3. Beginning of qualifying time period (MM/DD/YYYY) 01/01/2022
4. First year of limitation (YYYY) 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
 - C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations Q2 2023

SECTION 10: The Property

1. County or counties in which the proposed project will be located Uvalde County
2. Central Appraisal District (CAD) that will be responsible for appraising the property Uvalde CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

M&O (ISD): <u>Uvalde CISD M&O, 0.9978, 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Uvalde CISD I&S, 0.1990, 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Uvalde County, 0.61, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Uvalde Co Water Cons Dis, 0.0123, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Uvalde Co. Road/Flo, 0.13, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>SWTJC, 0.1546, 100%</u> <small>(Name, tax rate and percent of project)</small>

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 1
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 0
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
- average weekly wage for all jobs (all industries) in the county is \$ 749.50
 - b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is \$ 1,196.80
 - c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is \$ 1,000.56
5. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? \$ 52,029.12
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? \$ 52,029.12
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**.

NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here

Hal Harrell

Print Name (Authorized School District Representative)

Superintendent of Schools

Title

sign here

Hal Harrell

Signature (Authorized School District Representative)

7.7.2021

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

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

print here

Trey Patton

Print Name (Authorized Company Representative (Applicant))

Project Development Manager

Title

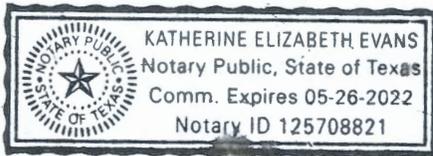
sign here

Trey Patton

Signature (Authorized Company Representative (Applicant))

7/5/21

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

5th day of July 2021

Katherine Elizabeth Evans

Notary Public in and for the State of Texas

My Commission expires: May 26, 2022

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

ATTACHMENT	
1	Sections 1-16
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project boundary and project vicinity, including county and school district boundaries b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Any existing property within the project area e) Any facilities owned or operated by the applicant having interconnections to the proposed project f) Location of project, and related nearby projects within vicinity map g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of non-qualifying wage target and two possible qualifying job wage requirements with TWC documentation
14	Schedules A1, A2, B, and C completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as an enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone c) order, resolution or ordinance establishing the reinvestment zone d) guidelines and criteria for creating the zone
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Tab 2

Proof of Payment Application Fee

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of
Public Accounts)*

Tab 3

Documentation of Combined Group Membership

Not Applicable

Tab 4

Detailed Description of the Project

Blue Stone Renewable IX, LLC is requesting an appraised value limitation from Uvalde Consolidated Independent School District (Uvalde CISD) for the Project Nightfall Solar Project (The Project), a proposed solar power electric generating facility in Uvalde County. The proposed Uvalde CISD Project would be constructed within a reinvestment zone of approximately 932 acres established by Uvalde County on land between the city of Uvalde and the town of Knippa on the southside of US Highway 90. A map showing the proposed location of the project and the established reinvestment zone is included in Tab 11.

The proposed Project is expected to have an installed capacity of approximately 150 MW (ac), with 368,000 PV modules, 35 inverters, and all other Project improvements located entirely in Uvalde CISD. The exact number and location of PV modules and inverters remains to be determined based upon ongoing siting analysis, manufacturer's availability, unit price, and the anticipated megawatt generating capacity of the Project when completed.

Blue Stone Renewable IX, LLC requests a value limitation for all facilities and equipment installed for the Project including: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, O&M building, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities, control systems necessary for commercial generation of electricity, and all eligible ancillary and necessary equipment.

*NOTE: The map in Tab 11 shows the potential locations of improvements within Uvalde CISD boundaries; however, the final number of panels and inverters and the location of each of these facilities would be dependent upon ongoing negotiations with power purchasers and other factors.

Tab 5**Documentation to Assist in Determining if Limitation is a Determining Factor**

Blue Stone Renewable IX, LLC's parent company, Abei Energy S.L. Spain (Abei), is an independent power producer specializing in renewable energy electric generation such as photovoltaic solar, wind, and hydroelectric energy. Abei's executive management team has over twelve years of experience developing and operating renewables projects throughout the world, with an expansive portfolio that amounts to over 4.5 GWp. While the majority of this generation has been in Europe and Latin America, Abei has spent the last few years building a team and presence in Texas. Abei's current generation pipeline in Texas currently amounts to approximately 2.4 GWp.

Photovoltaic solar renewable energy generation projects require planning, due diligence, financial modeling, and major capital investment outlays. Abei currently manages a large portfolio in Texas and has plans to develop new projects outside of the state. As with any capital-intensive project, property tax appraisals have a significant impact on project feasibility. Since this project is still in the development phase the possibility exists that resources and funds could be reallocated to other projects outside the State of Texas. Should other projects become more economically viable than the proposed Project, the company's financial resources could be redirected elsewhere to ensure that Abei's most marketable projects are those that reach final development and interconnection.

Due to the competitive nature of the ERCOT market, the financial model for this project is based on the assumption that a Chapter 313 appraised value limitation is secured for the Project. Project financiers are familiar with the dynamics of the Texas power market and specific liabilities of solar power electric generation. Without tax incentives, the operating expenses are generally too high and investment yields too low to be acceptable under today's solar financing standards.

Abei has business and project development offices around the world, including its two primary offices in Madrid (headquarters) and Cordoba, Spain, with additional offices in France, Portugal, the United Kingdom, Mexico, Germany, Brazil and Italy. As a global developer of renewable energy projects, Abei uses advanced financial market, technical specification and natural resource modeling, as well as due diligence processes to best determine where to deploy capital and personnel. This discretionary capital investment process is heavily influenced by estimates of profitability, which include project revenue projections and potential incentives that can reduce significant liabilities, such as ad valorem property tax. The Chapter 313 school value limitation is a key factor in the company's decision to develop the Project in Texas.

Tab 6

Description of How Project is Located in More Than One District, Including List of Percentage in Each District and, if Determined to be a Single Unified Project, Documentation from the Office of the Governor

Not Applicable

Tab 7

Description of Qualified Investment

Blue Stone Renewable IX, LLC proposes the construction of a 150 MW (ac) solar power generation facility within a reinvestment zone of approximately 932 acres established by Uvalde County on land between the city of Uvalde and the town of Knippa on the southside of US Highway 90. The entirety of the 150 MW solar power generation facility would be located within Uvalde CISD.

This application covers all qualified investment and property within the Reinvestment Zone and Uvalde CISD necessary for the commercial operations of the proposed solar plant as described in Tab 4. The proposed qualified investment and property would include: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, O&M building, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities, control systems necessary for commercial generation of electricity, and all eligible ancillary and necessary equipment.

*NOTE: The map in Tab 11 shows the potential locations of improvements within Uvalde CISD boundaries; however, the final number of panels and inverters and the location of each of these facilities would be dependent upon ongoing negotiations with power purchasers and other factors.

Tab 8

Description of Qualified Property

Blue Stone Renewable IX, LLC proposes the construction of a 150 MW (ac) solar power generation facility within a reinvestment zone of approximately 932 acres established by Uvalde County on land between the city of Uvalde and the town of Knippa on the southside of US Highway 90. The entirety of the 150 MW solar power generation facility would be located within Uvalde CISD.

This application covers all qualified investment and property within the Reinvestment Zone and Uvalde CISD necessary for the commercial operations of the proposed solar plant as described in Tab 4. The proposed qualified investment and property would include: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, O&M building, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities, control systems necessary for commercial generation of electricity, and all eligible ancillary and necessary equipment.

*NOTE: The map in Tab 11 shows the potential locations of improvements within Uvalde CISD boundaries; however, the final number of panels and inverters and the location of each of these facilities would be dependent upon ongoing negotiations with power purchasers and other factors.

Tab 9

Description of Land

The land on which this proposed project would be developed would **not** be claimed as part of the Qualified Property as described by Texas Statute 313.021(2)(A).

Tab 10

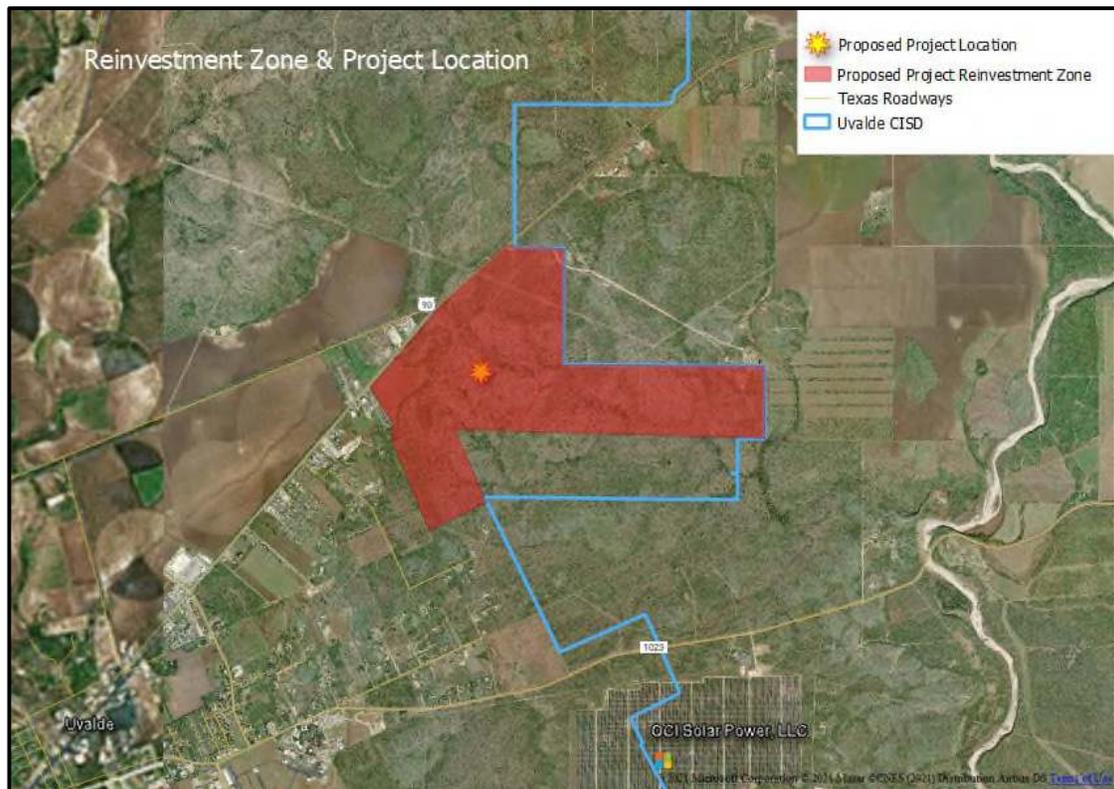
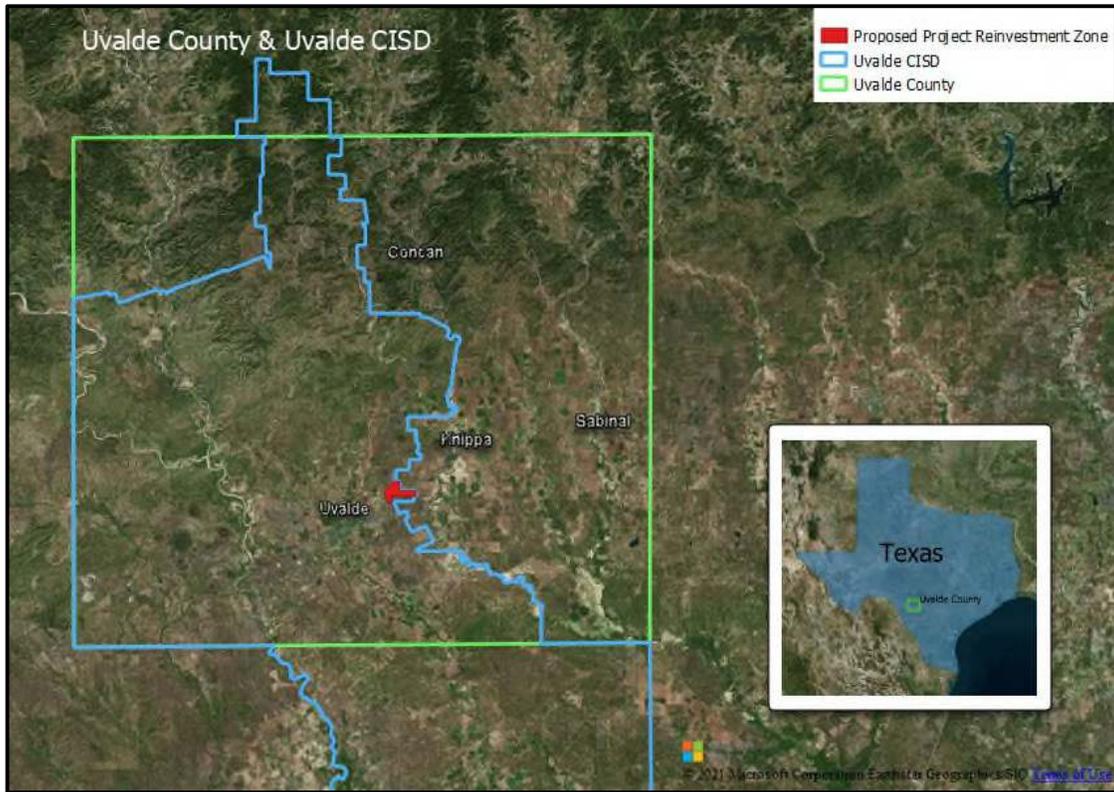
Description of All Property Not Eligible to Become Qualified Property

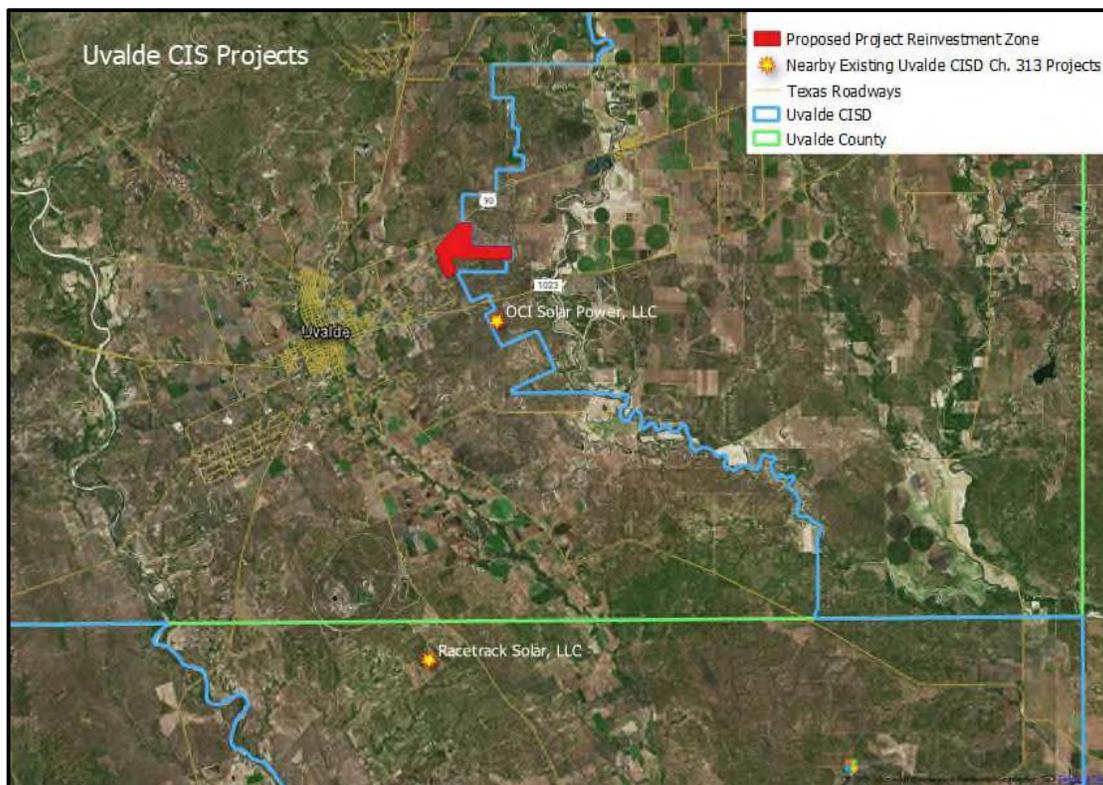
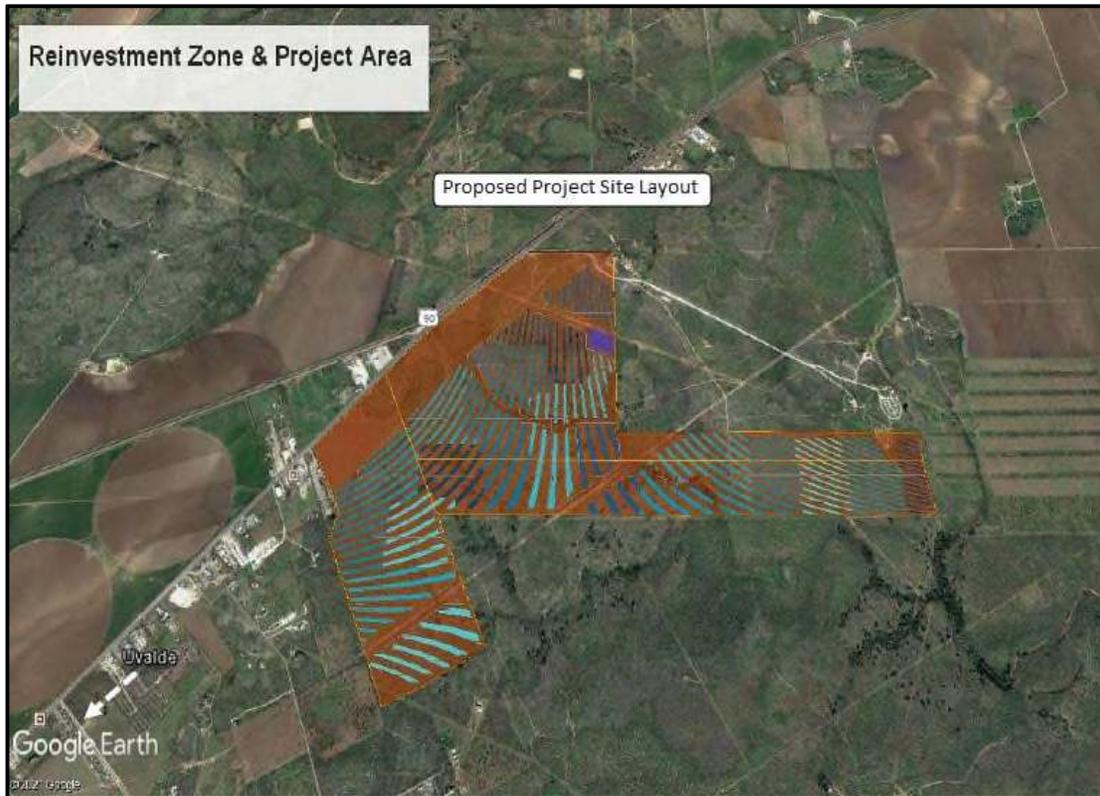
The land on which the Project would be developed would not be claimed as part of the Qualified Property.

Tab 11

Maps that clearly show

- a) Project boundary and project vicinity, including county and school district boundaries**
- b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period**
- c) Qualified property including location of new buildings or new improvements**
- d) Any existing property within the project area**
- e) Any facilities owned or operated by the applicant having interconnections to the proposed project**
- f) Location of project, and related nearby projects within vicinity map**
- g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size**





Tab 12

Request for Waiver of Job Requirements

Please see attached request for waiver of job requirements.



Hal Harrell, Ed.D Superintendent
Uvalde Consolidated Independent School District
1000 N. Getty Street
Uvalde, TX 78801

RE: Job Waiver Request for Blue Stone Renewable IX, LLC Chapter 313 Application to UCISD

Dear Dr. Harrell,

Blue Stone Renewable IX, LLC respectfully requests that Uvalde Consolidated Independent School District's Board of Trustees waive the job requirement provision for its current Chapter 313 Application for Appraised Value Limitation on Qualified Property, as allowed by Section 313.025 (f-1) of the Texas Tax Code. This waiver request is based on the school district's board findings that the job creation requirement exceeds the industry standard for the number of employees reasonably necessary to operate the facility.

Blue Stone Renewable IX, LLC respectfully requests that Uvalde CISD make such finding and waive the standard Chapter 313 job creation requirement of ten (10) permanent, full-time jobs. Consistent with the current industry standard for employment at a photovoltaic energy generation facility of this size and scope, Blue Stone Renewable IX, LLC has committed to create one (1) qualifying job associated with the proposed solar power project in Uvalde CISD.

As part of its proposed solar power generation project, Blue Stone Renewable IX, LLC's investment in Uvalde CISD would create many temporary but relatively high-paying construction jobs in its development phase. While solar projects can create temporary construction and ancillary jobs during development, solar facilities themselves only require a relatively small operations and maintenance staff. The full-time, permanent qualifying job that Blue Stone Renewable IX, LLC would create is in alignment with current industry standards for maintenance and operation job creation at similar facilities, as evidenced by the previously certified value limitation agreement applications and approved job waivers for virtually all similar solar power generation projects in Texas.

The permanent, full-time personnel at a solar power generation facility maintain and service the photovoltaic panels and inverters, underground electrical connections, substations, and other infrastructure associated with the safe and reliable operation of the facility. In addition to on-site staff, managers and/or technicians would provide remote support to the facility.

The development of Blue Stone Renewable IX, LLC's proposed solar power generation facility would provide tangible economic benefit to Uvalde CISD and advance the renewable energy

industry in Texas. Thank you for your consideration of this request and we look forward to a successful conclusion of the proposed project in Uvalde County.

Sincerely,



Jose Antonio Valle Fernandez
Chief Executive Officer, ABEI Energy

Tab 13

Calculation of Wage Requirements

Average Weekly Wages for All jobs, All Industries in Uvalde County (Four Most Recent Quarters)

County	Year	Quarter	Ownership	Avg. Weekly Wage
Uvalde County	2020	1	Total All	\$ 703
Uvalde County	2020	2	Total All	\$ 719
Uvalde County	2020	3	Total All	\$ 742
Uvalde County	2020	4	Total All	\$ 834
Sum Last 4 Quarters				\$ 2,998
Average Weekly Wage				\$ 749.50

Average Weekly Wages for Manufacturing Jobs in Uvalde County (Four Most Recent Quarters)

County	Year	Quarter	Ownership	Avg. Weekly Wage
Uvalde County	2020	1	Total All	\$ 1,018
Uvalde County	2020	2	Total All	\$ 1,114
Uvalde County	2020	3	Total All	\$ 1,057
Uvalde County	2020	4	Total All	\$ 1,163
Sum Last 4 Quarters				\$ 4,352
Average Weekly Wage				\$ 1,088
110 % Average Weekly Wage				\$ 1,196.80

Average Weekly Wages for Manufacturing Jobs in Council of Government Region (Most Recent Year)

COG Region	Year	Hourly	Annual	Avg. Weekly Wage
Middle Rio Grande	2019	\$ 22.74	\$ 47,296	\$ 909.60
110 % Average Weekly Wage				\$ 1,000.56

*Backup documentation provided in following pages

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	01	Uvalde	Total All	Total, All Industries	703
2020	02	Uvalde	Total All	Total, All Industries	719
2020	03	Uvalde	Total All	Total, All Industries	742
2020	04	Uvalde	Total All	Total, All Industries	834

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	01	Uvalde	Total All	Manufacturing	1,018
2020	02	Uvalde	Total All	Manufacturing	1,114
2020	03	Uvalde	Total All	Manufacturing	1,057
2020	04	Uvalde	Total All	Manufacturing	1,163

**2019 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$22.31	\$46,399
South Plains Association of Governments	2	\$18.97	\$39,448
NORTEX Regional Planning Commission	3	\$20.38	\$42,395
North Central Texas Council of Governments	4	\$32.92	\$68,476
Ark-Tex Council of Governments	5	\$20.09	\$41,780
East Texas Council of Governments	6	\$28.95	\$60,211
West Central Texas Council of Governments	7	\$21.83	\$45,406
Rio Grande Council of Governments	8	\$18.15	\$37,749
Permian Basin Regional Planning Commission	9	\$21.87	\$45,499
Concho Valley Council of Governments	10	\$26.74	\$55,625
Heart of Texas Council of Governments	11	\$22.41	\$46,614
Capital Area Council of Governments	12	\$29.37	\$61,091
Brazos Valley Council of Governments	13	\$17.60	\$36,613
Deep East Texas Council of Governments	14	\$21.06	\$43,796
South East Texas Regional Planning Commission	15	\$25.52	\$53,079
Houston-Galveston Area Council	16	\$28.85	\$60,015
Golden Crescent Regional Planning Commission	17	\$21.43	\$44,565
Alamo Area Council of Governments	18	\$26.64	\$55,401
South Texas Development Council	19	\$18.70	\$38,889
Coastal Bend Council of Governments	20	\$34.94	\$72,668
Lower Rio Grande Valley Development Council	21	\$20.05	\$41,698
Texoma Council of Governments	22	\$18.40	\$38,280
Central Texas Council of Governments	23	\$21.07	\$43,821
Middle Rio Grande Development Council	24	\$22.74	\$47,296
Texas		\$27.25	\$56,673

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

Data published: August 2020.

Data published annually, next update will likely be July 31, 2021

Annual Wage Figure assumes a 40-hour work week.

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

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

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

Tab 14

Schedules A1, A2, B, and C completed and signed Economic Impact (if applicable)

Please see attached schedules A1, A2, B, and C.

PROPERTY INVESTMENT AMOUNTS										
(Estimated Investment in each year. Do not put cumulative totals.)										
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A	Column B	Column C	Column D	Column E			
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonmovable components of buildings that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)			
Investment made before filing complete application with district			Not eligible to become Qualified Property							
Investment made after filing complete application with district, but before final board approval of application	Sub Year	2021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			\$79,666,667	\$333,333	\$0	\$0	\$0	\$80,000,000		
Complete tax years of qualifying time period	QTP1	2022	\$39,833,333	\$166,667	\$0	\$0	\$0	\$40,000,000		
	QTP2	2023	\$119,500,000	\$500,000	\$0	\$0	\$0	\$120,000,000		
Total Investment through Qualifying Time Period (ENTER this row in Schedule A2)			\$120,000,000					\$120,000,000		
Total Qualified Investment (sum of green cells)			\$120,000,000					\$120,000,000		

For All Columns: List amount invested each year, not cumulative totals.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Only tangible personal property that is specifically described in the application can become qualified property.
 Column B: The total dollar amount of planned investment each year in buildings or nonmovable component of buildings.
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is aimed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.
 Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.
 Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

PROPERTY INVESTMENT AMOUNTS										
(Estimated Investment in each year. Do not put cumulative totals.)										
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A		Column B		Column C		Column D	
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Enter amounts from TOTAL row in Schedule A1 in the row below	Other investment made during this year that will become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)		
TOTALS FROM SCHEDULE A1			\$119,500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$120,000,000
1	2024-2025	2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	2025-2026	2025	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	2026-2027	2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	2027-2028	2027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	2028-2029	2028	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	2029-2030	2029	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	2030-2031	2030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	2031-2032	2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	2032-2033	2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	2033-2034	2033	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Investment made through limitation			\$119,500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$120,000,000
11	2034-2035	2034			\$0					\$0
12	2035-2036	2035			\$0					\$0
13	2036-2037	2036			\$0					\$0
14	2037-2038	2037			\$0					\$0
15	2038-2039	2038			\$0					\$0
16	2039-2040	2039			\$0					\$0
17	2040-2041	2040			\$0					\$0
18	2041-2042	2041			\$0					\$0
19	2042-2043	2042			\$0					\$0
20	2043-2044	2043			\$0					\$0
21	2044-2045	2044			\$0					\$0
22	2045-2046	2045			\$0					\$0
23	2046-2047	2046			\$0					\$0
24	2047-2048	2047			\$0					\$0
25	2048-2049	2048			\$0					\$0

* All investments made through the qualifying time period are captured and totaled on Schedule A1 (blue box) and incorporated into this schedule in the first row.
 ** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.
 *** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were not captured on Schedule A1.
 For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date
 Applicant Name
 ISD Name

5/25/2021
 Blue Stone Renewable IX, LLC
 Uvalde CISD

Form 50-296A
 Revised October 2020

	Qualified Property			Estimated Taxable Value					
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year)	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP 1	2022-2023	2022	\$0	\$0	\$0	\$0	\$0	\$0
	QTP 2	2023-2024	2023	\$0	\$166,667	\$35,850,000	\$36,016,667	\$36,016,667	\$36,016,667
Value Limitation Period	1	2024-2025	2024	\$0	\$500,000	\$107,550,000	\$108,050,000	\$108,050,000	\$25,000,000
	2	2025-2026	2025	\$0	\$495,000	\$96,795,000	\$97,290,000	\$97,290,000	\$25,000,000
	3	2026-2027	2026	\$0	\$490,050	\$87,235,000	\$87,725,050	\$87,725,050	\$25,000,000
	4	2027-2028	2027	\$0	\$485,150	\$78,870,000	\$79,355,150	\$79,355,150	\$25,000,000
	5	2028-2029	2028	\$0	\$480,298	\$70,505,000	\$70,985,298	\$70,985,298	\$25,000,000
	6	2029-2030	2029	\$0	\$475,495	\$63,335,000	\$63,810,495	\$63,810,495	\$25,000,000
	7	2030-2031	2030	\$0	\$470,740	\$57,360,000	\$57,830,740	\$57,830,740	\$25,000,000
	8	2031-2032	2031	\$0	\$466,033	\$51,385,000	\$51,851,033	\$51,851,033	\$25,000,000
	9	2032-2033	2032	\$0	\$461,372	\$46,605,000	\$47,066,372	\$47,066,372	\$25,000,000
	10	2033-2034	2033	\$0	\$456,759	\$41,825,000	\$42,281,759	\$42,281,759	\$25,000,000
Continue to maintain viable presence	11	2034-2035	2034	\$0	\$452,191	\$37,045,000	\$37,497,191	\$37,497,191	\$37,497,191
	12	2035-2036	2035	\$0	\$447,669	\$33,460,000	\$33,907,669	\$33,907,669	\$33,907,669
	13	2036-2037	2036	\$0	\$443,192	\$29,875,000	\$30,318,192	\$30,318,192	\$30,318,192
	14	2037-2038	2037	\$0	\$438,761	\$29,875,000	\$30,313,761	\$30,313,761	\$30,313,761
	15	2038-2039	2038	\$0	\$434,373	\$29,875,000	\$30,309,373	\$30,309,373	\$30,309,373
	16	2039-2040	2039	\$0	\$430,029	\$29,875,000	\$30,305,029	\$30,305,029	\$30,305,029
	17	2040-2041	2040	\$0	\$425,729	\$29,875,000	\$30,300,729	\$30,300,729	\$30,300,729
	18	2041-2042	2041	\$0	\$421,472	\$29,875,000	\$30,296,472	\$30,296,472	\$30,296,472
	19	2042-2043	2042	\$0	\$417,257	\$29,875,000	\$30,292,257	\$30,292,257	\$30,292,257
	20	2043-2044	2043	\$0	\$413,084	\$29,875,000	\$30,288,084	\$30,288,084	\$30,288,084
Additional years for 25 year economic impact as required by 313.026(c)(1)	21	2044-2045	2044	\$0	\$408,953	\$29,875,000	\$30,283,953	\$30,283,953	\$30,283,953
	22	2045-2046	2045	\$0	\$404,864	\$29,875,000	\$30,279,864	\$30,279,864	\$30,279,864
	23	2046-2047	2046	\$0	\$400,815	\$29,875,000	\$30,275,815	\$30,275,815	\$30,275,815
	24	2047-2048	2047	\$0	\$396,807	\$29,875,000	\$30,271,807	\$30,271,807	\$30,271,807
	25	2048-2049	2048	\$0	\$392,839	\$29,875,000	\$30,267,839	\$30,267,839	\$30,267,839

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
 Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 5/25/2021
Applicant Name Blue Stone Renewable IX, LLC
ISD Name Uvalde CISD

Form 50-296A
 Revised October, 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction			Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Annual wage of new qualifying jobs		
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP 1	2022-2023	2022	300 FTE	\$56,000	0	0	\$0		
	QTP 2	2023-2024	2023	300 FTE	\$56,000	0	0	\$0		
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2024-2025	2024	0	\$0	0	1	\$52,029		
	2	2025-2026	2025	0	\$0	0	1	\$52,029		
	3	2026-2027	2026	0	\$0	0	1	\$52,029		
	4	2027-2028	2027	0	\$0	0	1	\$52,029		
	5	2028-2029	2028	0	\$0	0	1	\$52,029		
	6	2029-2030	2029	0	\$0	0	1	\$52,029		
	7	2030-2031	2030	0	\$0	0	1	\$52,029		
	8	2031-2032	2031	0	\$0	0	1	\$52,029		
	9	2032-2033	2032	0	\$0	0	1	\$52,029		
	10	2033-2034	2033	0	\$0	0	1	\$52,029		
Years Following Value Limitation Period	11 through 25	2034-2049	2048	0	\$0	0	1	\$52,029		

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
 Only include jobs on the project site in this school district.

Tab 15

Economic Impact Analysis, Other Payments Made in the State or Other Economic Information

Not Applicable

Tab 16

Description of Reinvestment Zone

a) Evidence that the area qualifies as an enterprise zone as defined by the Governor’s Office

Not Applicable

b) Legal description of reinvestment zone

The parcel IDs for the proposed project and their corresponding legal descriptions from Uvalde CAD are listed below:

Parcel ID	Legal Description as provided by Uvalde CAD
23553	A1000 ABSTRACT 1000 SURVEY 374 A-1000 S-374 1/2 INT. IN 243.54 121.77
22712	A0709 ABSTRACT 0709 SURVEY 375 A-709 S-375 222.16
18678	A0216 ABSTRACT 0216 SURVEY 75 54.11

The legal description for the reinvestment zone as passed by the Uvalde County Commissioners Court on April 12, 2021 is provided below:

Being 2189.084 acres of land, more or less, as described in Deed dated December 26, 1957, from First State Bank of Uvalde, as independent executor and testamentary trustee of the estate of M. B. Walcott, deceased, et al, to Neal Jernigan, Sr., recorded in Vol. 130, Page 615, et seq., of the Deed Records of Uvalde County, Texas; SAVE AND EXCEPT 27.96 acre of land, more or less, described in Deed from Ginger Schneider, also known as Ginger A. Schneider, also known as Ginger A. Cooper to Cody Brown, recorded in Clerk's File No. 2006004456, Official Public Records of Uvalde County, Texas; SAVE AND EXCEPT 10.02 acres of land, more or less, described in Deed dated December 17, 2010, from Ginger Schneider to Bill Hall Jr., recorded in Clerk's File No.2010003698, Official Public Records of Uvalde County, Texas.

c) Order, resolution, or ordinance establishing the reinvestment zone

Please see attached resolution establishing reinvestment zone

d) Guidelines and criteria for creating the zone

Please see attached guidelines and criteria for creating the reinvestment zone



UVALDE COUNTY COMMISSIONERS COURT

RESOLUTION

WHEREAS ABEI Energy (Blue Stone Renewable IX, LLC) appeared before the Uvalde County Commissioners Court on April 12th, 2021; and

WHEREAS ABEI Energy submitted a formal request for a reinvestment zone designation from the County of Uvalde; and

WHEREAS ABEI Energy proposed a 150 mega watt solar powered electric generating facility to be established in Uvalde County on approximately 932 acres of land located between the city of Uvalde and the town of Knippa on the southside of US Highway 90; and

WHEREAS Commissioner Ronnie Garza made a motion, seconded by Commissioner Jerry Bates creating the reinvestment zone and the motion passed, 4-0; and

WHEREAS The reinvestment zone is described in attached Exhibit "A" (legal description) and Exhibit "B" (maps) and is to be named Nightfall Solar Project;

NOW, THEREFORE, BE IT RESOLVED THAT THE UVALDE COUNTY COMMISSIONERS COURT HEREBY AUTHORIZES THE CREATION OF NIGHTFALL SOLAR PROJECT REINVESTMENT ZONE

PASSED AND APPROVED THIS THE 12TH DAY OF APRIL, 2021.



Valerie Del Toro Romero
VALERIE DEL TORO ROMERO
UVALDE COUNTY CLERK

William R. Mitchell

WILLIAM R. MITCHELL
UVALDE COUNTY JUDGE

EXHIBIT A

The tracts of land in Uvalde County, Texas as described below:

Being 2189.084 acres of land, more or less, as described in Deed dated December 26, 1957, from First State Bank of Uvalde, as independent executor and testamentary trustee of the estate of M. B. Walcott, deceased, et al, to Neal Jernigan, Sr., recorded in Vol. 130, Page 615, et seq., of the Deed Records of Uvalde County, Texas; SAVE AND EXCEPT 27.96 acre of land, more or less, described in Deed from Ginger Schneider, also known as Ginger A. Schneider, also known as Ginger A. Cooper to Cody Brown, recorded in Clerk's File No. 2006004456, Official Public Records of Uvalde County, Texas; SAVE AND EXCEPT 10.02 acres of land, more or less, described in Deed dated December 17, 2010, from Ginger Schneider to Bill Hall Jr., recorded in Clerk's File No.2010003698, Official Public Records of Uvalde County, Texas.

Exhibit B



**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS
IN REINVESTMENT ZONES
FOR
UVALDE COUNTY, TEXAS**

I. PURPOSE

Uvalde County hereinafter referred to as “County”, is committed to the promotion of quality development in all parts of the community and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax phase-in, which includes the designation of reinvestment zones, application for tax abatements and entering into tax abatement agreements, to stimulate growth and development. It is the intent of the County, that such incentives will be provided in accord with the procedures and criteria outlined in this document. However, nothing in these Guidelines and Criteria shall imply or suggest being construed to imply or suggest that tax entities are under any obligation to provide any incentives to any applicant. All such applicants for tax phase-in incentives shall be considered on an individual basis for both the qualification for abatement and the amount of any abatement.

II. DEFINITIONS

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

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

(a) Be an Authorized Facility. A facility may be eligible for abatement if it is a(n):

- Aquaculture/Agriculture Facility,
- Distribution Center Facility,
- Manufacturing Facility,
- Office Building,
- Regional Entertainment/Tourism Facility,
- Research Facility,
- Regional Service Facility,
- Historic Building in designated area,
- Wind Energy Facility,
- Solar Energy Facility
- Residential Commercial Property, or
- Other Basic Industry.

(b) The project must add at least \$100,000 in taxable value to the property.

In consideration of the request for designation as a reinvestment zone and to receive tax abatement, the following factors will also be considered:

- (1) Jobs. The projected new jobs created including the number of jobs, the retention of existing jobs, the type of jobs, the average payroll, the total payroll and the number of local persons hired.
- (2) Fiscal Impact. The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, the amount of direct sales tax that will be generated, the infrastructure improvements by the County that will be required by the facility, the infrastructure improvements made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) Community Impact.
 - The pollution, if any, as well as other negative environmental impacts affecting the health and safety of the community that will be created by the project;
 - The revitalization of a depressed area;
 - The business opportunities of existing local vendors;
 - The alternative development possibilities for proposed site;
 - The impact on other taxing entities; and/or
 - Whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Uvalde County to another.

IV. ABATEMENT AUTHORIZED

- (a) Authorized Date. A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction; provided, that such facility meets the criteria granting tax abatement in reinvestment zones created in Uvalde County pursuant to these Guidelines and Criteria for a period not to exceed ten years.
- (b) Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee (and lessor if required pursuant to IV (E)), subject to such limitations as the Guidelines and Criteria may require.
- (c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).

- (d) Eligible Property. Abatement may be extended to the value of the following: new, expanded or modernized buildings and structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility, and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.
- (e) Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement:
- Base value of real estate as valued by the appraisal district in the year immediately preceding abatement,
 - Animals,
 - Inventories,
 - Supplies
 - Tools,
 - Furnishings and other forms of moveable personal property,
 - Vehicles,
 - Vessels,
 - Aircraft,
 - Housing or residential property (except residential commercial property built for resale),
 - Hotel/motels,
 - Fauna,
 - Flora,
 - Retail facilities,
 - Property to be rented or leased except as provided in Part IV(f),
 - Any improvements including those to produce, store or distribute natural gas or fluids that are not integral to the operation of the facility,
 - Property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- (f) Owned/Leased Facilities. If a leased facility is granted an abatement, the agreement shall be executed with the lessor and lessee.
- (g) Value and Term of Abatement. Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement. The value of new eligible properties shall be abated according to the approved agreement between applicant and the governing body. The governing body, in its sole discretion, shall determine the amount of any abatement.

The abatement may be extended through an initial agreement and a subsequent agreement as may be required to comply with state law regarding the term of the reinvestment zone.

- (h) Construction in Progress. If a qualifying facility has not been placed in service as of January 1 following execution of the abatement agreement, the taxpayer may apply for a one-year extension of the term of abatement. Said extension must be applied for prior to the end of the calendar year in which the abatement agreement is executed.
- (i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
 - (1) The value of ineligible property as provided in Part IV (e) shall be fully taxable.
 - (2) The base year value of existing eligible property as determined each year shall be fully taxable.
 - (3) The additional value of new eligible property shall be taxable in the manner described in Part IV(g)

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner or lessee of taxable property in Uvalde County may request the creation of reinvestment zone and tax abatement by filing written request with either the County or applicable taxing entity.
- (b) The application shall consist of a completed application form accompanied by:
 - (1) A general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to the undertaken;
 - (2) A descriptive list of the improvements which will be a part of the facility;
 - (3) A map and property description or a site plan;
 - (4) A time schedule for undertaking and completing the planned improvements;
 - (5) In the case of modernizing existing facilities, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application; and,
 - (6) The application form may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.

- (7) The application submitted to Uvalde County shall be accompanied by a non-refundable application fee of \$1,000.00 payable to the Uvalde County Clerk.
- (c) Upon receipt of a completed application, the jurisdiction receiving such application shall notify in writing the presiding officer of the legislative body of each affected jurisdiction. Before acting upon the application, the jurisdiction receiving such application shall through public hearings afford the applicant and the designated representative of any affected jurisdiction the opportunity to show cause why the abatement should or should not be granted. Notice of public hearings shall be clearly identified on an agenda of the legislative body of the jurisdiction receiving such application to be posted at least seventy-two (72) hours prior to the hearing.
- (d) The jurisdiction receiving the application shall approve or disapprove the application for tax abatement within sixty (60) days after receipt of the application. The presiding officer of the legislative body of the jurisdiction receiving such application shall notify the applicant of the approval or disapproval promptly thereafter.
- (e) A request for a reinvestment zone for the purpose of abatement shall not be granted if the jurisdiction receiving the application finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization expansion of new facility.
- (f) Variance. Requests for variance from the provisions of Subsections (a) through (e) of Part V may be made in written form to the presiding officer of the jurisdiction receiving the application. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) vote of the governing body of the affected jurisdiction as provided in State Statutes.

VI. PUBLIC HEARING

- (a) Should any affected jurisdiction be able to show cause in the public hearing why the granting of abatement will have a substantial adverse effect on its bonds, tax revenue, service incapacity or the provision of service, that showing shall be reason for the jurisdiction receiving the application to deny the granting of ad valorem tax abatement.
- (b) Neither a reinvestment zone nor an abatement agreement shall be authorized if it is determined that:

- (1) There would be a substantial adverse affect on the provision of a government service or tax base of an affected jurisdiction.
- (2) The applicant has insufficient financial capacity.
- (3) Planned or potential use of the property would constitute a hazard to public safety, health or morals.
- (4) Planned or potential use of the property violates other governmental codes or laws.

VII. AGREEMENT

- (a) After approval of the tax abatement application, the County shall formally pass a resolution and execute an agreement with the owner and/or lessee of the facility which shall include:
 - (1) Estimated value to be abated and the base year value.
 - (2) Percent of value to be abated each year as provided in Part IV (g) of these Guidelines and Criteria.
 - (3) The commencement date and the termination date of abatement.
 - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description and improvements list as provided in Part V of these Guidelines and Criteria.
 - (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration and assignment as provided herein and other provisions that may be required for uniformity or by state law.
 - (6) Amount of investment and/or average number of jobs involved for the period of abatement.
 - (7) Said contract shall meet all the requirements of Texas Tax Code Sec. 312et seq.
- (b) Such agreement shall be executed within thirty (30) days after the later of the date applicant has forwarded all necessary information to the jurisdiction receiving the application or the date of the approval of the application.
- (c) Each affected jurisdiction shall make its own determination of abatement which shall not bind any other affected jurisdiction.

VIII. RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of more than one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to each affected jurisdiction within the County within sixty (60) days from the date of termination.
- (b) Should the jurisdiction establishing a reinvestment zone and signing a tax abatement agreement determine that a company or individual is in default according to the terms and conditions of its agreement, the jurisdiction shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice (“Cure Period”), then the agreement shall be terminated. Further, it will be a default under a tax abatement granted pursuant to these Guidelines and Criteria if the owner of the eligible property subject to the abatement is delinquent in paying and undisputed taxes to any taxing authority in Uvalde County, Texas.
- (c) In the event that the company or individual:
 - (1) allows its ad valorem taxes owed the County or an affected jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
 - (2) violates any of the terms and conditions of the abatement agreement and fails to cure same during the Cure Period;

The agreement shall be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Uvalde County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for abatement, including the number of new or retained employees associated with the facility. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions which levy taxes on the amount of the assessment.

- (b) The agreement shall stipulate that employees and/or designated representatives of the jurisdiction establishing the reinvestment zone and entering into a tax abatement agreement will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All County inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
- (c) Upon completion of construction the jurisdiction establishing the reinvestment zone and entering into a tax abatement agreement shall annually evaluate each facility and report possible violations of the contract and/or agreement to each affected jurisdiction.
- (d) All proprietary information acquired by an affected jurisdiction for purposes of monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.
- (e) Timely comply with all rules and deadlines as required by the Chief Appraiser of the Uvalde County Appraisal and State law.

X. ASSIGNMENT

- (a) Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the prior approval by resolution of each affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with each affected jurisdiction. Failure to obtain said approval prior to any assignment shall be a cause for default of the agreement and be subject to the provisions of section VIII of these guidelines.
- (b) The contractual agreement with the new owner or lessee shall not exceed the termination date of the abatement agreement with the original owner and/or lessee.
- (c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to any affected jurisdiction for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld.

XI. SUNSET PROVISION

- (a) These Guidelines and Criteria are effective March 23, 2020 and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant hereto will be reviewed by each affected jurisdiction to determine whether the goals have been achieved. Based on that review, these Guidelines and Criteria may be modified, renewed or eliminated, providing that such actions shall not affect existing contracts.
- (b) These Guidelines and Criteria do not amend any existing Industrial District Contracts or agreements with the owners of real property in areas deserving of specific attention as agreed by the affected jurisdiction.
- (c) Prior to the date for review, as defined above, these Guidelines and Criteria may be modified by a three-fourths (3/4) vote of the affected taxing authorities, as provided for under the laws of the State of Texas.

XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
- (b) Property that is in a reinvestment zone that is owned or leased by the following cannot benefit from a tax abatement:
 - (1) A member of the governing body of a municipality or by a member of a planning board or commission of the municipality; or
 - (2) A member of the commissioner's court or a member of a planning board or commission of the County is excluded from property tax abatement.
- (c) If these Guidelines and Criteria have omitted any mandatory requirements of the applicable tax abatement laws of the State of Texas, then such requirements are hereby incorporated as a part of this Guideline Statement.

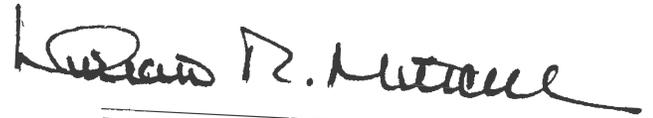
GLOSSARY

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

equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

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

Adopted by the Uvalde County Commissioners Court on this the 23RD day of March, 2020.



WILLIAM R. MITCHELL
UVALDE COUNTY JUDGE

FILED

This 23 day of March A.D. 2020

at 1:07 o'clock PM

VALERIE DEL TORO ROMERO
County Clerk, Uvalde County, Texas

By: Valerie Del Toro Romero
Uvalde County Clerk

Tab 17

Signatures and Certification

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**.

NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here

Hal Harrell

Print Name (Authorized School District Representative)

Superintendent of Schools

Title

sign here

Hal Harrell

Signature (Authorized School District Representative)

7.7.2021

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

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

print here

Trey Patton

Print Name (Authorized Company Representative (Applicant))

Project Development Manager

Title

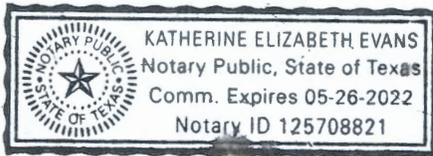
sign here

Trey Patton

Signature (Authorized Company Representative (Applicant))

7/5/21

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

5th day of July 2021

Katherine Elizabeth Evans

Notary Public in and for the State of Texas

My Commission expires: May 26, 2022

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT A-1

Amendment One to Application for Appraised Value
Limitation on Qualified Property

Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 East 17th Street, Room 427
Austin, Texas 78774
Attention: Ms. Ginger Flowers

August 24, 2021

Page 1 of 1

Re: Amended Application #1628 to Uvalde Consolidated Independent School District from Blue Stone Renewable IX, LLC

Dear Ms. Flowers,

On behalf of our client, *Blue Stone Renewable IX, LLC* we would like to submit the following amendments to their Chapter 313 application (#1628) with Uvalde Consolidated Independent School District:

- Tab 1, Section 1, Q1: Updated to date application was received by district
- Tab 1, Section 2, Q2a: Updated to N/A
- Tab 1, Section 4, Q6a: Updated to N/A
- Tab 1, Section 14, Q4a, Q4b, Q4c, Q6, Q7: Updated wage information
- Tab 10: Updated description of property not eligible to become qualified property, map of property not included in project, Uvalde CAD Parcel ID records
- Tab 11: Updated maps to provide project boundary
- Tab 13: Updated wages and backup documentation
- Tab 14, Schedule C: Updated wage commitment for qualified jobs (column E)
- Tab 1, Section 16: Updated signature page

Sincerely,



Doug Heinz
Manager, Site Selection & Incentives Advisory

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

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

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

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

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

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

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

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

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

SECTION 1: School District Information

1. Authorized School District Representative

04/21/2021

Date Application Received by District

Hal

First Name

Harrell

Last Name

Superintendent of Schools

Title

Uvalde Consolidated Independent School District

School District Name

1000 N. Getty Street

Street Address

P.O. Box 1909

Mailing Address

Uvalde

City

830-278-6655

Phone Number

N/A

Mobile Number (optional)

Texas

State

830-591-4927

Fax Number

hharrell1029@uvaldecisd.net

Email Address

78802-1909

ZIP

2. Does the district authorize the consultant to provide and obtain information related to this application?

Yes

No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Form for Section 1, Question 3. Fields include: First Name (Eddy), Last Name (Perez), Title (Attorney), Firm Name (Walsh Gallegos), Phone Number (210-979-6633), Fax Number (210-979-7024), Mobile Number (N/A), and Email Address (eperez@wabsa.com).

4. On what date did the district determine this application complete? July 16, 2021

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Form for Section 2, Question 1. Fields include: First Name (Trey), Last Name (Patton), Title (Project Development Manager), Organization (Abei Energy & Infrastructure, LLC), Street Address (See above), Mailing Address (Austin, Texas 78732), City (Austin), State (Texas), ZIP (78732), Phone Number (214-502-1993), Fax Number (N/A), Mobile Number (N/A), and Business Email Address (treypatton@abeienery.com).

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? [] Yes [x] No

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

Form for Section 2, Question 2a. Fields include: First Name (N/A), Last Name (N/A), Title (N/A), Organization (N/A), Street Address (N/A), Mailing Address (N/A), City (N/A), State (N/A), ZIP (N/A), Phone Number (N/A), Fax Number (N/A), and Business Email Address (N/A).

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

<u>Michael</u> First Name	<u>Lateur</u> Last Name
<u>Managing Director, Specialty Tax</u> Title	
<u>Duff & Phelps, LLC - A Kroll Business</u> Firm Name	
<u>(512) 671-5575</u> Phone Number	<u>N/A</u> Fax Number
<u>michael.lateur@duffandphelps.com</u> Business Email Address	

SECTION 3: Fees and Payments

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

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

1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

<u>\$ 75,000.00</u> Payment Amount	<u>Wire Transfer</u> Transaction Type
<u>Abei Energy & Infrastructure, LLC</u> Payor	<u>Uvalde Consolidated Independent School District</u> Payee
<u>April 14, 2021</u> Date transaction was processed	

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

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made?	<u>Blue Stone Renewable IX, LLC</u>
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter(17 digits)	<u>32071498508</u>
3. Parent Company Name	<u>Abei Energy S.L. Spain</u>
4. Parent Company Tax ID	<u>N/A</u>
5. NAICS code	<u>221114</u>
6. Is the applicant a party to any other pending or active Chapter 313 agreements?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6a. If yes, please list application number, name of school district and year of agreement	<u>N/A</u>

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (corporation, limited liability corporation, etc)	<u>Limited Liability Company</u>
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2a. If yes, attach in Tab 3 a copy of the most recently submitted Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.	

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 1
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 0
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information available at the time of the application review start date (date of a completed application), See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
- average weekly wage for all jobs (all industries) in the county is \$ 763.00
 - b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is \$ 1,190.20
 - c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is \$ 1,011.12
5. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? \$ 52,578.24
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? \$ 52,578.24
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

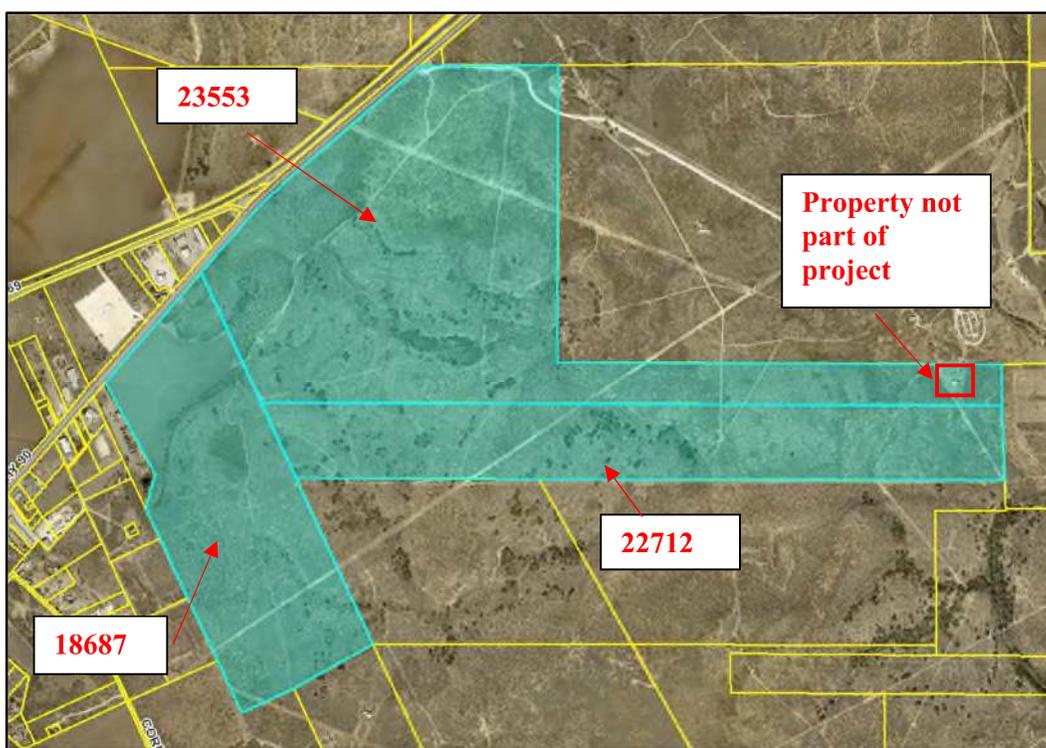
SECTION 15: Economic Impact

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

Tab 10

Description of All Property Not Eligible to Become Qualified Property

The existing property which the project would be located on, defined as Uvalde CAD parcel ID's 23553, 22712, and 18687, is classified as native pastureland and dry land cropland. The 2021 Uvalde CAD appraised market value of improvements on these parcels is \$0.00. While not reflected as an improvement in the 2021 Uvalde CAD, there is a building, stable, and trailer located on the northeast portion of parcel ID 23553. The value of any improvements and any buildings, stables, or trailers on the property would not be included as part of this project.



Uvalde CAD

Property Search Results > 23553 SCHNEIDER RANCH PROPERTIES LTD for Year 2021

Tax Year:

Property

Account

Property ID: **23553** Legal Description: A1000 ABSTRACT 1000 SURVEY 374 A-1000 S-374 1/2 INT. IN 243.54 121.77

Geographic ID: A1000-0003-01 Zoning:

Type: Real Agent Code:

Property Use Code:

Property Use Description:

Location

Address: 30 S H90E DIRT Mapsco:
KNIPPA OCL, TX 78801

Neighborhood: CAT_D_UVALDE_RURAL_3 Map ID: 1911

Neighborhood CD: UZD03

Owner

Name: SCHNEIDER RANCH PROPERTIES LTD Owner ID: 174242

Mailing Address: PO BOX 1508 % Ownership: 100.0000000000%
UVALDE, TX 78802-0000

Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$388,446	\$11,093
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$388,446	
(-) Ag or Timber Use Value Reduction:	-	\$377,353	

(=) Appraised Value:	=	\$11,093	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$11,093	

Taxing Jurisdiction

Owner: SCHNEIDER RANCH PROPERTIES LTD

% Ownership: 100.0000000000%

Total Value: \$388,446

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	Appraisal District	0.000000	\$11,093	\$11,093	\$0.00

GU	COUNTY OF UVALDE	0.610000	\$11,093	\$11,093	\$67.66
IU	UVALDE CISD	1.196800	\$11,093	\$11,093	\$132.77
S1	SWTJC	0.154600	\$11,093	\$11,093	\$17.15
SE	UVALDE CO UNDGR WATER CONS DIS	0.012300	\$11,093	\$11,093	\$1.36
SU	UVALDE CO. ROAD/FLD	0.130000	\$11,093	\$11,093	\$14.42
Total Tax Rate:		2.103700			
				Taxes w/Current Exemptions:	\$233.36
				Taxes w/o Exemptions:	\$233.36

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	NATPL	NATIVE PASTURELAND	121.7700	5304301.20	0.00	0.00	\$388,446	\$11,093

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	\$0	\$388,446	11,093	11,093	\$0	\$11,093
2020	\$0	\$353,133	11,558	11,558	\$0	\$11,558
2019	\$0	\$353,133	11,860	11,860	\$0	\$11,860
2018	\$0	\$353,133	11,661	11,661	\$0	\$11,661
2017	\$0	\$353,133	12,067	12,067	\$0	\$12,067
2016	\$0	\$353,133	11,337	11,337	\$0	\$11,337
2015	\$0	\$151,204	11,152	11,152	\$0	\$11,152
2014	\$0	\$151,204	9,915	9,915	\$0	\$9,915
2013	\$0	\$151,204	9,654	9,654	\$0	\$9,654
2012	\$0	\$151,204	9,413	9,413	\$0	\$9,413
2011	\$0	\$151,204	9,157	9,157	\$0	\$9,157
2010	\$0	\$151,191	8,967	8,967	\$0	\$8,967
2009	\$0	\$151,823	9,074	9,074	\$0	\$9,074
2008	\$0	\$61,494	9,273	9,273	\$0	\$9,273

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	12/28/2012	SPEC	SPECIAL WARRANTY DEED	SCHNEIDER GINGER ANN	SCHNEIDER RANCH PROPERTIES LTD			2013000047
2	12/1/1989	O	OTHER SUCH AS FAMILY,ETC		COOPER, GINGER ANN	0313	0477	
3	1/1/1900	UNK	UNKNOWN		SCHNEIDER, GINGER ANN		0000	

Tax Due

Property Tax Information as of 08/20/2021

Amount Due if Paid on: 

Uvalde CAD

Property Search Results > 22712 SCHNEIDER RANCH PROPERTIES LTD for Year 2021

Tax Year:

Property

Account

Property ID: **22712** Legal Description: A0709 ABSTRACT 0709 SURVEY 375 A-709 S-375 222.16
 Geographic ID: A0709-0002-00 Zoning:
 Type: Real Agent Code:
 Property Use Code:
 Property Use Description:

Location

Address: 30 S H90E DIRT Mapsco:
 KNIPPA OCL, TX 78801
 Neighborhood: CAT_D_UVALDE_RURAL_3 Map ID: 1812
 Neighborhood CD: UZD03

Owner

Name: SCHNEIDER RANCH PROPERTIES LTD Owner ID: 174242
 Mailing Address: PO BOX 1508 % Ownership: 100.000000000000%
 UVALDE, TX 78802-0000
 Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$708,690	\$20,239
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$708,690	
(-) Ag or Timber Use Value Reduction:	-	\$688,451	

(=) Appraised Value:	=	\$20,239	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$20,239	

Taxing Jurisdiction

Owner: SCHNEIDER RANCH PROPERTIES LTD
 % Ownership: 100.000000000000%
 Total Value: \$708,690

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	Appraisal District	0.000000	\$20,239	\$20,239	\$0.00

GU	COUNTY OF UVALDE	0.610000	\$20,239	\$20,239	\$123.46
IU	UVALDE CISD	1.196800	\$20,239	\$20,239	\$242.22
S1	SWTJC	0.154600	\$20,239	\$20,239	\$31.29
SE	UVALDE CO UNDGR WATER CONS DIS	0.012300	\$20,239	\$20,239	\$2.49
SU	UVALDE CO. ROAD/FLD	0.130000	\$20,239	\$20,239	\$26.31
Total Tax Rate:		2.103700			
				Taxes w/Current Exemptions:	\$425.77
				Taxes w/o Exemptions:	\$425.77

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	NATPL	NATIVE PASTURELAND	222.1600	9677289.60	0.00	0.00	\$708,690	\$20,239

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	\$0	\$708,690	20,239	20,239	\$0	\$20,239
2020	\$0	\$644,264	21,087	21,087	\$0	\$21,087
2019	\$0	\$644,264	21,638	21,638	\$0	\$21,638
2018	\$0	\$644,264	21,274	21,274	\$0	\$21,274
2017	\$0	\$644,264	22,016	22,016	\$0	\$22,016
2016	\$0	\$644,264	20,683	20,683	\$0	\$20,683
2015	\$0	\$275,861	20,345	20,345	\$0	\$20,345
2014	\$0	\$275,861	18,088	18,088	\$0	\$18,088
2013	\$0	\$275,861	17,613	17,613	\$0	\$17,613
2012	\$0	\$275,861	17,173	17,173	\$0	\$17,173
2011	\$0	\$275,861	16,706	16,706	\$0	\$16,706
2010	\$0	\$275,836	16,360	16,360	\$0	\$16,360
2009	\$0	\$276,989	16,555	16,555	\$0	\$16,555
2008	\$0	\$134,407	16,917	16,917	\$0	\$16,917

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	12/28/2012	SPEC	SPECIAL WARRANTY DEED	SCHNEIDER GINGER ANN	SCHNEIDER RANCH PROPERTIES LTD			2013000047
2	1/1/2000	UNK	UNKNOWN		JERNIGAN, VIVIAN ETAL			
3	12/1/1989	O	OTHER SUCH AS FAMILY,ETC		COOPER, GINGER ANN	0313	0477	

Tax Due

Property Tax Information as of 08/20/2021

Amount Due if Paid on: 

Uvalde CAD

Property Search Results > 18687 SCHNEIDER RANCH PROPERTIES LTD for Year 2021

Tax Year:

Property

Account

Property ID:	18687	Legal Description:	A0216 ABSTRACT 0216 SURVEY 75 54.11
Geographic ID:	A0216-0128-01	Zoning:	
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Location

Address:	30 S H90E DIRT UVALDE, TX 78801	Mapsco:	
Neighborhood:	CAT_D_UVALDE_RURAL_3	Map ID:	1811G GIS
Neighborhood CD:	UZD03		

Owner

Name:	SCHNEIDER RANCH PROPERTIES LTD	Owner ID:	174242
Mailing Address:	PO BOX 1508 UVALDE, TX 78802-0000	% Ownership:	100.0000000000%

Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$172,611	\$9,239
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$172,611	
(-) Ag or Timber Use Value Reduction:	-	\$163,372	

(=) Appraised Value:	=	\$9,239	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$9,239	

Taxing Jurisdiction

Owner: SCHNEIDER RANCH PROPERTIES LTD
 % Ownership: 100.0000000000%
 Total Value: \$172,611

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	Appraisal District	0.000000	\$9,239	\$9,239	\$0.00

8/20/2021

Uvalde CAD - Property Details

GU	COUNTY OF UVALDE	0.610000	\$9,239	\$9,239	\$56.36
IU	UVALDE CISD	1.196800	\$9,239	\$9,239	\$110.58
S1	SWTJC	0.154600	\$9,239	\$9,239	\$14.28
SE	UVALDE CO UNDGR WATER CONS DIS	0.012300	\$9,239	\$9,239	\$1.14
SU	UVALDE CO. ROAD/FLD	0.130000	\$9,239	\$9,239	\$12.01
Total Tax Rate:		2.103700			
				Taxes w/Current Exemptions:	\$194.37
				Taxes w/o Exemptions:	\$194.37

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	NATPL	NATIVE PASTURELAND	4.1100	179031.60	0.00	0.00	\$13,111	\$374
2	DLCP	DRY LAND CROPLAND	50.0000	2178000.00	0.00	0.00	\$159,500	\$8,865

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	\$0	\$172,611	9,239	9,239	\$0	\$9,239
2020	\$0	\$156,919	9,793	9,793	\$0	\$9,793
2019	\$0	\$156,919	9,585	9,585	\$0	\$9,585
2018	\$0	\$156,919	9,231	9,231	\$0	\$9,231
2017	\$0	\$156,919	8,852	8,852	\$0	\$8,852
2016	\$0	\$156,919	8,971	8,971	\$0	\$8,971
2015	\$0	\$67,184	8,709	8,709	\$0	\$8,709
2014	\$0	\$67,184	8,276	8,276	\$0	\$8,276
2013	\$0	\$67,184	7,988	7,988	\$0	\$7,988
2012	\$0	\$67,184	7,683	7,683	\$0	\$7,683
2011	\$0	\$67,184	7,635	7,635	\$0	\$7,635
2010	\$0	\$79,625	8,161	8,161	\$0	\$8,161
2009	\$0	\$104,400	8,360	8,360	\$0	\$8,360
2008	\$0	\$45,864	9,124	9,124	\$0	\$9,124

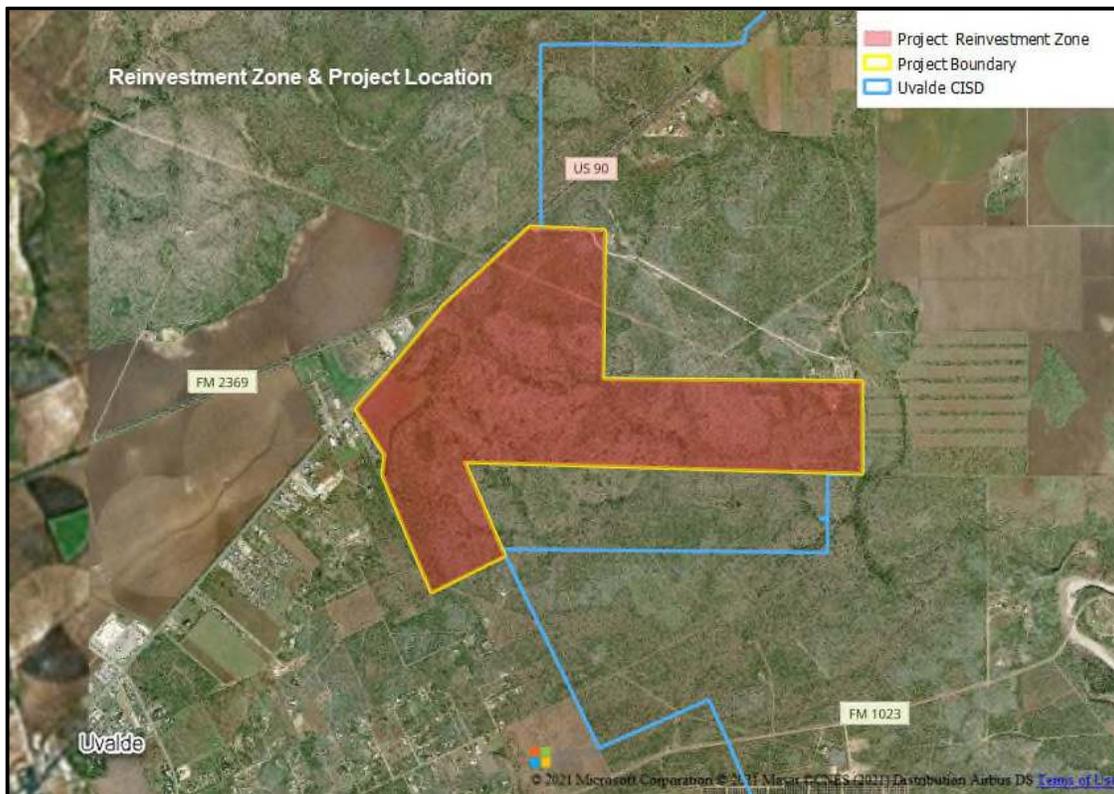
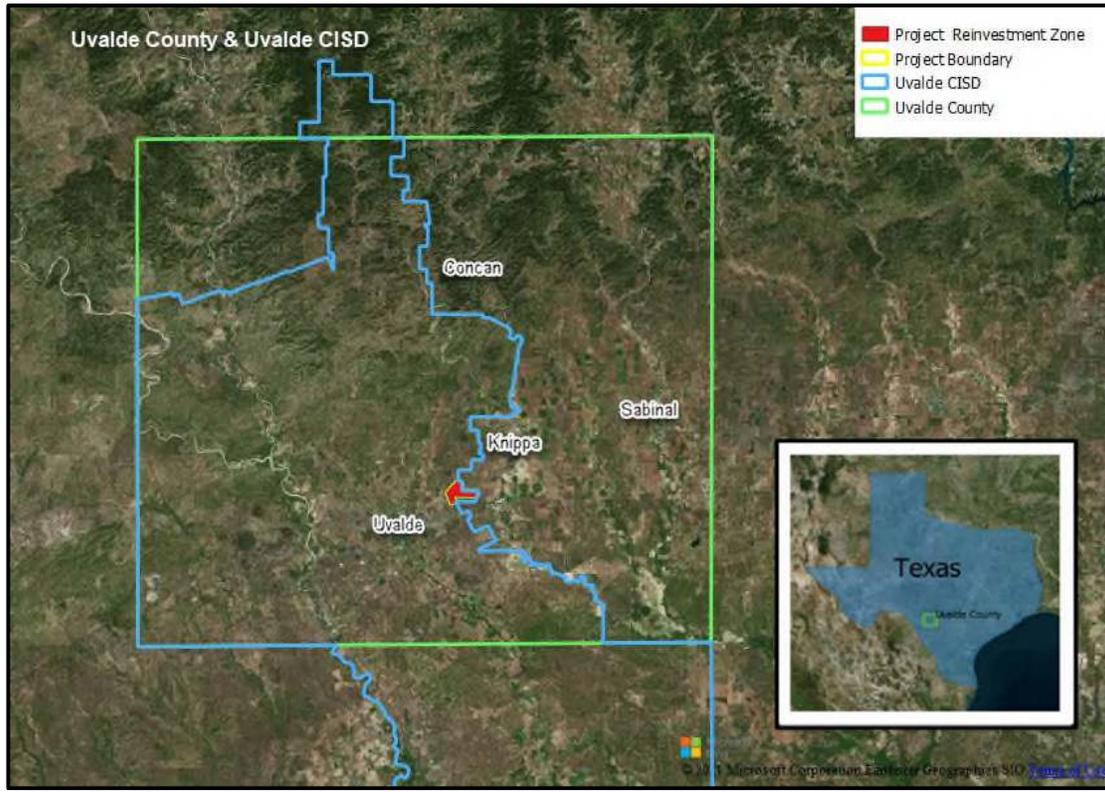
Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	12/28/2012	SPEC	SPECIAL WARRANTY DEED	SCHNEIDER GINGER ANN	SCHNEIDER RANCH PROPERTIES LTD			2013000047
2	12/1/1989	O	OTHER SUCH AS FAMILY,ETC		COOPER, GINGER ANN	0313	0477	
3	6/1/1982	UNK	UNKNOWN		SCHNEIDER, GINGER ANN	0242	0230	

Tax Due

Property Tax Information as of 08/20/2021

Amount Due if Paid on: 



Tab 13

Calculation of Wage Requirements

Average Weekly Wages for All jobs, All Industries in Uvalde County (Four Most Recent Quarters)

County	Year	Quarter	Ownership	Avg. Weekly Wage
Uvalde County	2020	2	Total All	\$ 719
Uvalde County	2020	3	Total All	\$ 742
Uvalde County	2020	4	Total All	\$ 834
Uvalde County	2021	1	Total All	\$ 756
Sum Last 4 Quarters				\$ 3,051
Average Weekly Wage				\$ 763.00

Average Weekly Wages for Manufacturing Jobs in Uvalde County (Four Most Recent Quarters)

County	Year	Quarter	Ownership	Avg. Weekly Wage
Uvalde County	2020	2	Total All	\$ 1,114
Uvalde County	2020	3	Total All	\$ 1,057
Uvalde County	2020	4	Total All	\$ 1,163
Uvalde County	2021	1	Total All	\$ 992
Sum Last 4 Quarters				\$ 4,326
Average Weekly Wage				\$ 1,082
110 % Average Weekly Wage				\$ 1,190.20

Average Weekly Wages for Manufacturing Jobs in Council of Government Region (Most Recent Year)

COG Region	Year	Hourly	Annual	Avg. Weekly Wage
Middle Rio Grande	2020	\$ 22.98	\$ 47,809	\$ 919.20
110 % Average Weekly Wage				\$ 1,011.12

*Backup documentation provided in following pages

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	02	Uvalde	Total All	Total, All Industries	719
2020	03	Uvalde	Total All	Total, All Industries	742
2020	04	Uvalde	Total All	Total, All Industries	834
2021	01	Uvalde	Total All	Total, All Industries	756

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	02	Uvalde	Total All	Manufacturing	1,114
2020	03	Uvalde	Total All	Manufacturing	1,057
2020	04	Uvalde	Total All	Manufacturing	1,163
2021	01	Uvalde	Total All	Manufacturing	992

**2020 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$23.32	\$48,501
South Plains Association of Governments	2	\$20.42	\$42,473
NORTEX Regional Planning Commission	3	\$20.64	\$42,928
North Central Texas Council of Governments	4	\$32.34	\$67,261
Ark-Tex Council of Governments	5	\$21.30	\$44,299
East Texas Council of Governments	6	\$29.28	\$60,904
West Central Texas Council of Governments	7	\$21.54	\$44,797
Rio Grande Council of Governments	8	\$19.02	\$39,552
Permian Basin Regional Planning Commission	9	\$22.57	\$46,945
Concho Valley Council of Governments	10	\$27.28	\$56,739
Heart of Texas Council of Governments	11	\$23.41	\$48,696
Capital Area Council of Governments	12	\$29.96	\$62,326
Brazos Valley Council of Governments	13	\$18.41	\$38,286
Deep East Texas Council of Governments	14	\$21.07	\$43,829
South East Texas Regional Planning Commission	15	\$27.38	\$56,957
Houston-Galveston Area Council	16	\$29.83	\$62,050
Golden Crescent Regional Planning Commission	17	\$22.09	\$45,945
Alamo Area Council of Governments	18	\$27.45	\$57,101
South Texas Development Council	19	\$19.20	\$39,945
Coastal Bend Council of Governments	20	\$35.39	\$73,603
Lower Rio Grande Valley Development Council	21	\$20.70	\$43,056
Texoma Council of Governments	22	\$19.18	\$39,897
Central Texas Council of Governments	23	\$21.34	\$44,390
Middle Rio Grande Development Council	24	\$22.98	\$47,809
Texas		\$28.00	\$58,233

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

Data published: August 2021.

Data published annually, next update will likely be July 31, 2022

Annual Wage Figure assumes a 40-hour work week.

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

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

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

Schedule C: Employment Information

Date: 8/24/2021
 Applicant Name: Blue Stone Renewable IX, LLC
 Form 50-296A
 Revised October, 2020
 ISD Name: Uvalde CISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs			Qualifying Jobs	
				Column A Number of Construction FTEs	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Annual wage of new qualifying jobs		
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP 1	2022-2023	2022	300 FTE	\$56,000.00	0	0	\$0		
	QTP 2	2023-2024	2023	300 FTE	\$56,000.00	0	0	\$0		
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2024-2025	2024	0	\$0	0	1	\$52,578.24		
	2	2025-2026	2025	0	\$0	0	1	\$52,578.24		
	3	2026-2027	2026	0	\$0	0	1	\$52,578.24		
	4	2027-2028	2027	0	\$0	0	1	\$52,578.24		
	5	2028-2029	2028	0	\$0	0	1	\$52,578.24		
	6	2029-2030	2029	0	\$0	0	1	\$52,578.24		
	7	2030-2031	2030	0	\$0	0	1	\$52,578.24		
	8	2031-2032	2031	0	\$0	0	1	\$52,578.24		
	9	2032-2033	2032	0	\$0	0	1	\$52,578.24		
	10	2033-2034	2033	0	\$0	0	1	\$52,578.24		
Years Following Value Limitation Period	11 through 25	2034-2049	2048	0	\$0	0	1	\$52,578.24		

Notes: See TAC 9.1051 for definition of non-qualifying jobs. Only include jobs on the project site in this school district.

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17.

NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here → Hal Harrell Superintendent of Schools
Print Name (Authorized School District Representative) Title

sign here → *Hal Harrell* 8/25/2021
Signature (Authorized School District Representative) Date

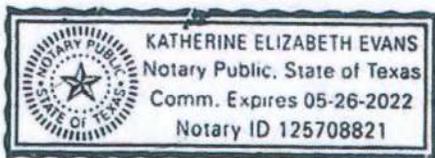
2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

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

print here → Trey Patton Project Development Manager
Print Name (Authorized Company Representative (Applicant)) Title

sign here → *Trey Patton* 8/24/2021
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

24th day of August, 2021
Katherine Elizabeth Evans
 Notary Public in and for the State of Texas
 My Commission expires: May 26, 2022

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT A-2

Supplement One to Application for Appraised Value
Limitation on Qualified Property

Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 East 17th Street, Room 427
Austin, Texas 78774
Attention: Ms. Ginger Flowers

September 7, 2021

Page 1 of 1

Re: Supplemental Corrections - #1628 to Uvalde Consolidated Independent School District
from Blue Stone Renewable IX, LLC

Dear Ms. Flowers,

On behalf of our client, *Blue Stone Renewable IX, LLC* we would like to submit the following supplemental corrections to their Chapter 313 application (#1628) with Uvalde Consolidated Independent School District:

- Tab 1, Section 7, Q2: Updated to "Land has existing improvements"
- Tab 1, Section 13, Q4 and Q6: Updates to market value of existing property within project boundary

Sincerely,

Doug Heinz

Doug Heinz
Manager, Site Selection & Incentives Advisory

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 5: Applicant Business Structure (continued)

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

Blue Stone Renewable IX, LLC

2c. Reporting Entity Taxpayer Number

32071498508

3. Is the applicant current on all tax payments due to the State of Texas? Yes No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

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

*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- Land has no existing improvements
 - Land has existing improvements (complete Section 13)
 - Expansion of existing operation on the land (complete Section 13)
 - Relocation within Texas

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT A-3

Supplement Two to Application for Appraised Value
Limitation on Qualified Property

Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 East 17th Street, Room 427
Austin, Texas 78774
Attention: Ms. Ginger Flowers

September 14, 2021

Page 1 of 1

Re: Supplemental Corrections - #1628 to Uvalde Consolidated Independent School District
from Blue Stone Renewable IX, LLC

Dear Ms. Flowers,

On behalf of our client, *Blue Stone Renewable IX, LLC* we would like to submit the following
supplemental corrections to their Chapter 313 application (#1628) with Uvalde Consolidated
Independent School District:

- Tab 5: Updated the locations outside of Texas the applicant is evaluating
- Tab 11: Updated maps to align on Google Earth

Sincerely,



Doug Heinz
Manager, Site Selection & Incentives Advisory

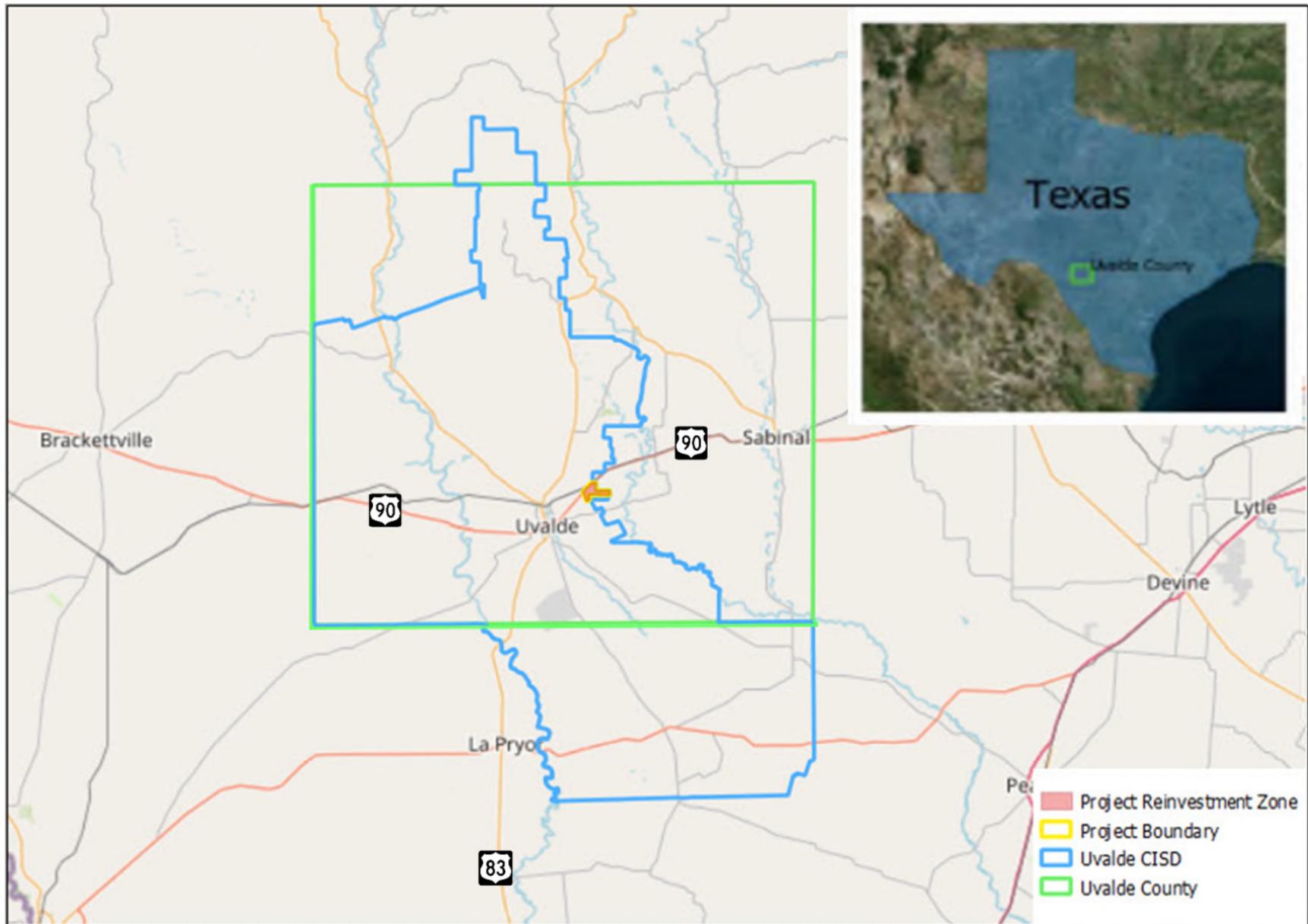
Tab 5**Documentation to Assist in Determining if Limitation is a Determining Factor**

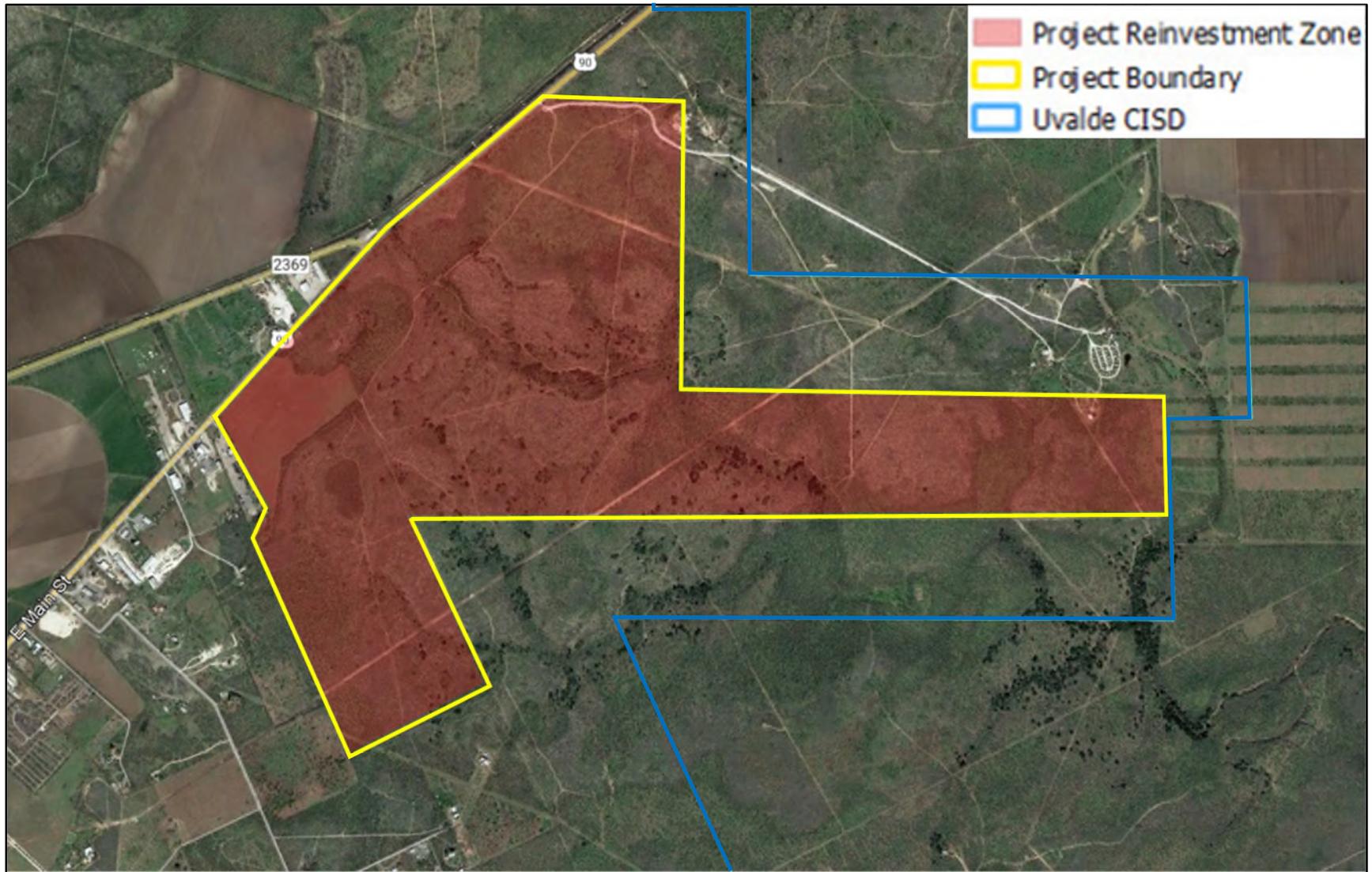
Blue Stone Renewable IX, LLC's parent company, Abei Energy S.L. Spain (Abei), is an independent power producer specializing in renewable energy electric generation such as photovoltaic solar, wind, and hydroelectric energy. Abei's executive management team has over twelve years of experience developing and operating renewables projects throughout the world, with an expansive portfolio that amounts to over 4.5 GWp. While the majority of this generation has been in Europe and Latin America, Abei has spent the last few years building a team and presence in Texas. Abei's current generation pipeline in Texas currently amounts to approximately 2.4 GWp.

Photovoltaic solar renewable energy generation projects require planning, due diligence, financial modeling, and major capital investment outlays. Abei currently manages a large portfolio in Texas and has plans to develop new projects outside of the state. As with any capital-intensive project, property tax appraisals have a significant impact on project feasibility. Since this project is still in the development phase the possibility exists that resources and funds could be reallocated to other projects outside the State of Texas in the countries of Spain and Peru. Should other projects become more economically viable than the proposed Project, the company's financial resources could be redirected elsewhere to ensure that Abei's most marketable projects are those that reach final development and interconnection.

Due to the competitive nature of the ERCOT market, the financial model for this project is based on the assumption that a Chapter 313 appraised value limitation is secured for the Project. Project financiers are familiar with the dynamics of the Texas power market and specific liabilities of solar power electric generation. Without tax incentives, the operating expenses are generally too high and investment yields too low to be acceptable under today's solar financing standards.

Abei has business and project development offices around the world, including its two primary offices in Madrid (headquarters) and Cordoba, Spain, with additional offices in France, Portugal, the United Kingdom, Mexico, Germany, Brazil and Italy. As a global developer of renewable energy projects, Abei uses advanced financial market, technical specification and natural resource modeling, as well as due diligence processes to best determine where to deploy capital and personnel. This discretionary capital investment process is heavily influenced by estimates of profitability, which include project revenue projections and potential incentives that can reduce significant liabilities, such as ad valorem property tax. The Chapter 313 school value limitation is a key factor in the company's decision to develop the Project in Texas.





AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT A-4

Supplement Three to Application for Appraised Value
Limitation on Qualified Property

Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 East 17th Street, Room 427
Austin, Texas 78774
Attention: Ms. Ginger Flowers

October 8, 2021

Page 1 of 1

Re: Supplemental Correction - #1628 to Uvalde Consolidated Independent School District from Blue Stone Renewable IX, LLC

Dear Ms. Flowers,

On behalf of our client, *Blue Stone Renewable IX, LLC* we would like to submit the following supplemental correction to their Chapter 313 application (#1628) with Uvalde Consolidated Independent School District:

- Tab 8: Updated language

Sincerely,

Doug Heinz

Doug Heinz
Manager, Site Selection & Incentives Advisory

Tab 8

Description of Qualified Property

Blue Stone Renewable IX, LLC proposes the construction of a 150 MW (ac) solar power generation facility within a reinvestment zone of approximately 932 acres established by Uvalde County on land between the city of Uvalde and the town of Knippa on the southside of US Highway 90. The entirety of the 150 MW solar power generation facility would be located within Uvalde CISD.

This application covers all qualified property within the Reinvestment Zone and Uvalde CISD necessary for the commercial operations of the proposed solar plant as described in Tab 4. The proposed qualified property would include: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, O&M building, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities, control systems necessary for commercial generation of electricity, and all eligible ancillary and necessary equipment.

*NOTE: The map in Tab 11 shows the potential locations of improvements within Uvalde CISD boundaries; however, the final number of panels and inverters and the location of each of these facilities would be dependent upon ongoing negotiations with power purchasers and other factors.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT B

Comptroller's Letter and Economic Impact Analysis



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

October 8, 2021

Hal Harrell
Superintendent
Uvalde Consolidated Independent School District
1000 N. Getty Street
P.O. Box 1909
Uvalde, Texas 78802-1909

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Uvalde Consolidated Independent School District and Blue Stone Renewable IX, LLC, Application 1628

Dear Superintendent Harrell:

On September 8, 2021, the Comptroller issued written notice that Blue Stone Renewable IX, LLC (applicant) submitted a completed application (Application 1628) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on July 1, 2021, to the Uvalde 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 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 1628.

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, 2021.

Note that any building or improvement existing as of the application review start date of September 8, 2021, 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 Blue Stone Renewable IX, LLC (project) applying to Uvalde 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 Blue Stone Renewable IX, LLC.

Applicant	Blue Stone Renewable IX, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	Uvalde CISD
2019-2020 Average Daily Attendance	3,480
County	Uvalde
Proposed Total Investment in District	\$120,00,000
Proposed Qualified Investment	\$120,000,000
Limitation Amount	\$25,000,000
Qualifying Time Period (Full Years)	2022-2023
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,011
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,011
Minimum annual wage committed to by applicant for qualified jobs	\$52,590
Minimum weekly wage required for non-qualifying jobs	\$764
Minimum annual wage required for non-qualifying jobs	\$39,715
Investment per Qualifying Job	\$120,000,000
Estimated M&O levy without any limit (15 years)	\$9,026,186
Estimated M&O levy with Limitation (15 years)	\$4,473,765
Estimated gross M&O tax benefit (15 years)	\$4,552,421

* 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 Blue Stone Renewable IX, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2022	300	366	666	\$16,800,000	\$35,835,000	\$52,635,000
2023	300	384	683.98	\$16,800,000	\$42,380,000	\$59,180,000
2024	1	41	42	\$52,590	\$9,801,410	\$9,854,000
2025	1	11	12	\$52,590	\$5,735,410	\$5,788,000
2026	1	(15)	-14	\$52,590	\$2,379,410	\$2,432,000
2027	1	(26)	-25	\$52,590	\$428,410	\$481,000
2028	1	(27)	-26	\$52,590	-\$496,590	-\$444,000
2029	1	(24)	-23	\$52,590	-\$730,590	-\$678,000
2030	1	(17)	-16	\$52,590	-\$540,590	-\$488,000
2031	1	(11)	-10	\$52,590	-\$124,590	-\$72,000
2032	1	(4)	-3	\$52,590	\$357,410	\$410,000
2033	1	0	1	\$52,590	\$813,410	\$866,000
2034	1	4	5	\$52,590	\$1,242,410	\$1,295,000
2035	1	7	8	\$52,590	\$1,596,410	\$1,649,000
2036	1	8	9	\$52,590	\$1,836,410	\$1,889,000
2037	1	9	10	\$52,590	\$1,983,410	\$2,036,000
2038	1	9	10	\$52,590	\$2,025,410	\$2,078,000

Source: CPA REMI, Blue Stone Renewable IX, 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*	Uvalde CISD I&S Tax Levy 0.1990	Uvalde CISD M&O Tax Levy 0.9978	Uvalde CISD M&O and I&S Tax Levies 0.6100	Uvalde County Tax Levy 0.6100	Uvalde Co Water Cons Dis Tax Levy 0.0123	Uvalde Co Raod/Flo Tax Levy 0.1300	SWTJC Tax Levy 0.1546	Estimated Total Property Taxes
2023	\$36,016,667	\$36,016,667		\$71,673	\$359,374	\$431,047	\$219,702	\$4,430	\$46,822	\$55,682	\$757,683
2024	\$108,050,000	\$108,050,000		\$215,020	\$1,078,123	\$1,293,142	\$659,105	\$13,290	\$140,465	\$167,045	\$2,273,048
2025	\$97,290,000	\$97,290,000		\$193,607	\$970,760	\$1,164,367	\$593,469	\$11,967	\$126,477	\$150,410	\$2,046,690
2026	\$87,725,050	\$87,725,050		\$174,573	\$875,321	\$1,049,893	\$535,123	\$10,790	\$114,043	\$135,623	\$1,845,472
2027	\$79,355,150	\$79,355,150		\$157,917	\$791,806	\$949,722	\$484,066	\$9,761	\$103,162	\$122,683	\$1,669,394
2028	\$70,985,298	\$70,985,298		\$141,261	\$708,291	\$849,552	\$433,010	\$8,731	\$92,281	\$109,743	\$1,493,318
2029	\$63,810,495	\$63,810,495		\$126,983	\$636,701	\$763,684	\$389,244	\$7,849	\$82,954	\$98,651	\$1,342,381
2030	\$57,830,740	\$57,830,740		\$115,083	\$577,035	\$692,118	\$352,768	\$7,113	\$75,180	\$89,406	\$1,216,585
2031	\$51,851,033	\$51,851,033		\$103,184	\$517,370	\$620,553	\$316,291	\$6,378	\$67,406	\$80,162	\$1,090,790
2032	\$47,066,372	\$47,066,372		\$93,662	\$469,628	\$563,290	\$287,105	\$5,789	\$61,186	\$72,765	\$990,135
2033	\$42,281,759	\$42,281,759		\$84,141	\$421,887	\$506,028	\$257,919	\$5,201	\$54,966	\$65,368	\$889,481
2034	\$37,497,191	\$37,497,191		\$74,619	\$374,147	\$448,766	\$228,733	\$4,612	\$48,746	\$57,971	\$788,828
2035	\$33,907,669	\$33,907,669		\$67,476	\$338,331	\$405,807	\$206,837	\$4,171	\$44,080	\$52,421	\$713,316
2036	\$30,318,192	\$30,318,192		\$60,333	\$302,515	\$362,848	\$184,941	\$3,729	\$39,414	\$46,872	\$637,804
2037	\$30,313,761	\$30,313,761		\$60,324	\$302,471	\$362,795	\$184,914	\$3,729	\$39,408	\$46,865	\$637,711
2038	\$30,309,373	\$30,309,373		\$60,316	\$302,427	\$362,743	\$184,887	\$3,728	\$39,402	\$46,858	\$637,618
			Total	\$1,800,171	\$9,026,186	\$10,826,358	\$5,518,113	\$111,267	\$1,175,991	\$1,398,525	\$19,030,254

Source: CPA, Blue Stone Renewable IX, LLC

*Tax Rate per \$100 Valuation

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

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		Uvalde CISD I&S Tax Levy	Uvalde CISD M&O Tax Levy	Uvalde CISD M&O and I&S Tax Levies	Uvalde County Tax Levy	Uvalde Co Water Cons Dis Tax Levy	Uvalde Co Raod/Flo Tax Levy	SWTJC Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1990	0.9978		0.6100	0.0123	0.1300	0.1546	
2023	\$36,016,667	\$36,016,667		\$71,673	\$359,374	\$431,047	\$219,702	\$4,430	\$46,822	\$55,682	\$757,683
2024	\$108,050,000	\$25,000,000		\$215,020	\$249,450	\$464,470	\$659,105	\$13,290	\$140,465	\$167,045	\$1,444,375
2025	\$97,290,000	\$25,000,000		\$193,607	\$249,450	\$443,057	\$593,469	\$11,967	\$126,477	\$150,410	\$1,325,380
2026	\$87,725,050	\$25,000,000		\$174,573	\$249,450	\$424,023	\$535,123	\$10,790	\$114,043	\$135,623	\$1,219,601
2027	\$79,355,150	\$25,000,000		\$157,917	\$249,450	\$407,367	\$484,066	\$9,761	\$103,162	\$122,683	\$1,127,039
2028	\$70,985,298	\$25,000,000		\$141,261	\$249,450	\$390,711	\$433,010	\$8,731	\$92,281	\$109,743	\$1,034,476
2029	\$63,810,495	\$25,000,000		\$126,983	\$249,450	\$376,433	\$389,244	\$7,849	\$82,954	\$98,651	\$955,130
2030	\$57,830,740	\$25,000,000		\$115,083	\$249,450	\$364,533	\$352,768	\$7,113	\$75,180	\$89,406	\$889,000
2031	\$51,851,033	\$25,000,000		\$103,184	\$249,450	\$352,634	\$316,291	\$6,378	\$67,406	\$80,162	\$822,871
2032	\$47,066,372	\$25,000,000		\$93,662	\$249,450	\$343,112	\$287,105	\$5,789	\$61,186	\$72,765	\$769,957
2033	\$42,281,759	\$25,000,000		\$84,141	\$249,450	\$333,591	\$257,919	\$5,201	\$54,966	\$65,368	\$717,044
2034	\$37,497,191	\$37,497,191		\$74,619	\$374,147	\$448,766	\$228,733	\$4,612	\$48,746	\$57,971	\$788,828
2035	\$33,907,669	\$33,907,669		\$67,476	\$338,331	\$405,807	\$206,837	\$4,171	\$44,080	\$52,421	\$713,316
2036	\$30,318,192	\$30,318,192		\$60,333	\$302,515	\$362,848	\$184,941	\$3,729	\$39,414	\$46,872	\$637,804
2037	\$30,313,761	\$30,313,761		\$60,324	\$302,471	\$362,795	\$184,914	\$3,729	\$39,408	\$46,865	\$637,711
2038	\$30,309,373	\$30,309,373		\$60,316	\$302,427	\$362,743	\$184,887	\$3,728	\$39,402	\$46,858	\$637,618
			Total	\$1,800,171	\$4,473,765	\$6,273,936	\$5,518,113	\$111,267	\$1,175,991	\$1,398,525	\$14,477,833
			Diff	\$0	\$4,552,422	\$4,552,422	\$0	\$0	\$0	\$0	\$4,552,422

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Blue Stone Renewable IX, 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 Blue Stone Renewable IX, 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	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
	2023	\$359,374	\$359,374	\$0	\$0
Limitation Period (10 Years)	2024	\$249,450	\$608,824	\$828,673	\$828,673
	2025	\$249,450	\$858,274	\$721,310	\$1,549,983
	2026	\$249,450	\$1,107,724	\$625,871	\$2,175,853
	2027	\$249,450	\$1,357,174	\$542,356	\$2,718,209
	2028	\$249,450	\$1,606,624	\$458,841	\$3,177,050
	2029	\$249,450	\$1,856,074	\$387,251	\$3,564,301
	2030	\$249,450	\$2,105,524	\$327,585	\$3,891,886
	2031	\$249,450	\$2,354,974	\$267,920	\$4,159,806
	2032	\$249,450	\$2,604,424	\$220,178	\$4,379,984
	2033	\$249,450	\$2,853,874	\$172,437	\$4,552,422
Maintain Viable Presence (5 Years)	2034	\$374,147	\$3,228,021	\$0	\$4,552,422
	2035	\$338,331	\$3,566,352	\$0	\$4,552,422
	2036	\$302,515	\$3,868,867	\$0	\$4,552,422
	2037	\$302,471	\$4,171,338	\$0	\$4,552,422
	2038	\$302,427	\$4,473,765	\$0	\$4,552,422
Additional Years as Required by 313.026(c)(1) (10 Years)	2039	\$302,384	\$4,776,148	\$0	\$4,552,422
	2040	\$302,341	\$5,078,489	\$0	\$4,552,422
	2041	\$302,298	\$5,380,787	\$0	\$4,552,422
	2042	\$302,256	\$5,683,043	\$0	\$4,552,422
	2043	\$302,215	\$5,985,258	\$0	\$4,552,422
	2044	\$302,173	\$6,287,431	\$0	\$4,552,422
	2045	\$302,132	\$6,589,563	\$0	\$4,552,422
	2046	\$302,092	\$6,891,655	\$0	\$4,552,422
	2047	\$302,052	\$7,193,708	\$0	\$4,552,422
	2048	\$302,012	\$7,495,720	\$0	\$4,552,422

\$7,495,720	is greater than	\$4,552,422
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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

Source: CPA, Blue Stone Renewable IX, 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 Blue Stone Renewable IX, 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:

- Blue Stone Renewable IX, LLC's parent company, Abei Energy S.L. Spain (Abei), is an independent power producer specializing in renewable energy electric generation such as photovoltaic solar, wind, and hydroelectric energy.
- Per Abei Energy S.L. Spain (Abei) in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Abei currently manages a large portfolio in Texas and has plans to develop new projects outside of the state. As with any capital-intensive project, property tax appraisals have a significant impact on project feasibility. Since this project is still in the development phase the possibility exists that resources and funds could be reallocated to other projects outside the State of Texas in the countries of Spain and Peru. Should other projects become more economically viable than the proposed Project, the company’s financial resources could be redirected elsewhere to ensure that Abei’s most marketable projects are those that reach final development and interconnection.”
 - B. “Abei currently manages a large portfolio in Texas and has plans to develop new projects outside of the state. As with any capital-intensive project, property tax appraisals have a significant impact on project feasibility. Since this project is still in the development phase the possibility exists that resources and funds could be reallocated to other projects outside the State of Texas in the countries of Spain and Peru. Should other projects become more economically viable than the proposed Project, the company’s financial resources could be redirected elsewhere to ensure that Abei’s most marketable projects are those that reach final development and interconnection.”
 - C. “Abei has business and project development offices around the world, including its two primary offices in Madrid (headquarters) and Cordoba, Spain, with additional offices in France, Portugal, the United Kingdom, Mexico, Germany, Brazil and Italy. As a global developer of renewable energy projects, Abei uses advanced financial market, technical specification and natural resource modeling, as well as due diligence processes to best determine where to deploy capital and personnel. This discretionary capital investment process is heavily influenced by estimates

of profitability, which include project revenue projections and potential incentives that can reduce significant liabilities, such as ad valorem property tax. The Chapter 313 school value limitation is a key factor in the company's decision to develop the Project in Texas."

- According to the Uvalde Leader-News article release dated July 4, 2021 and titled "County gives tax break for solar farm - ABEI offered a payment in lieu of taxes, or PILOT, program to the county with an annual financial contribution for the first decade of operation, similar to one the county approved last year with OCI Solar. After the 10-year period, the county will begin taxing the project."
- Per email dated August 19, 2021 "The project is also known as Nightfall Solar. The IGNR is 21INR0334."

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

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

SECTION 9: Projected Timeline

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 October 2021
2. Estimated commencement of construction Q4 2021
3. Beginning of qualifying time period (MM/DD/YYYY) 01/01/2022
4. First year of limitation (YYYY) 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
 - C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations Q2 2023

SECTION 10: The Property

1. County or counties in which the proposed project will be located Uvalde County
2. Central Appraisal District (CAD) that will be responsible for appraising the property Uvalde CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

M&O (ISD): <u>Uvalde CISD M&O, 0.9978, 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Uvalde CISD I&S, 0.1990, 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Uvalde County, 0.61, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Uvalde Co Water Cons Dis, 0.0123, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Uvalde Co. Road/Flo, 0.13, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>SWTJC, 0.1546, 100%</u> <small>(Name, tax rate and percent of project)</small>

Supporting Information

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

Tab 5**Documentation to Assist in Determining if Limitation is a Determining Factor**

Blue Stone Renewable IX, LLC's parent company, Abei Energy S.L. Spain (Abei), is an independent power producer specializing in renewable energy electric generation such as photovoltaic solar, wind, and hydroelectric energy. Abei's executive management team has over twelve years of experience developing and operating renewables projects throughout the world, with an expansive portfolio that amounts to over 4.5 GWp. While the majority of this generation has been in Europe and Latin America, Abei has spent the last few years building a team and presence in Texas. Abei's current generation pipeline in Texas currently amounts to approximately 2.4 GWp.

Photovoltaic solar renewable energy generation projects require planning, due diligence, financial modeling, and major capital investment outlays. Abei currently manages a large portfolio in Texas and has plans to develop new projects outside of the state. As with any capital-intensive project, property tax appraisals have a significant impact on project feasibility. Since this project is still in the development phase the possibility exists that resources and funds could be reallocated to other projects outside the State of Texas in the countries of Spain and Peru. Should other projects become more economically viable than the proposed Project, the company's financial resources could be redirected elsewhere to ensure that Abei's most marketable projects are those that reach final development and interconnection.

Due to the competitive nature of the ERCOT market, the financial model for this project is based on the assumption that a Chapter 313 appraised value limitation is secured for the Project. Project financiers are familiar with the dynamics of the Texas power market and specific liabilities of solar power electric generation. Without tax incentives, the operating expenses are generally too high and investment yields too low to be acceptable under today's solar financing standards.

Abei has business and project development offices around the world, including its two primary offices in Madrid (headquarters) and Cordoba, Spain, with additional offices in France, Portugal, the United Kingdom, Mexico, Germany, Brazil and Italy. As a global developer of renewable energy projects, Abei uses advanced financial market, technical specification and natural resource modeling, as well as due diligence processes to best determine where to deploy capital and personnel. This discretionary capital investment process is heavily influenced by estimates of profitability, which include project revenue projections and potential incentives that can reduce significant liabilities, such as ad valorem property tax. The Chapter 313 school value limitation is a key factor in the company's decision to develop the Project in Texas.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

Uvalde Leader-News

County gives tax break for solar farm

July 04, 2021

Julye Keeble
Staff writer



Julye Keeble|Leader-News

Uvalde County Clerk Valerie Del Toro Romero (left), Commissioner John Yeackle, County Judge Bill Mitchell, Commissioner Jerry W. Bates and Commissioner Ronald Garza (right) seated at their designated stations in the third-floor commissioners court at the Uvalde County Courthouse during their first in-person meeting held in over a year. At the podium is Clay Livingston, an engineer with TRC Engineers out of Austin, and seated in the audience are (left to right) Charlene Barnes, county grant consultant Carl Esser, Emma Trimble and Wayne McDonald, all of whom spoke on various topics at the meeting, held at 10 a.m. Monday.

Approval comes as commissioners meet in person for first time in 14 months

During Monday's first in-person meeting since April of 2020, Uvalde County Commissioners granted a tax abatement to ABEI Energy after two citizens expressed reservations at the public hearing regarding the abatement.

ABEI offered a payment in lieu of taxes, or PILOT, program to the county with an annual financial contribution for the first decade of operation, similar to one the county approved last year with OCI Solar. After the 10-year period, the county will begin taxing the project.

The public hearing opened at 10:05 a.m. and Peace Ministries founder Emma Trimble was the first area resident to speak, greeting Precinct 1 Commissioner John Yeackle, who she said was her elected representative.

Trimble said she is not against progress, but she had questions about the company. She said she personally felt she didn't have enough information about the company, which is based in Cordoba, Spain, and also does business as Blue Stone Renewable LLC.

"For now I personally don't want this, simply because we don't know enough about the company. We don't know where the funding, where the money is coming from," Trimble said, asking commissioners to delay approval.

Mitchell said that there were several steps in the process, all of which are open for public input, including the initial request for the county to create a reinvestment zone, ABEI applying for the abatement and the application being accepted, and this final public hearing, one of several chances to solicit public input regarding the abatement.

Trimble asked if the solar farm would benefit Uvaldeans if there was another electrical grid breakdown such as the one seen in February.

ABEI project development manager Trey Patton, who is based in Austin and attended the meeting via Zoom teleconference, said the 150 megawatt solar powered electric generating facility is planned to be able to feed into existing power lines along U.S. Highway 90, and the company hopes to make power more readily available in Uvalde County.

He said energy is governmentally regulated and thus he cannot guarantee anything in the event of a crisis.

Trimble also expressed concerns regarding a foreign-based company operating in Texas.

"We would like to learn more about the company, all its connections. As you all know, there are concerns about a foreign entity coming, entities coming into our nation, primarily, or especially in Texas, making us vulnerable and there's some deep roots and lot that could be discussed concerning that," Trimble said. She added that she represented others who shared the same concern, and asked how Yeackle felt about it.

He said if he had any concerns, he would have spoken of them, and he found the process cut and dried. He said benefits to the county include potential future tax benefits as well as generating power locally.

"I've actually seen the entire package and I've not seen any red flags. I was hesitant to begin with, but I don't see any red flags," Yeackle said. "As far as allocation of energy... Those things will never be within our control."

Patton said the company has been in operation for 16 years, and been working on projects in Texas for approximately four years. He offered to meet with Trimble and others she mentioned she was representing on a future visit to Uvalde.

Uvalde County resident Charlene Barnes told commissioners she was there seeking more information.

“Through the years I’ve seen a lot of things come and go that I didn’t fully understand,” Barnes said, stating she had seen people have issues with the reliability of solar panel technology.

“We all want cheaper energy we can have access to, I mean that’s not an issue,” Barnes said.

She said she sought to understand more about solar energy operations and technology.

Yeackle noted that Barnes’ concerns about solar reliability were warranted at one time, but he said they applied more to older technology.

He said in the last few years solar technology has improved and solar power industries have become more competitive. He said the key was in the increase in the ability to store the generated power, as that was formerly a shortfall.

The public hearing closed at 10:25 a.m.

Previous actions

Patton and project development engineer Patrick Walsh gave a presentation on the proposed project to commissioners at their March 8 meeting.

Commissioners voted on April 12 to grant a request from ABEI for designation of a 932-acre reinvestment zone in Uvalde County. No member of the public spoke at that meeting.

At their May 24 meeting, held over Zoom teleconference, commissioners voted to accept ABEI’s tax abatement application for the solar farm project, dubbed “Nightfall.”

The solar project land, located south of U.S. Highway 90 between Uvalde and Knippa, is located on the Spanish Dagger Ranch. The ranch owner/operators sold a portion of the land.

Commissioner Mariano Pargas Jr. was absent from the meeting, which was held in the third-floor courtroom at the Uvalde County Courthouse.

jkeable@ulnnow.com, 830-278-3335

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT C

Independent Economic Impact Evaluation

Chapter 313 Financial Impact Study

*A financial analysis of the potential Chapter 313 Agreement
between Blue Stone Renewable IX LLC and the Uvalde
Consolidated Independent School District*



Prepared October 18, 2021

Overview

On April 21, 2021, Blue Stone Renewable IX LLC (Applicant) submitted an application for appraised value limitation on qualified property to the Uvalde Consolidated Independent School District (UCISD). The Applicant is seeking to develop a renewable energy project and is requesting UCISD agree to limit the maintenance and operations (M&O) taxable value of the project to \$25,000,000 for a ten-year period. As put forth in the application, the first year of the value limitation period would be the 2024 tax year.

Culwell Consulting was engaged by UCISD to analyze the impact of the potential value limitation agreement upon the overall M&O revenue of UCISD. A value limitation agreement entered into by the parties provides UCISD protection against any loss in M&O revenue due to the granting of the \$25 million value limitation. This report provides the programmatic details, pertinent aspects of the Texas school finance system, and in-depth analysis needed to understand the long-term impact of such an agreement upon the UCISD M&O general fund.

This analysis concludes a value limitation agreement would result in UCISD foregoing \$974,516 in M&O revenue in the first year of the value limitation period, the 2024-2025 school year. After payout of these losses, the Applicant's tax savings are estimated to be \$3,397,140. This estimate of the Applicant's tax savings does not account for any supplemental payments made to UCISD. Any potential Ch. 313 agreement will not affect the Applicant's taxable value for Interest and Sinking (I&S) tax rate purposes.

Background

In 2001, the 77th Texas Legislature passed HB 1200 enacting the Texas Economic Development Act with the intent to attract qualified economic development to Texas by limiting the M&O taxes paid by the company. Established under Ch. 313 of the Texas Tax Code, the program has become more commonly referred to as Ch. 313.

The Ch. 313 program enables school districts to limit the M&O taxable value of qualified economic development projects for a ten-year period. The State of Texas Comptroller sets the value limitation amount for each school district. At the time the application was deemed complete by the Texas Comptroller, UCISD is permitted to grant a value limitation of \$25 million.

Several types of projects are eligible to receive value limitations under Chapter 313 of the Tax Code. Behind Tab 4 of the Application, the Applicant states, "Blue Stone Renewable IX, LLC (Blue Stone Renewable IX) is requesting an appraised value limitation from Uvalde Independent School District (ISD) for the Project Nightfall Solar Project (The Project), a proposed solar power electric generating facility in Uvalde County." This type of renewable energy electric generation project qualifies under Texas Tax Code 313.024(b)(5).

Blue Stone Renewable IX LLC Application

The application from Blue Stone Renewable IX LLC was presented to and accepted by the UCISD School Board on April 21, 2021. In their application, the Applicant requested a \$25 million value limitation be applied to their renewable energy electric generation project beginning in the 2024 tax year. Within the Application, Schedule B behind Tab 14 outlines the estimated taxable value schedule of the project for a 25-year period.

Texas Tax Code 313.027(f)(3) requires an agreement holder to maintain a viable presence within the school district for five years after the value limitation expires; therefore, this analysis concludes after the last year of this viable presence period, the 2038-2039 school year. Below is a modified version of Schedule B displaying the estimated taxable values of the project beginning with each year prior to limitation period and concluding five years after the value limitation expires.

Blue Stone Renewable IX LLC Taxable Values, Schedule B of Application

	Year	School Year (YYYY-YYYY)	Tax Year YYYY	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Qualifying Time Period	0	2021-2022	2021	\$0	\$0
	1	2022-2023	2022	\$0	\$0
Qualifying Time Period	2	2023-2024	2023	\$36,016,667	\$36,016,667
Value Limitation Period	1	2024-2025	2024	\$108,050,000	\$25,000,000
	2	2025-2026	2025	\$97,290,000	\$25,000,000
	3	2026-2027	2026	\$87,725,050	\$25,000,000
	4	2027-2028	2027	\$79,355,150	\$25,000,000
	5	2028-2029	2028	\$70,785,298	\$25,000,000
	6	2029-2030	2029	\$63,810,495	\$25,000,000
	7	2030-2031	2030	\$57,830,740	\$25,000,000
	8	2031-2032	2031	\$51,851,033	\$25,000,000
	9	2032-2033	2032	\$47,066,372	\$25,000,000
	10	2033-2034	2033	\$42,281,759	\$25,000,000
Continue to maintain viable presence	11	2034-2035	2034	\$37,497,191	\$37,497,191
	12	2035-2036	2035	\$33,907,669	\$33,907,669
	13	2036-2037	2036	\$30,318,192	\$30,318,192
	14	2037-2038	2037	\$30,313,761	\$30,313,761
	15	2038-2039	2038	\$30,309,373	\$30,309,373

As a result of such limitation being granted, the project will receive two taxable values beginning in the 2024 tax year: one, a valuation of \$25 million for M&O tax purposes, and the second, a full taxable valuation assessed the local appraisal district for UCISD's I&S tax purposes. This duality will continue for the ten-year limitation period after which, starting with the 2034-2035 school year, the project will receive a single taxable value for M&O and I&S tax purposes. Any taxable value

of the project either before or after the ten-year limitation period is fully taxable for M&O tax purposes.

Calculation of Revenue Loss

The Ch. 313 Agreement (Agreement) prepared by the Walsh Gallegos Trevino Kyle & Robinson P.C. ensures that UCISD is protected against any loss in revenue incurred by the district's M&O general fund. During each year of the limitation period, the Agreement calls for the annual calculation of loss in M&O revenue. If and when a revenue loss occurs, the Agreement requires the Applicant to hold the school district harmless and pay the school district this calculated amount.

To identify a loss in revenue, two school finance models are established and the outputs compared. One model serves as the control utilizing the full M&O taxable value of the project; the second model substitutes the limited value of \$25 million for the full taxable value. Any revenue loss is accounted for by deducting the resulting M&O revenue of the control model from that of the limited value model.

Note on School Finance

To fund the maintenance and operation of Texas public schools, the state's school finance system relies on local tax collections and state aid. The method of determining state aid is a complex system that further breaks funding into two major components referred to as Tier I and Tier II. Tier I funding is based on the M&O taxes at the compressed rate, program allotments, and ADA and special student populations. Tier II is the enrichment tier based on the tax effort above the school district's compressed rate. State aid works to fill the gap between local revenue and the total funding the school district is entitled to through the state finance system.

In the Spring of 2019, the 86th Texas Legislature passed House Bill 3 which made significant changes to the school finance system in Texas. In passing HB 3, the Legislature sought to equalize funding across school districts, increase teacher compensation, improve learning outcomes, and reduce property taxes.

Of particular note to this analysis, HB 3 now requires the use of current-year local taxable values as opposed to prior-year taxable values when determining state aid. The 2019-20 school year, the first in which this method of calculating state aid was used, differs from the prior school finance system under which state aid was based on the prior year's Comptroller certified property values. However, in specifically addressing the Ch. 313 program, HB 3 states that calculations determining the school districts' revenue loss must continue to use the prior year local taxable values when determining the state aid allotted to the school district.

Due in part to this reliance on prior year values when determining state aid, the first year of the limitation period often results in a loss in revenue for the school district. Under the terms of the agreement, the Applicant is required to hold the district harmless from any such losses. Estimates of revenue losses are based on the current school finance system and the taxable values provided by the Applicant. **Any future**

changes in the school finances system or in the project’s taxable value as compared to those put forth in the application, may result in different levels of revenue loss than described in this report.

Data

The project’s taxable values are accessed from Schedule B, behind Tab 14 of the Application. School district level data was obtained from 2021-202 TEA Summary of Finances- Preliminary in September of 2021 and includes the adopted 2021-2022 M&O tax rate of \$0.9586. In developing the comparison scenarios, all variables and funding factors were held constant as of the 2021-2022 school year with the exception of the project’s taxable value and the district’s resulting tax collections.

Future calculations will utilize the concurrent statewide school funding system, school district data and tax rates, as well as the appraised value of the Applicant’s project as determined by the Falls County Appraisal District.

Results

Table 1 displays UCISD total M&O revenue after including the full taxable value of the project. Table 2 shows the total M&O revenue after substituting the \$25 million limitation value. The highlighted rows outline the ten-year value limitation period.

Table 1 – M&O Revenue at Full Project Taxable Value

	School Year	M&O Revenue		Total Recapture	Total M&O General Fund
		from Local Taxes	M&O Revenue from State		
Qualifying Time Period	2021-2022	\$13,000,556	\$21,769,120	\$0	\$34,769,676
	2022-2023	\$13,000,556	\$22,497,723	\$0	\$35,498,279
	2023-2024	\$13,345,812	\$23,183,037	\$0	\$36,528,849
Value Limitation Period	2024-2025	\$14,036,323	\$22,900,406	\$0	\$36,936,729
	2025-2026	\$13,933,178	\$22,006,859	\$0	\$35,940,037
	2026-2027	\$13,841,488	\$22,117,419	\$0	\$35,958,907
	2027-2028	\$13,761,254	\$22,212,389	\$0	\$35,973,644
	2028-2029	\$13,679,104	\$22,295,494	\$0	\$35,974,598
	2029-2030	\$13,612,243	\$22,384,345	\$0	\$35,996,588
	2030-2031	\$13,554,921	\$22,457,373	\$0	\$36,012,294
	2031-2032	\$13,497,600	\$22,516,758	\$0	\$36,014,358
	2032-2033	\$13,451,734	\$22,576,143	\$0	\$36,027,877
	2033-2034	\$13,405,869	\$22,623,659	\$0	\$36,029,528
Maintain Viable Presence	2034-2035	\$13,360,004	\$22,671,175	\$0	\$36,031,179
	2035-2036	\$13,325,595	\$22,722,485	\$0	\$36,048,079
	2036-2037	\$13,291,186	\$22,758,135	\$0	\$36,049,321
	2037-2038	\$13,291,143	\$22,801,390	\$0	\$36,092,533
	2038-2039	\$13,291,101	\$22,801,433	\$0	\$36,092,535

Table 2 – M&O Revenue at Limited Project Taxable Value

	School Year	M&O Revenue from Local Taxes	M&O Revenue from State	Total Recapture	Total M&O General Fund
Qualifying Time Period	2021-2022	\$13,000,556	\$21,769,120	\$0	\$34,769,676
	2022-2023	\$13,000,556	\$22,497,723	\$0	\$35,498,279
Qualifying Time Period	2023-2024	\$13,345,812	\$23,183,037	\$0	\$36,528,849
Value Limitation Period	2024-2025	\$13,240,206	\$22,722,007	\$0	\$35,962,213
	2025-2026	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2026-2027	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2027-2028	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2028-2029	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2029-2030	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2030-2031	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2031-2032	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2032-2033	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	2033-2034	\$13,240,206	\$22,854,220	\$0	\$36,094,426
	Maintain Viable Presence	2034-2035	\$13,360,004	\$22,880,868	\$0
2035-2036		\$13,325,595	\$22,722,485	\$0	\$36,048,079
2036-2037		\$13,291,186	\$22,758,135	\$0	\$36,049,321
2037-2038		\$13,291,143	\$22,801,390	\$0	\$36,092,533
2038-2039		\$13,291,101	\$22,801,433	\$0	\$36,092,535

Table 3 displays the outcome of comparing the M&O general fund totals within these two models. The column entitled, “School District Revenue Loss,” displays instances in which the projected M&O revenue in Table 2 is less than in Table 1. In effect, Table 3 captures each instance in which UCISD’s M&O general fund is negatively impacted by UCISD having granted a value limitation agreement. As shown below, it is estimated that UCISD will forego \$974,516 in M&O revenue during the 2024-2025 school year. At this time, no revenue loss is anticipated beyond the first year of the limitation period.

The project is estimated to reach a peak taxable value of \$108 million during the 2024-2025 school year, the year prior to the start of the limitation period, followed by steady depreciation in value. Any change in the project’s taxable value schedule, school district data or tax rates, or legislative changes to the school finance system may result in additional revenue losses. Of note, it is typically the case that any appreciation of taxable value within the limitation period will result in additional revenue losses for the school district.

The final column, “Company Tax Savings,” displays the tax savings in each year of the limitation with the Applicant’s total savings over the ten-year period totaling \$3,397,140.

Table 3 - Projected School District Revenue Loss & Company Tax Savings

School Year	Project Full Taxable Value (I&S Value)	Project Limited Tax Value (M&O Value)	M&O Tax Rate	M&O Taxes Paid Before Limitation	M&O Taxes Paid After Limitation	Tax Savings Before District Calculations	School District Revenue Loss	Company Tax Savings Before Supplemental Payment
2021-2022	\$0	\$0	\$0.9586	\$0	\$0	\$0	\$0	\$0
2022-2023	\$0	\$0	\$0.9586	\$0	\$0	\$0	\$0	\$0
2023-2024	\$36,016,667	\$36,016,667	\$0.9586	\$345,256	\$345,256	\$0	\$0	\$0
2024-2025	\$108,050,000	\$25,000,000	\$0.9586	\$1,035,767	\$239,650	\$796,117	-\$974,516	-\$178,399
2025-2026	\$97,290,000	\$25,000,000	\$0.9586	\$932,622	\$239,650	\$692,972	\$0	\$692,972
2026-2027	\$87,725,050	\$25,000,000	\$0.9586	\$840,932	\$239,650	\$601,282	\$0	\$601,282
2027-2028	\$79,355,150	\$25,000,000	\$0.9586	\$760,698	\$239,650	\$521,048	\$0	\$521,048
2028-2029	\$70,785,298	\$25,000,000	\$0.9586	\$678,548	\$239,650	\$438,898	\$0	\$438,898
2029-2030	\$63,810,495	\$25,000,000	\$0.9586	\$611,687	\$239,650	\$372,037	\$0	\$372,037
2030-2031	\$57,830,740	\$25,000,000	\$0.9586	\$554,365	\$239,650	\$314,715	\$0	\$314,715
2031-2032	\$51,851,033	\$25,000,000	\$0.9586	\$497,044	\$239,650	\$257,394	\$0	\$257,394
2032-2033	\$47,066,372	\$25,000,000	\$0.9586	\$451,178	\$239,650	\$211,528	\$0	\$211,528
2033-2034	\$42,281,759	\$25,000,000	\$0.9586	\$405,313	\$239,650	\$165,663	\$0	\$165,663
2034-2035	\$37,497,191	\$37,497,191	\$0.9586	\$359,448	\$359,448	\$0	\$0	\$0
2035-2036	\$33,907,669	\$33,907,669	\$0.9586	\$325,039	\$325,039	\$0	\$0	\$0
2036-2037	\$30,318,192	\$30,318,192	\$0.9586	\$290,630	\$290,630	\$0	\$0	\$0
2037-2038	\$30,313,761	\$30,313,761	\$0.9586	\$290,588	\$290,588	\$0	\$0	\$0
2038-2039	\$30,309,373	\$30,309,373	\$0.9586	\$290,546	\$290,546	\$0	\$0	\$0
Totals				\$8,669,662	\$4,298,006	\$4,371,656	-\$974,516	\$3,397,140

Supplemental Payment

The two parties are able to negotiate a supplemental payment, which allows for a partial sharing of the Applicant's tax savings with the school district. Under Texas Tax Code 313.027(i), these payments may not exceed \$100 per average daily attendance (ADA) and may only occur from the first year of the qualifying time period through the third year after the value limitation expires. In the case of school districts with an ADA below 500, the tax code allows for a maximum annual payment of \$50,000. The exact terms of the supplemental payment are set in the final Ch. 313 Agreement.

Facilities Impact

The project remains fully taxable for I&S tax purposes over the course of the taxable life of the project and should have significant positive impact on UCISD's debt service. The Applicant intends to invest a total of \$119.5 million resulting in a peak taxable value of \$108 million in the 2024-2025 school year. If applied to UCISD's 2021 tax base, this taxable value would increase the district's I&S tax base by roughly .8%.

The project's taxable value is assumed to depreciate quickly, with an average annual reduction in value of \$7.3 million until reaching a floor of \$25 million in the 2036-2037 school year. However, unlike most commercial property, the project is assumed to hold this roughly \$25 million valuation through at least the 2048-2049 school year. This addition of long-term value combined with the overall increase to the tax base should provide UCISD the ability to service existing debt through a reduced I&S tax rate and offer a more diverse tax base for future debt issuances.

Conclusion

The total estimated UCISD revenue losses of \$974,516 and Applicant tax savings of \$3,397,140 are based on the assumptions used in this report. The terms of these calculations are set in the Ch. 313 Agreement and will require the use of the concurrent year's school finance system, assessed taxable value of the project, school district level taxable values and tax rates, and school district student population data. Changes to any of these factors may result in revenue losses and company tax savings in different amounts than estimated in this report.

The Ch. 313 Agreement prepared by the Walsh Gallegos Trevino Kyle & Robinson P.C. ensures that UCISD is protected against any loss in revenue and defines the supplemental payment allowing the district to share in the applicant's long-term tax savings. With the Ch. 313 Agreement in place, the proposed project is financially beneficial for both the Uvalde Consolidated Independent School District and the applicant Blue Stone Renewable IX LLC.

Estimated Effects of the Ch. 313 Application from Blue Stone Renewable IX LLC Project upon the Finances of the Uvalde Consolidated Independent School District

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	School Year	Tax Year	Project Full Taxable Value (I&S Value)*	Project Limited Tax Value (M&O Value)	M&O Tax Rate#	M&O Taxes Paid Before Limitation	M&O Taxes Paid After Limitation	Tax Savings Before District Calculations	School District Revenue Loss	Company Tax Savings Before Supplemental Payment	Supplemental Payment\$	Total Company Tax Savings
Qualifying Year 1	2021-2022	2021	\$0	\$0	\$0.9586	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualifying Year 2	2022-2023	2022	\$0	\$0	\$0.9586	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2023-2024	2023	\$36,016,667	\$36,016,667	\$0.9586	\$345,256	\$345,256	\$0	\$0	\$0	\$0	\$0
Value Limitation Period	2024-2025	2024	\$108,050,000	\$25,000,000	\$0.9586	\$1,035,767	\$239,650	\$796,117	-\$974,516	-\$178,399	\$0	-\$178,399
	2025-2026	2025	\$97,290,000	\$25,000,000	\$0.9586	\$932,622	\$239,650	\$692,972	\$0	\$692,972	\$277,189	\$415,783
	2026-2027	2026	\$87,725,050	\$25,000,000	\$0.9586	\$840,932	\$239,650	\$601,282	\$0	\$601,282	\$240,513	\$360,769
	2027-2028	2027	\$79,355,150	\$25,000,000	\$0.9586	\$760,698	\$239,650	\$521,048	\$0	\$521,048	\$208,419	\$312,629
	2028-2029	2028	\$70,785,298	\$25,000,000	\$0.9586	\$678,548	\$239,650	\$438,898	\$0	\$438,898	\$175,559	\$263,339
	2029-2030	2029	\$63,810,495	\$25,000,000	\$0.9586	\$611,687	\$239,650	\$372,037	\$0	\$372,037	\$148,815	\$223,222
	2030-2031	2030	\$57,830,740	\$25,000,000	\$0.9586	\$554,365	\$239,650	\$314,715	\$0	\$314,715	\$125,886	\$188,829
	2031-2032	2031	\$51,851,033	\$25,000,000	\$0.9586	\$497,044	\$239,650	\$257,394	\$0	\$257,394	\$102,958	\$154,436
	2032-2033	2032	\$47,066,372	\$25,000,000	\$0.9586	\$451,178	\$239,650	\$211,528	\$0	\$211,528	\$84,611	\$126,917
	2033-2034	2033	\$42,281,759	\$25,000,000	\$0.9586	\$405,313	\$239,650	\$165,663	\$0	\$165,663	\$66,265	\$99,398
Maintain Viable Presence	2034-2035	2034	\$37,497,191	\$37,497,191	\$0.9586	\$359,448	\$359,448	\$0	\$0	\$0	\$0	\$0
	2035-2036	2035	\$33,907,669	\$33,907,669	\$0.9586	\$325,039	\$325,039	\$0	\$0	\$0	\$0	\$0
	2036-2037	2036	\$30,318,192	\$30,318,192	\$0.9586	\$290,630	\$290,630	\$0	\$0	\$0	\$0	\$0
	2037-2038	2037	\$30,313,761	\$30,313,761	\$0.9586	\$290,588	\$290,588	\$0	\$0	\$0	\$0	\$0
	2038-2039	2038	\$30,309,373	\$30,309,373	\$0.9586	\$290,546	\$290,546	\$0	\$0	\$0	\$0	\$0
Totals						\$8,669,662	\$4,298,006	\$4,371,656	-\$974,516	\$3,397,140	\$1,430,215	\$1,966,924

NOTE: The terms of these calculations are set in the Ch. 313 Agreement; however, each year's calculation during the limitation period requires the use of the concurrent year's school finance system, assessed taxable value of the project, school district level taxable values and tax rates, and school district student population data. These calculations are based upon the current school finance system as of the date of preparation below. Changes to any of these factors may result in revenue losses and company tax savings in different amounts than estimated in this document.

*The project taxable values utilized here are based on those provided in the application submitted by the Company. Calculations made for active agreements during the value limitation period will be based upon the assessed value as determined by the county central appraisal district.

#The M&O tax rate used is based on the district's adopted 2021-2022 M&O tax rate. All future calculations will use the corresponding year's adopted M&O tax rate.

\$Per the Ch. 313 Agreement, the supplemental payment shown represents 40% of the Company Tax Savings Before Supplemental Payment.

Summary of Estimated Financial Impact

Total Estimated School District Revenue Loss	Total Supplemental Payments	Total Company Tax Savings
\$974,516	\$1,430,215	\$1,966,924

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT D

Tax Limitation Agreement

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

by and between

**UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT**

and

**BLUE STONE RENEWABLE IX,
LLC**

(Texas Taxpayer ID # 32071498508)

Comptroller Application # 1628

Dated
November 15, 2021

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

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

STATE OF TEXAS §

COUNTY OF UVALDE §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between the **UVALDE CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the “District,” a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **BLUE STONE RENEWABLE IX, LLC**, Texas Taxpayer Identification Number **32071498508** hereinafter referred to as the “Applicant.” The Applicant and the District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on April 21, 2021, the Superintendent of Schools of the UVALDE CONSOLIDATED INDEPENDENT School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, on April 21, 2021, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

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

WHEREAS, the District and the Texas Comptroller’s Office have determined that the Application is complete and September 8, 2021 is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

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

WHEREAS, the Texas Comptroller’s Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on October 8, 2021, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

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

WHEREAS, on November 15, 2021, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on November 15, 2021, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant’s Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the District’s maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in the Applicant’s decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

WHEREAS, on November 15, 2021, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in *Section 313.051(b)* of the TEXAS TAX CODE;

WHEREAS, on November 9, 2021, the Texas Comptroller’s Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

WHEREAS, on November 15, 2021, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary or, in the event the Board President or Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized the Board Vice President to execute and deliver such Agreement to the Applicant; and

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

ARTICLE I
DEFINITIONS

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

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

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

“Applicant” means BLUE STONE RENEWABLE IX, LLC, (*Texas Taxpayer ID # 32071498508*), the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

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

“Applicant’s Qualified Property” means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 3** of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on April 21, 2021. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

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

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

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

“Appraisal District” means the Uvalde County Appraisal District.

“Board of Trustees” means the Board of Trustees of the UVALDE CONSOLIDATED INDEPENDENT School District.

“Commercial Operation” means the generation of electricity (other than test energy) in commercial quantities by Applicant from wind turbines included in the Qualified Property for which electricity the Applicant is entitled to receive compensation from a third party power purchaser, offtaker, merchant, buyer, spot market buyer, or other third party purchaser.

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

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

“County” means Uvalde County, Texas.

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

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

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

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

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

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

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its

Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller's Rules.

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

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

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

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

"State" means the State of Texas.

"Supplemental Payment" means any payments or transfers of things of value made to the District or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the Agreement and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

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

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

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

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

Section 1.2 NEGOTIATED DEFINITIONS. Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term

defined in this section and a term defined in the Act, the Comptroller's Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Applicable School Finance Law” means Chapters 48 and 49 of the TEXAS EDUCATION CODE (previously Chapters 42 and 41, and other applicable provisions), the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE); Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District; and, the Constitution and general laws of the State applicable to the school districts of the State, including specifically, the applicable rules, regulations, and interpretations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future which impact or alter the calculation of the Applicant’s ad valorem tax obligation or the Revenue Protection Amount in Section 4.2 of this Agreement to the District, either with or without the limitation of property values made pursuant to this Agreement.

“Consultant” shall have the same meaning as assigned to such term in Section 4.4 of this Agreement.

“Revenue Protection Amount” means the revenue protection payment required as part of this Agreement as set out in TEXAS EDUCATION CODE Section 48.256(d) and shall have the meaning assigned to such term in Section 4.2 of this Agreement.

“Maintenance and Operations Revenue” or “M&O Revenue” means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under the applicable provisions of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, as applicable, less (iii) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 49 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, as applicable.

“New M&O Revenue” shall have the same meaning as assigned to such term in Section 4.2.A.ii of this Agreement.

“Original M&O Revenue” shall have the same meaning as assigned to such term in Section 4.2.A.i of this Agreement.

ARTICLE II
AUTHORITY, PURPOSE AND LIMITATION
AMOUNTS

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

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

Section 2.3. TERM OF THE AGREEMENT.

A. The Application Review Start Date for this Agreement is September 8, 2021, which will be used to determine the eligibility of the Applicant's Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is November 15, 2021.

C. The Qualifying Time Period for this Agreement:

i. Starts on January 1, 2022, a date not later than the fourth Tax Year following the Application Approval Date for deferrals, as authorized by §313.027(h) of the TEXAS TAX CODE; and

ii. End on December 31, 2023, the last day of the second complete Tax Year following the Qualifying Time Period start date:

D. The Tax Limitation Period for this Agreement:

i. Starts on January 1, 2024, the first complete Tax Year that begins after the date of the commencement of Commercial Operation; and

ii. Ends on December 31, 2033, which is the year the Tax Limitation Period starts as identified in Section 2.3.D.i plus 9 years.

E. The Final Termination Date for this Agreement is December 31, 2038 which is the last year of the Tax Limitation Period as defined in Section 2.3.D.ii. plus 5 years.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

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

- A. the Market Value of the Applicant’s Qualified Property; or
- B. TWENTY-FIVE MILLION DOLLARS (\$25,000,000).

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by *Section 313.052* of the TEXAS TAX CODE.

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

- A. have completed the Applicant’s Qualified Investment in the amount of TWENTY MILLION DOLLARS (\$20,000,000) during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least SEVEN HUNDRED SIXTY-FOUR AND 00/100 DOLLARS (\$764.00) for all New Non-Qualifying Jobs created by the Applicant.

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

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

ARTICLE III QUALIFIED PROPERTY

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

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially

changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

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

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

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

Section 4.1. INTENT OF THE PARTIES. Subject to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the District shall, in accordance with the provisions of TEXAS TAX CODE § 313.027(f)(1), be compensated by the Applicant for any loss that the District incurs in its Maintenance and Operations Revenue as a result of, or on account of, the Parties' entering into this Agreement. Such compensation shall be independent of, and in addition to, all such other payments as are set forth in Article V and Article VI. Subject only to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the risk of any negative financial consequence to the District as a result of Applicant's location of Applicant's Qualified Investment and Applicant's Qualified Property in the District and the Parties' entering into this Agreement will be borne by the Applicant and not by the District and be paid by the Applicant to the District in addition to any and all payments due under Article V and Article VI.

The Parties expressly understand and agree that, for all Tax Years to which this Agreement may apply, the calculation of negative financial consequences will be defined for each applicable Tax Year in accordance with Applicable School Finance Law, as defined in Section 1.2 above, and that

such definition specifically contemplates that calculations made under this Agreement may periodically change in accordance with changes in Applicable School Finance Law. The Parties further agree that printouts and projections produced during the negotiations and approval of this Agreement are: (i) for illustrative purposes only, are not intended to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party; (ii) based upon current Applicable School Finance Law which is subject to change by statute, by administrative regulation (or interpretation thereof), or by judicial decision at any time; and (iii) may change in future years to reflect changes in Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF MAINTENANCE AND OPERATIONS REVENUES BY THE DISTRICT. Subject to the provisions of Sections 7.1, the amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the “Revenue Protection Amount”) shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

A. The Revenue Protection Amount owed by the Applicant to the District means the Original M&O Revenue minus the New M&O Revenue;

Where:

(i) “Original M&O Revenue” means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Applicant’s Qualified Property and/or the Applicant’s Qualified Investment been subject to the District’s adopted ad valorem Maintenance and Operations tax rate actually levied for the applicable year.

(ii) “New M&O Revenue” means the total State and local Maintenance & Operations Revenue that the District actually received for such school year, after all adjustments have been made to such Maintenance and Operations Revenue because of any portion of this Agreement.

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

(i) The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.

(ii) For purposes of this calculation, the tax collection rate on the Applicant’s Qualified Property and/or the Applicant’s Qualified Investment will be presumed to be one hundred percent (100%).

(iii) If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section 4.2 results in a negative number, the negative number will be considered to be zero.

(iv) All calculations made under this Section 4.2 of this Agreement will reflect the Limitation on Appraised Value for such year.

(v) All calculations made under this Section 4.2 shall be made by a methodology which isolates the full M&O Revenue impact caused by this Agreement. The Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements, or any other factors not contained in this Agreement.

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

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

Section 4.3. COMPENSATION FOR LOSS OF OTHER REVENUES. In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for the following:

- A. All non-reimbursed costs incurred by the District for extraordinary education-related expenses, as set forth in Section 5.1 below;
- B. Any other loss of District revenues which are directly and solely attributable to the payment by the Applicant to or on behalf of any other third party beneficiary; and
- C. Any other cost to the District, including costs under Section 8.6(C) below (but subject to the limitation set forth in Section 4.4 below), which are directly and solely attributable to compliance with State-imposed requirements relating to this Agreement.

Section 4.4. CALCULATIONS TO BE MADE BY THIRD PARTY.

All calculations under this Agreement shall be made annually by an independent third party (the “Consultant”) approved each year by the District. The District agrees that for all Tax Years the Consultant selected by the District shall be Culwell Consulting, LLC. If the District desires to select a Consultant other than Culwell Consulting, LLC, such selection must receive the Applicant’s consent, which consent shall not be unreasonably withheld, delayed, or conditioned. To the extent not inconsistent with a statutory change to Applicable School Finance Law, all calculations made by the Consultant under this Agreement shall be made using a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be

responsible to reimburse the District for other revenue losses created by other agreements or any other factors.

Applicant shall only be responsible for payment of fees and expenses under this Section 4.7 not to exceed \$15,000 per year for the duration of this Agreement.

Section 4.5. DATA USED FOR CALCULATIONS. The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax rolls submitted to the District pursuant to TEXAS TAX CODE § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Consultant selected under Section 4.4. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Consultant to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Consultant shall be adjusted from time to time by the Consultant to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax rolls or any other changes in student counts, tax collections, or other data.

Section 4.6. DELIVERY OF CALCULATIONS. On or before December 1 of each year for which this Agreement is effective, the Consultant appointed pursuant to Section 4.4 of this Agreement shall forward to the Parties a certification containing the calculations required under Section 4.2, Section 4.3 and Article V of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Consultant shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Consultant's offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Consultant shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Consultant shall preserve all documents pertaining to the calculation and fee for a period of three (3) years after payment. The Applicant shall not be liable for any of Third Party's costs resulting from a review or audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement or the fee paid by the Applicant to the Third Party pursuant to Section 4.7, if such fee is timely paid.

Section 4.7. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Consultant for all calculations under this Agreement under Section 4.6, above, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants (subject to the limitation set forth in Section 4.4 above) for the preparation and filing of any financial reports, disclosures, or Tax Credit or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement.

Section 4.8. RESOLUTION OF DISPUTES. Should the Applicant disagree with the certification prepared pursuant to Sections 4.2, 4.3, or Article V, the Applicant may appeal the findings, in writing, to the Consultant within thirty (30) days of receipt of the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Consultant will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District's Board of Trustees, in writing, within thirty (30) days of the final determination of certification containing the calculations.

Section 4.9. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Consultant selected under Section 4.4 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Property, and such appeal remains unresolved, the Consultant shall base its calculations upon the values placed upon the Applicant's Qualified Property by the Appraisal District. The calculations shall be readjusted, if necessary, based on the outcome of the appeal as set forth below.

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

Section 4.10. EFFECT OF STATUTORY CHANGES. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, the Applicant shall make payments to the District, up to the Revenue Protection Amount limit set forth in Section 7.1, that are necessary to offset any negative impact on the District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the Revenue Protection Amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

ARTICLE V
PAYMENT OF EXTRAORDINARY EDUCATION-RELATED
EXPENSES

Section 5.1. In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for all non-reimbursable costs, certified by the District’s external auditor to have been incurred by the District for extraordinary education-related expenses directly and solely related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment directly and solely attributable to the project. Applicant shall have the right to contest the findings of the District’s external auditor pursuant to Section 4.8 herein.

ARTICLE VI
SUPPLEMENTAL PAYMENTS

Section 6.1. SUPPLEMENTAL PAYMENTS. In addition to undertaking the responsibility for the payment of all of the amounts set forth under Articles IV and V, and as further consideration for the execution of this Agreement by District, the Applicant shall also be responsible for supplemental payments (the “Supplemental Payments”) set forth in this Article VI.

- A. Amounts Exclusive of Indemnity Amounts. It is the express intent of the Parties that the Applicant’s obligation to make Supplemental Payments under this Article VI is separate and independent of the obligation of the Applicant to pay the amounts described in Articles IV and V; provided, however, that all payments under Articles IV, V, and VI are subject to the limitations contained in Section 7.1.
- B. Adherence to Statutory Limits on Supplemental Payments. It is the express intent of the Parties that any Supplemental Payments made to or on behalf of District by the Applicant, under this Article VI, shall not exceed the limit imposed by the provisions of Texas Tax Code § 313.027(i) as such limit is allowed or required to be increased by the Legislature in a future year of this Agreement or the amount described in Section 6.3.
- C. Explicit Identification of Payments to District. The Applicant shall not be responsible to District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement made pursuant to Chapter 313, Texas Tax Code, unless it is explicitly set forth in this Agreement.

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.

Notwithstanding the foregoing:

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

- complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;
- B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.
 - C. The limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)–(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.
 - D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of \$50,000 or \$100 multiplied by the District’s Average Daily Attendance as calculated pursuant to Section 42.005 of the Texas Education Code, based upon:
 - i. *the District’s 2019-2020 Average Daily Attendance, rounded to the nearest whole number.*

Section 6.3. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO ANNUAL LIMIT.

On or before January 31, 2024 (the payment due date for Tax Year 2023), and continuing thereafter on or before the January 31 of each year for the maximum period permitted under Section 313.027(i) of the TEXAS TAX CODE, except that Applicant agrees to make its final Supplemental Payment for tax year 2033 on or before December 31, 2033. The Applicant shall make a Supplemental Payment to District in an amount equal to the lesser of the following:

- A. the Annual Limit; or,
- B. to the extent permitted by then current law, the Applicant’s “Stipulated Supplemental Payment Amount” as defined in Section 6.4.

Section 6.4. ANNUAL CALCULATION OF STIPULATED SUPPLEMENTAL PAYMENT AMOUNT.

The Parties agree that for each Tax Year described in Section 6.3, the Applicant’s Stipulated Supplemental Payment Amount will be calculated in accordance with the following formula:

The Taxable Value of the Applicant’s Qualified Property for such Tax Year had this Agreement not been entered into by the Parties (i.e., the Taxable Value of the Applicant’s Qualified Property used for District’s interest and sinking fund tax purposes for such Tax Year);

Minus,

The Taxable Value of the Applicant’s Qualified Property for such Tax Year after giving effect to this Agreement (i.e., the Taxable Value of the Applicant’s Qualified Property used for District’s maintenance and operations tax purposes for such Tax Year);

Multiplied by,

The District’s maintenance and operations tax rate for such Tax Year;

Minus,

Any amounts previously paid to District under Article IV or Article V;

Multiplied by,

The number 0.40;

Minus,

Any amounts previously paid to District under Sections 6.3 and 6.4 with respect to such Tax Year.

In the event that there are changes in the data upon which the calculations set forth herein are made, the Consultant described in Section 4.4, above, shall adjust the Applicant's Stipulated Supplemental Payment Amount calculation to reflect such changes in the data.

Section 6.5. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS.

- A. If the Supplemental Payment is based on the Annual Limit, the District Superintendent of Schools or his or her designee shall make the calculations. If the Supplemental Payment is based on the Stipulated Supplemental Payment Amount the calculations shall be made by the Consultant selected pursuant to Section 4.4.
- B. The calculations shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.6.
- C. The payment of all amounts due under this Article shall be made at the time set forth in Section 4.7.

Section 6.6. ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Article IV of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from the Applicant to the District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 6.7. OPTION TO TERMINATE AGREEMENT. In the event that any payment otherwise due from the Applicant to the District under Article IV, Article V, or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section

6.6, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year with respect to which a reduction under Section 6.6 is applicable. Any termination of this Agreement under the foregoing provisions of Section 6.7 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred. Additionally, in the event that prior to the beginning of the Tax Limitation Period, the Applicant determines that it will not commence or complete construction of the Applicant's Qualified Investment, the Applicant shall have the option, prior to the beginning of the Tax Limitation Period, to terminate this Agreement by notifying the District in writing of its exercise of such option. Any termination of this Agreement under the immediately preceding sentence shall be effective immediately upon giving such written notice to the District.

ARTICLE VII

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 6.7, this Agreement shall terminate and be of no further force or effect; provided, however, that:

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

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

ARTICLE VIII

ADDITIONAL OBLIGATIONS OF APPLICANT

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

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

or the Comptroller’s website and starting on the first such due date after the Application Approval Date.

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

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

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

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

B. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant’s safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR. By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

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

- i. date of submission of the final payment;
- ii. Final Termination Date; or

iii. date of resolution of all disputes or payment.

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

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

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

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

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

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

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

ARTICLE IX
MATERIAL BREACH OR EARLY
TERMINATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of,

anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

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

Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.

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

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

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

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

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);
- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and
- iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

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

Section 9.3. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee’s Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have ninety (90) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within ninety (90) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then

presiding in Uvalde County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

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

C. If payments become due under this Agreement and are not received before the expiration of the ninety (90) days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

Section 9.4. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT.

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

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the ninety (90) days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

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

Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

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

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

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

Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT. Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make TWENTY MILLION DOLLARS (\$20,000,000) of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

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

Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

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

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

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

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

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

**ARTICLE X.
MISCELLANEOUS PROVISIONS**

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (*e.g.*, by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

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

Uvalde Consolidated Independent School District
Attention: Superintendent of Schools
Address: 1000 N. Getty Street
Uvalde, Texas 78801
Phone: 830-278-6655
E-Mail: hharrell1029@uvaldecisd.net

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

ABEI Energy Infrastructure, LLC
Attention: Trey Patton, Project Development Manager
Address: 5540 N. Lamar Blvd., #9
Austin, TX 78732
Phone: 214-502-1993
E-Mail: treypatton@abeenergy.com

Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.

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

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

- i. The Applicant shall submit to the District and the Comptroller:
 - a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;
 - b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;
 - c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;
- ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller’s Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and
- iii. If the Comptroller has not denied the request, the District’s Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

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

- i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;
- ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

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

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

Section 10.3. ASSIGNMENT.

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

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

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

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

Section 10.5. GOVERNING LAW. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in Uvalde County.

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

Section 10.7. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term “Law” shall mean any applicable statute, law (including common law), ordinance, regulation,

rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

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

Section 10.9. INTERPRETATION.

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

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

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

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
- iii. This Agreement and its Attachments including the Application as incorporated by reference.

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

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

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

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

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

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

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

Section 10.14. CONFLICTS OF INTEREST.

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

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

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

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

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

Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.

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

B. Delivery is deemed complete as follows:

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

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 15th day of November, 2021.

BLUE STONE RENEWABLE IX, LLC

By: 
Name: Trey Patton
Title: Project Development Manager

UVALDE CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

By: 
Anabel White, President
Uvalde Consolidated ISD Board of Trustees

ATTEST:


Robert Fowler, Secretary
Uvalde Consolidated ISD Board of Trustees

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

[Insert description of Qualified Enterprise or Reinvestment Zone provided in the Application, including appropriate maps]

The parcel IDs for the proposed project and their corresponding legal descriptions from Uvalde CAD are listed below:

Parcel ID	Legal Description as provided by Uvalde CAD
23553	A1000 ABSTRACT 1000 SURVEY 374 A-1000 S-374 1/2 INT. IN 243.54 121.77
22712	A0709 ABSTRACT 0709 SURVEY 375 A-709 S-375 222.16
18678	A0216 ABSTRACT 0216 SURVEY 75 54.11

The legal description for the reinvestment zone as passed by the Uvalde County Commissioners Court on April 12, 2021 is provided below:

Being 2189.084 acres of land, more or less, as described in Deed dated December 26, 1957, from First State Bank of Uvalde, as independent executor and testamentary trustee of the estate of M. B. Walcott, deceased, et al, to Neal Jernigan, Sr., recorded in Vol. 130, Page 615, et seq., of the Deed Records of Uvalde County, Texas; SAVE AND EXCEPT 27.96 acre of land, more or less, described in Deed from Ginger Schneider, also known as Ginger A. Schneider, also known as Ginger A. Cooper to Cody Brown, recorded in Clerk's File No. 2006004456, Official Public Records of Uvalde County, Texas; SAVE AND EXCEPT 10.02 acres of land, more or less, described in Deed dated December 17, 2010, from Ginger Schneider to Bill Hall Jr., recorded in Clerk's File No.2010003698, Official Public Records of Uvalde County, Texas.



UVALDE COUNTY COMMISSIONERS COURT

RESOLUTION

WHEREAS ABEI Energy (Blue Stone Renewable IX, LLC) appeared before the Uvalde County Commissioners Court on April 12th, 2021; and

WHEREAS ABEI Energy submitted a formal request for a reinvestment zone designation from the County of Uvalde; and

WHEREAS ABEI Energy proposed a 150 mega watt solar powered electric generating facility to be established in Uvalde County on approximately 932 acres of land located between the city of Uvalde and the town of Knippa on the southside of US Highway 90; and

WHEREAS Commissioner Ronnie Garza made a motion, seconded by Commissioner Jerry Bates creating the reinvestment zone and the motion passed, 4-0; and

WHEREAS The reinvestment zone is described in attached Exhibit "A" (legal description) and Exhibit "B" (maps) and is to be named Nightfall Solar Project;

NOW, THEREFORE, BE IT RESOLVED THAT THE UVALDE COUNTY COMMISSIONERS COURT HEREBY AUTHORIZES THE CREATION OF NIGHTFALL SOLAR PROJECT REINVESTMENT ZONE

PASSED AND APPROVED THIS THE 12TH DAY OF APRIL, 2021.



Valerie Del Toro Romero
VALERIE DEL TORO ROMERO
UVALDE COUNTY CLERK

Handwritten signature of William R. Mitchell in black ink.

WILLIAM R. MITCHELL
UVALDE COUNTY JUDGE

EXHIBIT A

The tracts of land in Uvalde County, Texas as described below:

Being 2189.084 acres of land, more or less, as described in Deed dated December 26, 1957, from First State Bank of Uvalde, as independent executor and testamentary trustee of the estate of M. B. Walcott, deceased, et al, to Neal Jernigan, Sr., recorded in Vol. 130, Page 615, et seq., of the Deed Records of Uvalde County, Texas; SAVE AND EXCEPT 27.96 acre of land, more or less, described in Deed from Ginger Schneider, also known as Ginger A. Schneider, also known as Ginger A. Cooper to Cody Brown, recorded in Clerk's File No. 2006004456, Official Public Records of Uvalde County, Texas; SAVE AND EXCEPT 10.02 acres of land, more or less, described in Deed dated December 17, 2010, from Ginger Schneider to Bill Hall Jr., recorded in Clerk's File No.2010003698, Official Public Records of Uvalde County, Texas.

Exhibit B



**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS
IN REINVESTMENT ZONES
FOR
UVALDE COUNTY, TEXAS**

I. PURPOSE

Uvalde County hereinafter referred to as "County", is committed to the promotion of quality development in all parts of the community and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax phase-in, which includes the designation of reinvestment zones, application for tax abatements and entering into tax abatement agreements, to stimulate growth and development. It is the intent of the County, that such incentives will be provided in accord with the procedures and criteria outlined in this document. However, nothing in these Guidelines and Criteria shall imply or suggest being construed to imply or suggest that tax entities are under any obligation to provide any incentives to any applicant. All such applicants for tax phase-in incentives shall be considered on an individual basis for both the qualification for abatement and the amount of any abatement.

II. DEFINITIONS

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

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

(a) Be an Authorized Facility. A facility may be eligible for abatement if it is a(n):

- Aquaculture/Agriculture Facility,
- Distribution Center Facility,
- Manufacturing Facility,
- Office Building,
- Regional Entertainment/Tourism Facility,
- Research Facility,
- Regional Service Facility,
- Historic Building in designated area,
- Wind Energy Facility,
- Solar Energy Facility
- Residential Commercial Property, or
- Other Basic Industry.

(b) The project must add at least \$100,000 in taxable value to the property.

In consideration of the request for designation as a reinvestment zone and to receive tax abatement, the following factors will also be considered:

- (1) **Jobs.** The projected new jobs created including the number of jobs, the retention of existing jobs, the type of jobs, the average payroll, the total payroll and the number of local persons hired.
- (2) **Fiscal Impact.** The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, the amount of direct sales tax that will be generated, the infrastructure improvements by the County that will be required by the facility, the infrastructure improvements made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) **Community Impact.**
 - The pollution, if any, as well as other negative environmental impacts affecting the health and safety of the community that will be created by the project;
 - The revitalization of a depressed area;
 - The business opportunities of existing local vendors;
 - The alternative development possibilities for proposed site;
 - The impact on other taxing entities; and/or
 - Whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Uvalde County to another.

IV. ABATEMENT AUTHORIZED

- (a) **Authorized Date.** A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction; provided, that such facility meets the criteria granting tax abatement in reinvestment zones created in Uvalde County pursuant to these Guidelines and Criteria for a period not to exceed ten years.
- (b) **Creation of New Value.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee (and lessor if required pursuant to IV (E), subject to such limitations as the Guidelines and Criteria may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).

- (d) **Eligible Property.** Abatement may be extended to the value of the following: new, expanded or modernized buildings and structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility, and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement:
- Base value of real estate as valued by the appraisal district in the year immediately preceding abatement,
 - Animals,
 - Inventories,
 - Supplies
 - Tools,
 - Furnishings and other forms of moveable personal property,
 - Vehicles,
 - Vessels,
 - Aircraft,
 - Housing or residential property (except residential commercial property built for resale),
 - Hotel/motels,
 - Fauna,
 - Flora,
 - Retail facilities,
 - Property to be rented or leased except as provided in Part IV(f),
 - Any improvements including those to produce, store or distribute natural gas or fluids that are not integral to the operation of the facility,
 - Property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- (f) **Owned/Leased Facilities.** If a leased facility is granted an abatement, the agreement shall be executed with the lessor and lessee.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement. The value of new eligible properties shall be abated according to the approved agreement between applicant and the governing body. The governing body, in its sole discretion, shall determine the amount of any abatement.

The abatement may be extended through an initial agreement and a subsequent agreement as may be required to comply with state law regarding the term of the reinvestment zone.

- (h) Construction in Progress. If a qualifying facility has not been placed in service as of January 1 following execution of the abatement agreement, the taxpayer may apply for a one-year extension of the term of abatement. Said extension must be applied for prior to the end of the calendar year in which the abatement agreement is executed.
- (i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
 - (1) The value of ineligible property as provided in Part IV (e) shall be fully taxable.
 - (2) The base year value of existing eligible property as determined each year shall be fully taxable.
 - (3) The additional value of new eligible property shall be taxable in the manner described in Part IV(g)

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner or lessee of taxable property in Uvalde County may request the creation of reinvestment zone and tax abatement by filing written request with either the County or applicable taxing entity.
- (b) The application shall consist of a completed application form accompanied by:
 - (1) A general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to the undertaken;
 - (2) A descriptive list of the improvements which will be a part of the facility;
 - (3) A map and property description or a site plan;
 - (4) A time schedule for undertaking and completing the planned improvements;
 - (5) In the case of modernizing existing facilities, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application; and,
 - (6) The application form may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.

- (7) The application submitted to Uvalde County shall be accompanied by a non-refundable application fee of \$1,000.00 payable to the Uvalde County Clerk.
- (c) Upon receipt of a completed application, the jurisdiction receiving such application shall notify in writing the presiding officer of the legislative body of each affected jurisdiction. Before acting upon the application, the jurisdiction receiving such application shall through public hearings afford the applicant and the designated representative of any affected jurisdiction the opportunity to show cause why the abatement should or should not be granted. Notice of public hearings shall be clearly identified on an agenda of the legislative body of the jurisdiction receiving such application to be posted at least seventy-two (72) hours prior to the hearing.
- (d) The jurisdiction receiving the application shall approve or disapprove the application for tax abatement within sixty (60) days after receipt of the application. The presiding officer of the legislative body of the jurisdiction receiving such application shall notify the applicant of the approval or disapproval promptly thereafter.
- (e) A request for a reinvestment zone for the purpose of abatement shall not be granted if the jurisdiction receiving the application finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization expansion of new facility.
- (f) Variance. Requests for variance from the provisions of Subsections (a) through (e) of Part V may be made in written form to the presiding officer of the jurisdiction receiving the application. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) vote of the governing body of the affected jurisdiction as provided in State Statutes.

VI. PUBLIC HEARING

- (a) Should any affected jurisdiction be able to show cause in the public hearing why the granting of abatement will have a substantial adverse effect on its bonds, tax revenue, service incapacity or the provision of service, that showing shall be reason for the jurisdiction receiving the application to deny the granting of ad valorem tax abatement.
- (b) Neither a reinvestment zone nor an abatement agreement shall be authorized if it is determined that:

- (1) There would be a substantial adverse affect on the provision of a government service or tax base of an affected jurisdiction.
- (2) The applicant has insufficient financial capacity.
- (3) Planned or potential use of the property would constitute a hazard to public safety, health or morals.
- (4) Planned or potential use of the property violates other governmental codes or laws.

VII. AGREEMENT

- (a) After approval of the tax abatement application, the County shall formally pass a resolution and execute an agreement with the owner and/or lessee of the facility which shall include:
 - (1) Estimated value to be abated and the base year value.
 - (2) Percent of value to be abated each year as provided in Part IV (g) of these Guidelines and Criteria.
 - (3) The commencement date and the termination date of abatement.
 - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description and improvements list as provided in Part V of these Guidelines and Criteria.
 - (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration and assignment as provided herein and other provisions that may be required for uniformity or by state law.
 - (6) Amount of investment and/or average number of jobs involved for the period of abatement.
 - (7) Said contract shall meet all the requirements of Texas Tax Code Sec. 312et seq.
- (b) Such agreement shall be executed within thirty (30) days after the later of the date applicant has forwarded all necessary information to the jurisdiction receiving the application or the date of the approval of the application.
- (c) Each affected jurisdiction shall make its own determination of abatement which shall not bind any other affected jurisdiction.

VIII. RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of more than one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to each affected jurisdiction within the County within sixty (60) days from the date of termination.
- (b) Should the jurisdiction establishing a reinvestment zone and signing a tax abatement agreement determine that a company or individual is in default according to the terms and conditions of its agreement, the jurisdiction shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement shall be terminated. Further, it will be a default under a tax abatement granted pursuant to these Guidelines and Criteria if the owner of the eligible property subject to the abatement is delinquent in paying and undisputed taxes to any taxing authority in Uvalde County, Texas.
- (c) In the event that the company or individual:
 - (1) allows its ad valorem taxes owed the County or an affected jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
 - (2) violates any of the terms and conditions of the abatement agreement and fails to cure same during the Cure Period;The agreement shall be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Uvalde County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for abatement, including the number of new or retained employees associated with the facility. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions which levy taxes on the amount of the assessment.

- (b) The agreement shall stipulate that employees and/or designated representatives of the jurisdiction establishing the reinvestment zone and entering into a tax abatement agreement will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All County inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
- (c) Upon completion of construction the jurisdiction establishing the reinvestment zone and entering into a tax abatement agreement shall annually evaluate each facility and report possible violations of the contract and/or agreement to each affected jurisdiction.
- (d) All proprietary information acquired by an affected jurisdiction for purposes of monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.
- (e) Timely comply with all rules and deadlines as required by the Chief Appraiser of the Uvalde County Appraisal and State law.

X. ASSIGNMENT

- (a) Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the prior approval by resolution of each affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with each affected jurisdiction. Failure to obtain said approval prior to any assignment shall be a cause for default of the agreement and be subject to the provisions of section VIII of these guidelines.
- (b) The contractual agreement with the new owner or lessee shall not exceed the termination date of the abatement agreement with the original owner and/or lessee.
- (c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to any affected jurisdiction for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld.

XI. SUNSET PROVISION

- (a) These Guidelines and Criteria are effective March 23, 2020 and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant hereto will be reviewed by each affected jurisdiction to determine whether the goals have been achieved. Based on that review, these Guidelines and Criteria may be modified, renewed or eliminated, providing that such actions shall not affect existing contracts.
- (b) These Guidelines and Criteria do not amend any existing Industrial District Contracts or agreements with the owners of real property in areas deserving of specific attention as agreed by the affected jurisdiction.
- (c) Prior to the date for review, as defined above, these Guidelines and Criteria may be modified by a three-fourths (3/4) vote of the affected taxing authorities, as provided for under the laws of the State of Texas.

XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
- (b) Property that is in a reinvestment zone that is owned or leased by the following cannot benefit from a tax abatement:
 - (1) A member of the governing body of a municipality or by a member of a planning board or commission of the municipality; or
 - (2) A member of the commissioner's court or a member of a planning board or commission of the County is excluded from property tax abatement.
- (c) If these Guidelines and Criteria have omitted any mandatory requirements of the applicable tax abatement laws of the State of Texas, then such requirements are hereby incorporated as a part of this Guideline Statement.

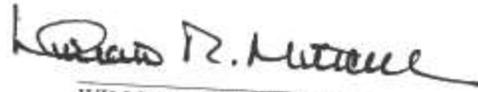
GLOSSARY

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

equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

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

Adopted by the Uvalde County Commissioners Court on this the 23rd day of March, 2020.



WILLIAM R. MITCHELL
UVALDE COUNTY JUDGE

FILED

This 23 day of March A.D. 2020

at 1:07 o'clock P.M

VALERIE DEL TORO ROMERO
County Clerk, Uvalde County, Texas

By: Valerie Del Toro Romero
Uvalde County Clerk

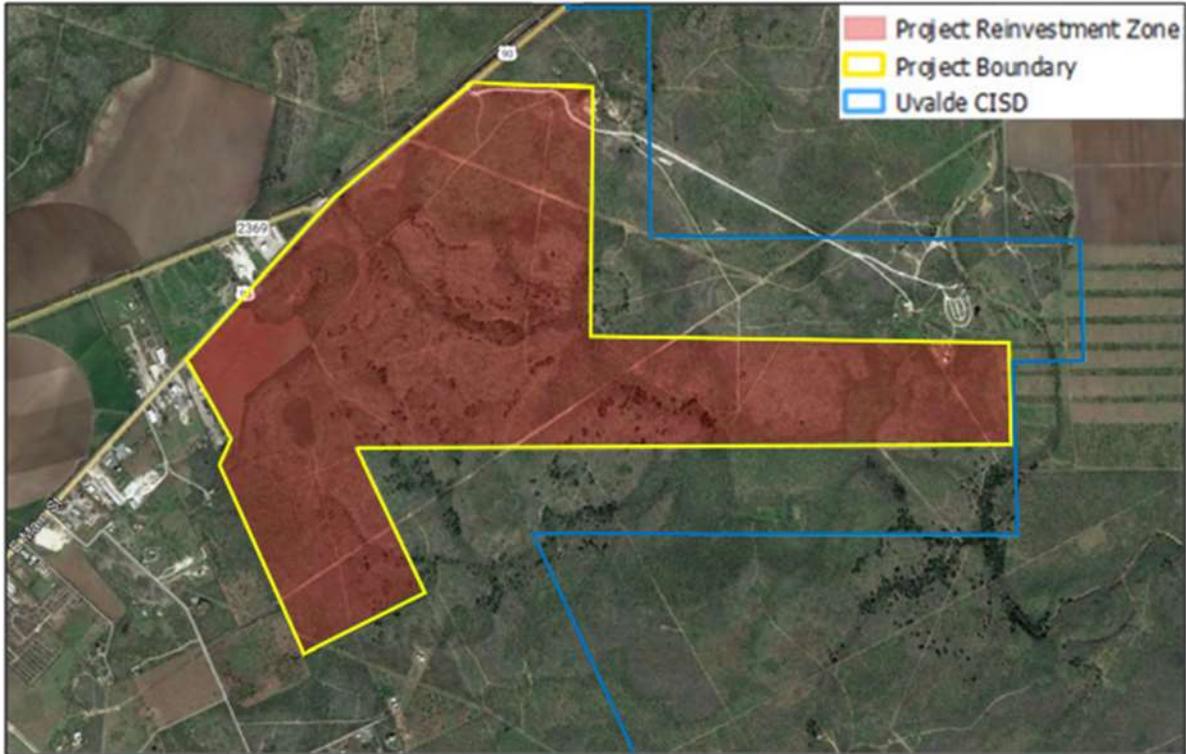


EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

[Insert Description of Location of Land, including appropriate maps]

This application covers all qualified property in the reinvestment zone and project boundary within Uvalde CISD necessary for commercial operations of the proposed solar farm. 100% of the Project will be located in the Uvalde CISD.

EXHIBIT 3

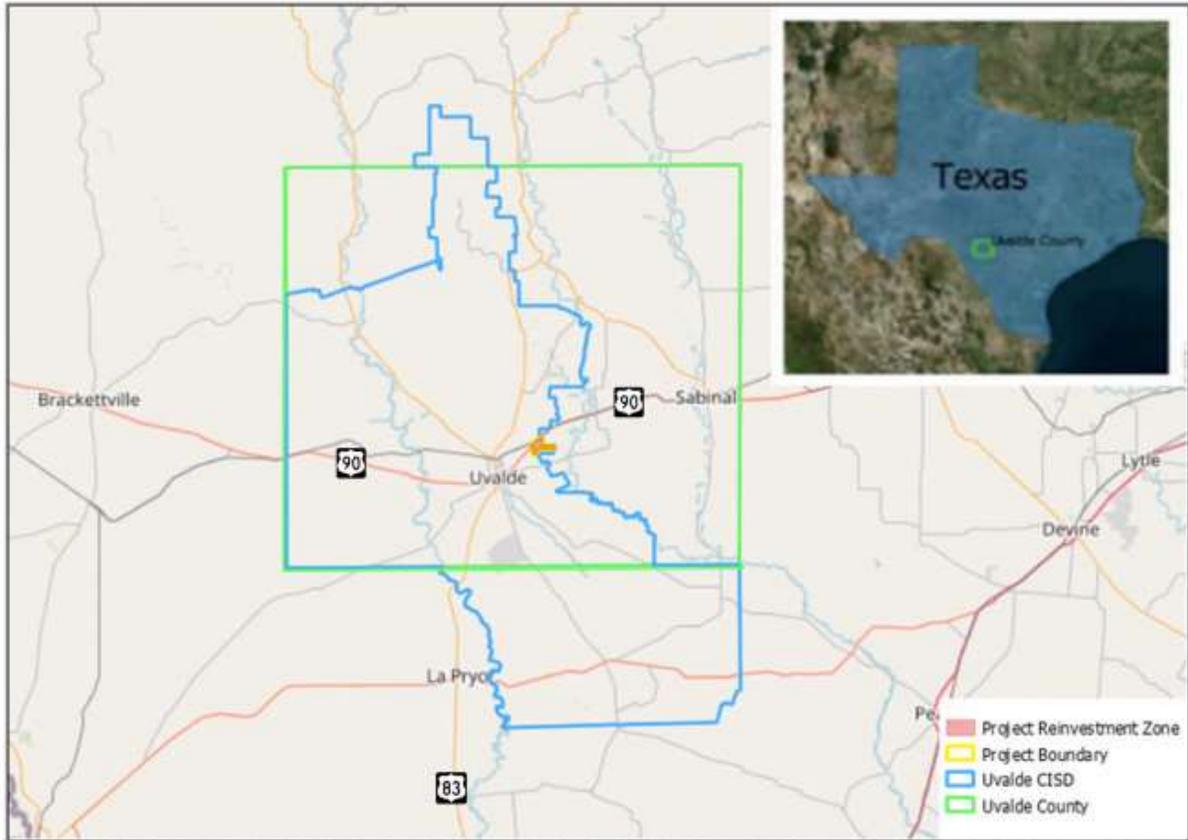
APPLICANT'S QUALIFIED INVESTMENT

[Insert Description of Location of Qualified Investment, including appropriate maps showing the project area]

Blue Stone Renewable IX, LLC proposes the construction of a 150 MW (ac) solar power generation facility within a reinvestment zone of approximately 932 acres established by Uvalde County on land between the city of Uvalde and the town of Knippa on the southside of US Highway 90. The entirety of the 150 MW solar power generation facility would be located within Uvalde CISD.

This application covers all qualified property within the Reinvestment Zone and Uvalde CISD necessary for the commercial operations of the proposed solar plant as described in Tab 4. The proposed qualified property would include: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, O&M building, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities, control systems necessary for commercial generation of electricity, and all eligible ancillary and necessary equipment.

*NOTE: The map in Tab 11 shows the potential locations of improvements within Uvalde CISD boundaries; however, the final number of panels and inverters and the location of each of these facilities would be dependent upon ongoing negotiations with power purchasers and other factors.



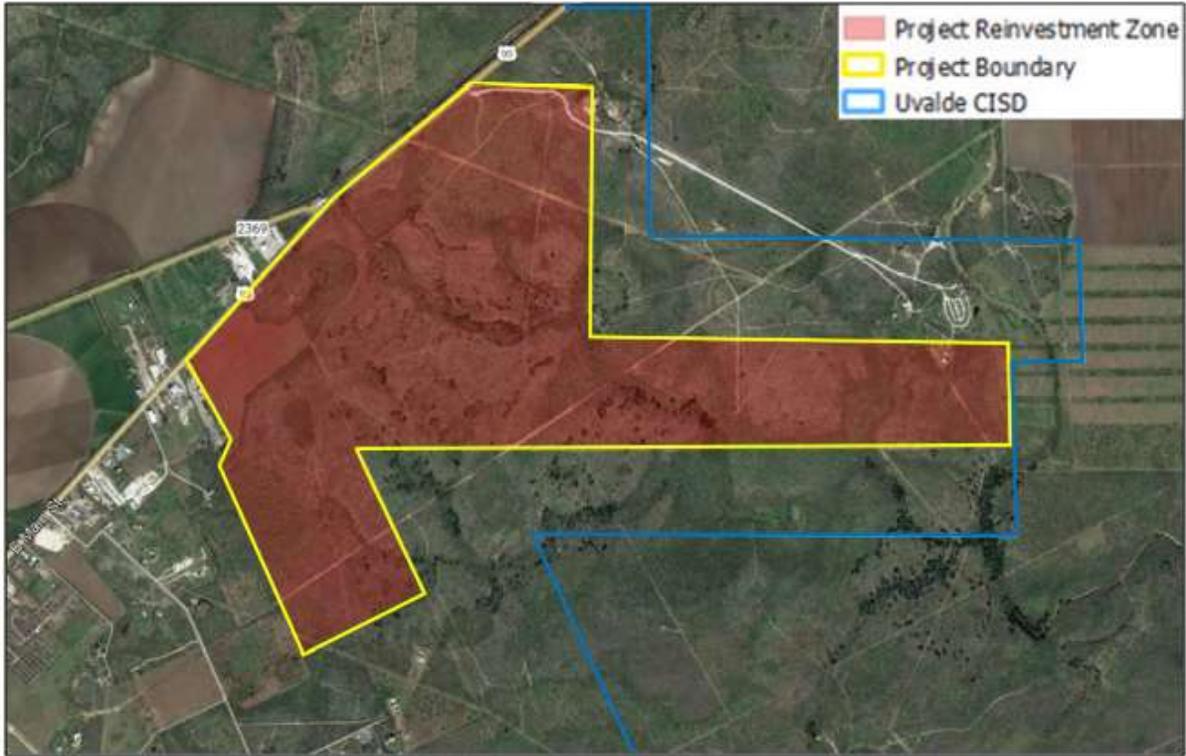


EXHIBIT 4

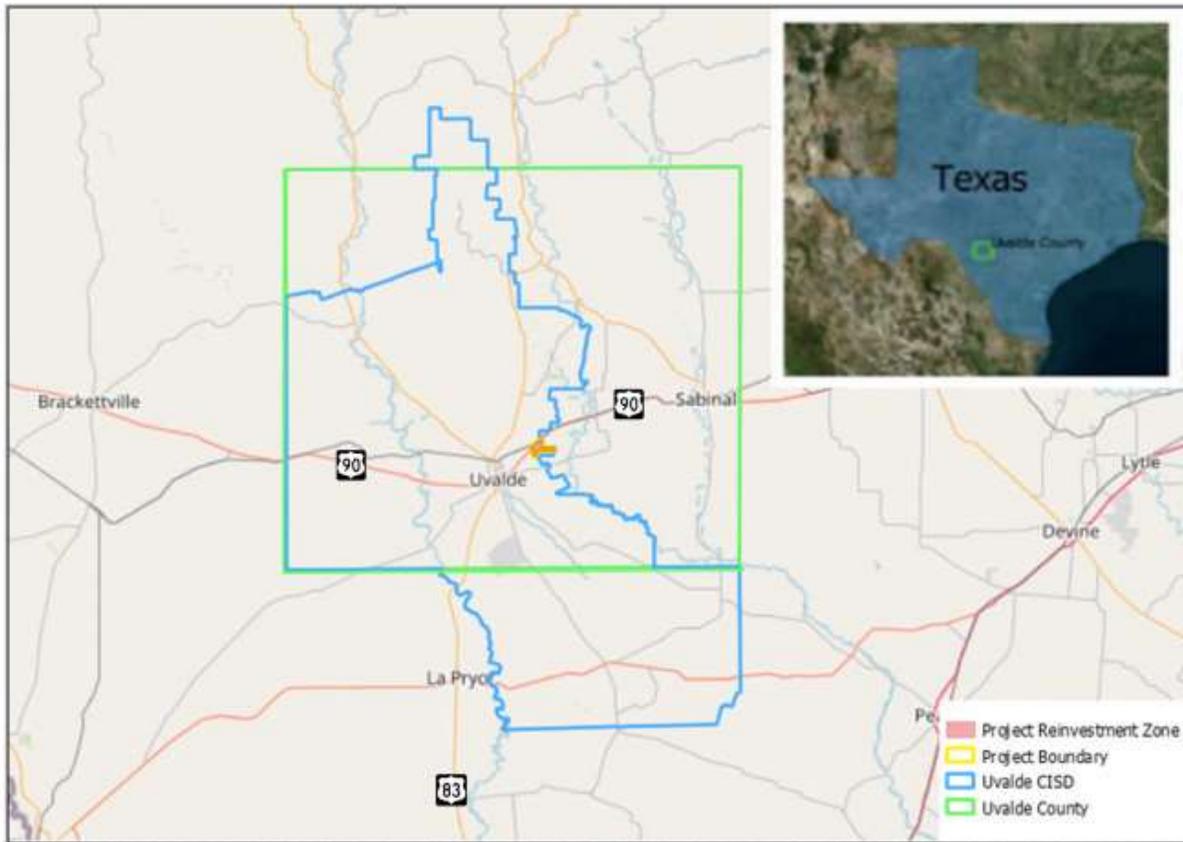
DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

[Insert Description of Applicant's Qualified Property, including appropriate maps and site plans showing the project area]

Blue Stone Renewable IX, LLC proposes the construction of a 150 MW (ac) solar power generation facility within a reinvestment zone of approximately 932 acres established by Uvalde County on land between the city of Uvalde and the town of Knippa on the southside of US Highway 90. The entirety of the 150 MW solar power generation facility would be located within Uvalde CISD.

This application covers all qualified property within the Reinvestment Zone and Uvalde CISD necessary for the commercial operations of the proposed solar plant as described in Tab 4. The proposed qualified property would include: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, O&M building, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities, control systems necessary for commercial generation of electricity, and all eligible ancillary and necessary equipment.

*NOTE: The map in Tab 11 shows the potential locations of improvements within Uvalde CISD boundaries; however, the final number of panels and inverters and the location of each of these facilities would be dependent upon ongoing negotiations with power purchasers and other factors.



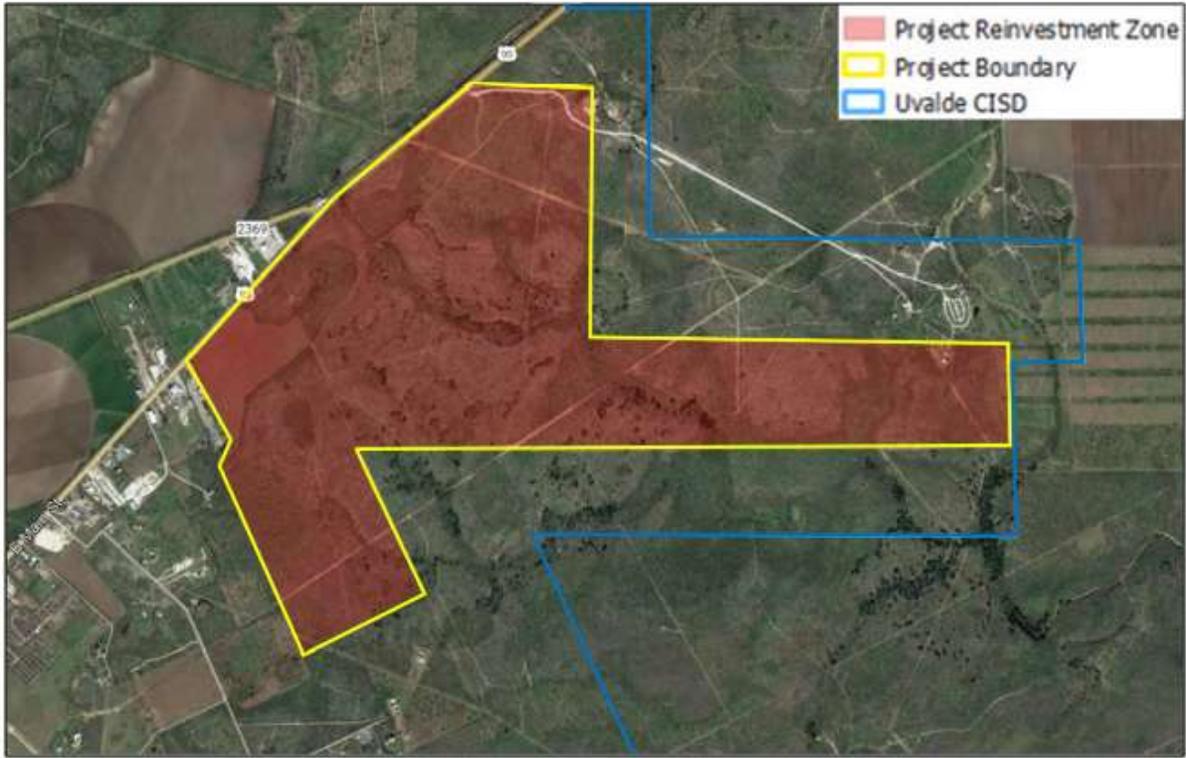


EXHIBIT 5

AGREEMENT SCHEDULE

	Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary of Description
Limitation Pre-Year(s)	QTP 1	January 1, 2022	2022-23	2022	QTP Begins January 1, 2022
	QTP 2	January 1, 2023	2023-24	2023	QTP ends December 31, 2023
Limitation Period (10 Years)	1	January 1, 2024	2024-25	2024	\$25 Million appraisal limitation
	2	January 1, 2025	2025-26	2025	\$25 Million appraisal limitation
	3	January 1, 2026	2026-27	2026	\$25 Million appraisal limitation
	4	January 1, 2027	2027-28	2027	\$25 Million appraisal limitation
	5	January 1, 2028	2028-29	2028	\$25 Million appraisal limitation
	6	January 1, 2029	2029-30	2029	\$25 Million appraisal limitation
	7	January 1, 2030	2030-31	2030	\$25 Million appraisal limitation
	8	January 1, 2031	2031-32	2031	\$25 Million appraisal limitation
	9	January 1, 2032	2032-33	2032	\$25 Million appraisal limitation
	10	January 1, 2033	2033-34	2033	\$25 Million appraisal limitation; Limitation Period Ends December 31, 2033
Maintain Viable Presence	11	January 1, 2034	2034-35	2034	No appraisal limitation; must maintain viable presence
	12	January 1, 2035	2035-36	2035	No appraisal limitation; must Maintain viable presence.
	13	January 1, 2036	2036-37	2036	No appraisal limitation; must maintain viable presence
	14	January 1, 2037	2037-38	2037	No appraisal limitation; must maintain viable presence
	15	January 1, 2038	2038-39	2038	No appraisal limitation; must maintain viable presence; Final Termination Date: December 31, 2038.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between UVALDE CONSOLIDATED INDEPENDENT
SCHOOL DISTRICT and BLUE STONE RENEWABLE IX, LLC

EXHIBIT E

Comptroller's Franchise Tax Account Status



Franchise Tax Account Status

As of : 11/09/2021 10:53:01

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

BLUE STONE RENEWABLE IX L.L.C.	
Texas Taxpayer Number	32071498508
Mailing Address	10601 CLARENCE DR STE 250 FRISCO, TX 75033-3867
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	07/30/2019
Texas SOS File Number	0803381104
Registered Agent Name	LEGALINC CORPORATE SERVICES INC.
Registered Office Street Address	10601 CLARENCE DR SUITE 250 FRISCO, TX 75033