



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

March 9, 2022

Dr. Scott Muri
Superintendent
Ector County Independent School District
802 North Sam Houston
Odessa, Texas 79761

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Ector County Independent
School District and GCC Permian, LLC, Application 1652

Dear Superintendent Muri:

On December 10, 2021, the Comptroller issued written notice that GCC Permian, LLC (applicant) submitted a completed application (Application 1652) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on September 21, 2021, to the Ector County Independent School District (school district) by the applicant.

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

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

Determination required by 313.025(h)

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

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 1652.

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

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

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

Determination required by 313.026(c)(2)

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

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

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

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2022.

Note that any building or improvement existing as of the application review start date of December 10, 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 GCC Permian, LLC (project) applying to Ector County Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of GCC Permian, LLC.

Applicant	GCC Permian, LLC
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Ector County ISD
2020-2021 Average Daily Attendance	29,754
County	Ector
Proposed Total Investment in District	\$361,000,000
Proposed Qualified Investment	\$270,900,000
Limitation Amount	\$100,000,000
Qualifying Time Period (Full Years)	2023-2024
Number of new qualifying jobs committed to by applicant	5*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$993.27
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$993.07
Minimum annual wage committed to by applicant for qualified jobs	\$51,650
Minimum weekly wage required for non-qualifying jobs	\$1,132
Minimum annual wage required for non-qualifying jobs	\$58,864
Investment per Qualifying Job	\$72,200,000
Estimated M&O levy without any limit (15 years)	\$37,028,493
Estimated M&O levy with Limitation (15 years)	\$20,483,403
Estimated gross M&O tax benefit (15 years)	\$16,545,090

* 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 GCC Permian, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2022	350	418	768	\$18,375,000	\$41,625,000	\$60,000,000
2023	350	438	788	\$18,375,000	\$48,625,000	\$67,000,000
2024	350	442	792	\$18,375,000	\$53,625,000	\$72,000,000
2025	5	64	69	\$258,250	\$15,741,750	\$16,000,000
2026	5	27	32	\$258,250	\$9,741,750	\$10,000,000
2027	5	(3)	2	\$258,250	\$5,741,750	\$6,000,000
2028	5	(15)	-10	\$258,250	\$3,741,750	\$4,000,000
2029	5	(16)	-11	\$258,250	\$2,741,750	\$3,000,000
2030	5	(11)	-6	\$258,250	\$1,741,750	\$2,000,000
2031	5	(4)	1	\$258,250	\$2,741,750	\$3,000,000
2032	5	4	9	\$258,250	\$2,741,750	\$3,000,000
2033	5	10	15	\$258,250	\$3,741,750	\$4,000,000
2034	5	15	20	\$258,250	\$3,741,750	\$4,000,000
2035	5	13	18	\$258,250	\$3,741,750	\$4,000,000
2036	5	14	19	\$258,250	\$3,741,750	\$4,000,000

Source: CPA REMI, GCC Permian, 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		Ector County ISD I&S Tax Levy	Ector County ISD M&O Tax Levy	Ector County M&O and I&S Tax Levies	Ector County Tax Levy	Ector County Hosp. Dist. Tax Levy	Odessa College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1232	1.0547		0.3650	0.1500	0.1890	
2023	\$45,050,000	\$45,050,000		\$55,511	\$475,142	\$530,653	\$164,433	\$67,575	\$85,145	\$847,805
2024	\$163,900,000	\$163,900,000		\$201,958	\$1,728,653	\$1,930,611	\$598,235	\$245,850	\$309,771	\$3,084,467
2025	\$348,455,250	\$348,455,250		\$429,367	\$3,675,158	\$4,104,524	\$1,271,862	\$522,683	\$658,580	\$6,557,649
2026	\$324,063,383	\$324,063,383		\$399,311	\$3,417,896	\$3,817,207	\$1,182,831	\$486,095	\$612,480	\$6,098,614
2027	\$301,378,946	\$301,378,946		\$371,359	\$3,178,644	\$3,550,003	\$1,100,033	\$452,068	\$569,606	\$5,671,711
2028	\$280,282,420	\$280,282,420		\$345,364	\$2,956,139	\$3,301,503	\$1,023,031	\$420,424	\$529,734	\$5,274,691
2029	\$260,662,650	\$260,662,650		\$321,189	\$2,749,209	\$3,070,397	\$951,419	\$390,994	\$492,652	\$4,905,463
2030	\$242,416,265	\$242,416,265		\$298,705	\$2,556,764	\$2,855,470	\$884,819	\$363,624	\$458,167	\$4,562,080
2031	\$225,447,126	\$225,447,126		\$277,796	\$2,377,791	\$2,655,587	\$822,882	\$338,171	\$426,095	\$4,242,735
2032	\$209,665,827	\$209,665,827		\$258,350	\$2,211,345	\$2,469,696	\$765,280	\$314,499	\$396,268	\$3,945,743
2033	\$194,989,219	\$194,989,219		\$240,266	\$2,056,551	\$2,296,817	\$711,711	\$292,484	\$368,530	\$3,669,541
2034	\$181,339,974	\$181,339,974		\$223,447	\$1,912,593	\$2,136,040	\$661,891	\$272,010	\$342,733	\$3,412,673
2035	\$168,646,176	\$168,646,176		\$207,806	\$1,778,711	\$1,986,517	\$615,559	\$252,969	\$318,741	\$3,173,786
2036	\$156,840,944	\$156,840,944		\$193,259	\$1,654,201	\$1,847,461	\$572,469	\$235,261	\$296,429	\$2,951,621
2037	\$145,862,077	\$145,862,077		\$179,731	\$1,538,407	\$1,718,139	\$532,397	\$218,793	\$275,679	\$2,745,008
2038	\$135,651,732	\$135,651,732		\$167,150	\$1,430,719	\$1,597,869	\$495,129	\$203,478	\$256,382	\$2,552,857
2039	\$126,156,111	\$126,156,111		\$155,450	\$1,330,569	\$1,486,018	\$460,470	\$189,234	\$238,435	\$2,374,157
			Total	\$4,326,018	\$37,028,493	\$41,354,511	\$12,814,450	\$5,266,212	\$6,635,427	\$66,070,600

Source: CPA, GCC Permian, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Ector 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		Ector County ISD I&S Tax Levy	Ector County ISD M&O Tax Levy	Ector County M&O and I&S Tax Levies	Ector County Tax Levy	Ector County Hosp. Dist. Tax Levy	Odessa College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1232	1.0547		0.3650	0.1500	0.1890	
2023	\$45,050,000	\$45,050,000		\$55,511	\$475,142	\$530,653	\$164,433	\$67,575	\$85,145	\$762,660
2024	\$163,900,000	\$163,900,000		\$201,958	\$1,728,653	\$1,930,611	\$598,235	\$245,850	\$309,771	\$2,774,696
2025	\$348,455,250	\$100,000,000		\$429,367	\$1,054,700	\$1,484,067	\$1,271,862	\$522,683	\$658,580	\$3,278,611
2026	\$324,063,383	\$100,000,000		\$399,311	\$1,054,700	\$1,454,011	\$1,182,831	\$486,095	\$612,480	\$3,122,937
2027	\$301,378,946	\$100,000,000		\$371,359	\$1,054,700	\$1,426,059	\$1,100,033	\$452,068	\$569,606	\$2,978,161
2028	\$280,282,420	\$100,000,000		\$345,364	\$1,054,700	\$1,400,064	\$1,023,031	\$420,424	\$529,734	\$2,843,518
2029	\$260,662,650	\$100,000,000		\$321,189	\$1,054,700	\$1,375,889	\$951,419	\$390,994	\$492,652	\$2,718,301
2030	\$242,416,265	\$100,000,000		\$298,705	\$1,054,700	\$1,353,405	\$884,819	\$363,624	\$458,167	\$2,601,849
2031	\$225,447,126	\$100,000,000		\$277,796	\$1,054,700	\$1,332,496	\$822,882	\$338,171	\$426,095	\$2,493,549
2032	\$209,665,827	\$100,000,000		\$258,350	\$1,054,700	\$1,313,050	\$765,280	\$314,499	\$396,268	\$2,392,829
2033	\$194,989,219	\$100,000,000		\$240,266	\$1,054,700	\$1,294,966	\$711,711	\$292,484	\$368,530	\$2,299,160
2034	\$181,339,974	\$100,000,000		\$223,447	\$1,054,700	\$1,278,147	\$661,891	\$272,010	\$342,733	\$2,212,048
2035	\$168,646,176	\$168,646,176		\$207,806	\$1,778,711	\$1,986,517	\$615,559	\$252,969	\$318,741	\$2,855,045
2036	\$156,840,944	\$156,840,944		\$193,259	\$1,654,201	\$1,847,461	\$572,469	\$235,261	\$296,429	\$2,655,192
2037	\$145,862,077	\$145,862,077		\$179,731	\$1,538,407	\$1,718,139	\$532,397	\$218,793	\$275,679	\$2,469,328
2038	\$135,651,732	\$135,651,732		\$167,150	\$1,430,719	\$1,597,869	\$495,129	\$203,478	\$256,382	\$2,296,475
2039	\$126,156,111	\$126,156,111		\$155,450	\$1,330,569	\$1,486,018	\$460,470	\$189,234	\$238,435	\$2,135,722
			Total	\$4,326,018	\$20,483,403	\$24,809,421	\$12,814,450	\$5,266,212	\$6,635,427	\$42,890,082
			Diff	\$0	\$16,545,090	\$16,545,090	\$0	\$0	\$0	\$23,180,517

Source: CPA, GCC Permian, 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 GCC Permian, 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	2022	\$0	\$0	\$0	\$0
	2023	\$475,142	\$475,142	\$0	\$0
	2024	\$1,728,653	\$2,203,796	\$0	\$0
Limitation Period (10 Years)	2025	\$1,054,700	\$3,258,496	\$2,620,458	\$2,620,458
	2026	\$1,054,700	\$4,313,196	\$2,363,197	\$4,983,654
	2027	\$1,054,700	\$5,367,896	\$2,123,944	\$7,107,598
	2028	\$1,054,700	\$6,422,596	\$1,901,439	\$9,009,036
	2029	\$1,054,700	\$7,477,296	\$1,694,509	\$10,703,545
	2030	\$1,054,700	\$8,531,996	\$1,502,064	\$12,205,610
	2031	\$1,054,700	\$9,586,696	\$1,323,091	\$13,528,701
	2032	\$1,054,700	\$10,641,396	\$1,156,645	\$14,685,346
	2033	\$1,054,700	\$11,696,096	\$1,001,851	\$15,687,197
	2034	\$1,054,700	\$12,750,796	\$857,893	\$16,545,090
Maintain Viable Presence (5 Years)	2035	\$1,778,711	\$14,529,507	\$0	\$16,545,090
	2036	\$1,654,201	\$16,183,708	\$0	\$16,545,090
	2037	\$1,538,407	\$17,722,116	\$0	\$16,545,090
	2038	\$1,430,719	\$19,152,834	\$0	\$16,545,090
	2039	\$1,330,569	\$20,483,403	\$0	\$16,545,090
Additional Years as Required by 313.026(c)(1) (10 Years)	2040	\$1,237,429	\$21,720,832	\$0	\$16,545,090
	2041	\$1,150,809	\$22,871,640	\$0	\$16,545,090
	2042	\$1,070,252	\$23,941,892	\$0	\$16,545,090
	2043	\$995,334	\$24,937,227	\$0	\$16,545,090
	2044	\$925,661	\$25,862,888	\$0	\$16,545,090
	2045	\$860,865	\$26,723,753	\$0	\$16,545,090
	2046	\$800,604	\$27,524,357	\$0	\$16,545,090
	2047	\$744,562	\$28,268,919	\$0	\$16,545,090
	2048	\$692,443	\$28,961,361	\$0	\$16,545,090
	2049	\$643,972	\$29,605,333	\$0	\$16,545,090
		\$29,605,333	is greater than	\$16,545,090	
Analysis Summary					
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?					Yes
NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.					
Source: CPA, GCC Permian, 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 GCC Permian, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per GCC Permian, LLC. in Tab 4 of their Application for a Limitation on Appraised Value:
 - A. “The land buildings and equipment currently located at this Ector County GCC Permian facility is used to produce cement, ready-mixed concrete, and aggregates at the existing facility. This proposed project would add 3,000 tons per day production capacity at this existing Odessa, Texas facility.”
 - B. “The equipment proposed for this project will share and interconnect with existing equipment sharing the existing limestone crusher, clinker transport, clinker silos, clinker extraction pan and gypsum system. The finish mill contemplated in this project will grind products from the new line as well as the existing system.”
- Per GCC Permian, LLC. in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “GCC’s vast footprint enables this project to be built and installed in any of the current operating facilities in the US or Latin America.”
 - B. “The ultimate determination for capital investment in a particular country or state depends on the project economics. In the case of the investment on this proposed project in Texas, the decision will be based on a number of commercial and financial considerations, including the ability to obtain relief regarding local property taxes.”
 - C. “Obtaining the Chapter 313 value limitation is a necessary part of the economic analysis and a determining factor for investment in Texas. Without the Chapter 313 value limitation, siting the project in Texas is less attractive. In the current capital constrained environment,, the economics of each project are challenged against each other and only the best will have a chance to happen.”
- A September 16, 2019 article from *World Cement* states the following:
 - A. “Grupo Cementos de Chihuahua, S.A.B. de C.V., or GCC, a supplier and producer of cement and concrete in the United States, Mexico and Canada today announced that it has signed a long-term agreement with a leading US-based energy provider to supply solar and wind power to GCC’s

Odessa, Texas cement plant, thereby covering 100% of the electricity consumed at these operations.”

- B. “The 10-year fixed-price agreement takes effect beginning July 2022 and represents a ~22% decrease from the current electricity price for the Odessa plant, translating into ~US\$4.6 million in total savings for this period.”

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 4 of the Application for a Limitation on Appraised Value
- c) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- d) 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 February 2022
 2. Estimated commencement of construction June 2022
 3. Beginning of qualifying time period (MM/DD/YYYY) January 1, 2023
 4. First year of limitation (YYYY) January 1, 2025
- 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 September 2024

SECTION 10: The Property

1. County or counties in which the proposed project will be located Ector County
2. Central Appraisal District (CAD) that will be responsible for appraising the property Ector 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>Ector County ISD; 100%; \$1.0547</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Ector County ISD; 100%; \$0.12322</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Ector County; 100%; \$0.3650</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>Ector County Hosp. Dist; 100%; \$0.1500</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Odessa College; 100%; \$0.1890</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>

Supporting Information

Attachments provided in Tab 4
of the Application for a
Limitation on Appraised Value



CUMMINGS WESTLAKE

GCC PERMIAN, LLC

Chapter 313 Application Ector County ISD

TAB 4

Detailed Description of the Project

Provide 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.

The land buildings and equipment currently located at this Ector County GCC Permian facility is used to produce cement, ready-mixed concrete, and aggregates at the existing facility. This proposed project would add 3,000 tons per day production capacity at this existing Odessa, Texas facility. This proposed plant addition would be located in Ector County and entirely within Ector County ISD.

Below is a list of the major new equipment comprising this plant as follows:

- Limestone Storage
- Raw Mill
- Finish Mill
- Exhaust Gas Conditioning Equipment
- Raw Meal Silo
- Kiln Feed Equipment
- Preheater
- Kiln
- Cooler
- Bag House
- Clinker Conveyor System Equipment
- Cement Mill Feed Equipment
- Cement Mill
- Ammonia Injection Tank
- Compressors
- Electrical Switchgear and main electrical components
- Power Distribution Center
- Instrumentation equipment

Also included in this application are all of the associated concrete foundations, new pipe supports, new intra-plant piping, new intra-plant conduit and connections, new control loops, new safety systems, new fire water protection, new insulation, new pollution control equipment and new utilities necessary to safely operate the new equipment.



CUMMINGS WESTLAKE

GCC PERMIAN, LLC

Chapter 313 Application Ector County ISD

The equipment proposed for this project will share and interconnect with existing equipment sharing the existing limestone crusher, clinker transport, clinker silos, clinker extraction pan and gypsum system. The finish mill contemplated in this project will grind products from the new line as well as the existing system.

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.

Founded in 1941, GCC is a leading producer of cement, ready-mixed concrete, aggregates, and innovative solutions for the construction industry. With leading edge products and state of the art technologies, our passionate team of nearly 3,000 employees drives our growth.

GCC's operations stretch from the State of Chihuahua in northern Mexico through the U.S in what we refer to as the center cut of the U.S. Our distribution network spreads throughout Latin America.

The company operates globally with operations in Colorado, Iowa, Minnesota, Montana, New Mexico, North Dakota, and South Dakota with multiple international operations facilities in the State of Chihuahua Mexico.

GCC's vast footprint enables this project to be built and installed in any of the current operating facilities in the US or Latin America.

The ultimate determination for capital investment in a particular country or state depends on the project economics. In the case of the investment on this proposed project in Texas, the decision will be based on a number of commercial and financial considerations, including the ability to obtain relief regarding local property taxes. Obtaining the Chapter 313 value limitation is a necessary part of the economic analysis and a determining factor for investment in Texas. Without the Chapter 313 value limitation, siting the project in Texas is less attractive. In the current capital constrained environment, the economics of each project are challenged against each other and only the best will have a chance to happen.



GCC targets the center of North America and Mexico with production facilities in multiple states and The State of Chihuahua, Mexico. The company's distribution extends from Canada through the U.S, Mexico and Latin America



Supporting Information

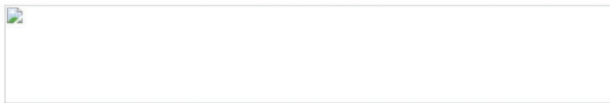
Additional information
provided by the Applicant or
located by the Comptroller

GCC signs long term agreement with renewable energy supplier for Odessa, Texas cement plant

Published by David Bizley, Editor

World Cement, Monday, 16 September 2019 09:00

Save to read list



Grupo Cementos de Chihuahua, S.A.B. de C.V., or GCC, a supplier and producer of cement and concrete in the United States, Mexico and Canada today announced that it has signed a long-term agreement with a leading US-based energy provider to supply solar and wind power to GCC's Odessa, Texas cement plant, thereby covering 100% of the electricity consumed at these operations. Resulting in a reduction of approximately 45 000 metric tons of CO₂, annually; equivalent to around 9500 passenger vehicles driven for a year, based on the US Environmental Protection Agency estimate.

The 10-year fixed-price agreement takes effect beginning July 2022 and represents a ~22% decrease from the current electricity price for the Odessa plant, translating into ~US\$4.6 million in total savings for this period.

Today's announcement is further reflection of GCC's unwavering commitment to the use of clean energy at both its Mexico and US operations; reducing overall energy costs while successfully mitigating related price fluctuation.

GCC remains focused on implementing global best practices related to sustainability throughout the organization while further strengthening the Company's overall profitability.

About GCC

We use cookies to ensure you get the best experience on our website. By using this site, you agree to the use of cookies. [Learn more](#)

Accept cookies

You might also like



WCT2021

At WCT2021 you will hear from a range of industry leaders and technical experts as they discuss the key challenges facing the cement industry and the latest solutions on offer. [Register for free today »](#)



Lafarge Canada helps protect Ontario ecosystem

Monday 31 January 2022 09:05

The company has announced its role in the massive conservation effort undertaken in the sensitive Great Lakes region as a partner with the Nature Conservancy of Canada (NCC).

Embed

Tags

Embed article link: (copy the HTML code below):

```
<a href="https://www.worldcement.com/the-americas/16092019/gcc-signs-long-term-agreement-with-renewable-energy-supplier-for-odessa-texas-cement-plant/" title="GCC signs long term agreement with renewable energy supplier for Odessa, Texas cement plant">GCC signs long term agreement with renewable energy supplier for
```

News

Europe & CIS
Africa & The Middle East
Asia & Pacific Rim
The Americas
Indian Subcontinent
Special reports
Product news

Quick links

Home
Magazine
News
Events
White Papers
Webinars
Spotlight interviews
Directory
Sign in

Contact us
About us
Advertise with us
Our team
Privacy policy
Terms & conditions
Security
Website cookies

