

| Biennial Progress Report for Texas Economic Development Act | Form 50-773-A |
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| Economic Development and Analysis | |
| | |
| SECTION 1: Applicant Information | |
| 1. Application number | 201 |
| 2. Name of school district | Lyford Consolidated Independent School District |
| 3. Name of central appraisal district (CAD) appraising the qualified property in this school district | Willacy County |
| 4. Name of project on original application (or short description of facility) | Wind Farm |
| 5. Name of applicant on original application | DEGS Wind I, LLC |
| 6. Name of company entering into original agreement with district | DEGS Wind I, LLC |
| 7. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. (Use attachments if necessary.) | n/a |
| SECTION 2: Current Agreement Information | |
| 1. Name of current agreement holder(s) | Los Vientos Windpower IA, LLC and Los Vientos Windpower IB, LLC |
| 2. Complete mailing address of current agreement holder | Duke Energy, 550 South Tryon St. (DEC41B), Charlotte, NC 28202 |
| 3. Company contact person for agreement holder: | |
| Name | Shawn Pittman |
| Title | Property Tax Manager |
| Phone | 704-382-1119 |
| Email | shawn.pittman@duke-energy.com |
| 4. Texas franchise tax ID number of current agreement holder: | 32043517013; 32044657784 |
| 5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity: | n/a |
| Name | n/a |
| Tax ID | n/a |
| 6. NAICS Code of current agreement holder (6 Digit) | 221119 |
| 7. If the authorized company representative is different from the contact person listed above: | n/a |
| Name | n/a |
| Title | n/a |
| Complete Mailing Address | n/a |
| Phone | n/a |
| Email | n/a |
| 8. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. (Use attachments if necessary.) | Los Vientos Windpower IA, LLC and Los Vientos Windpower IB, LLC |
| SECTION 3: Project Timeline | |
| 1. Date original limitation agreement approved by school district | 12-Dec-11 |
| 2. First (complete) year of qualifying time period – after the date the application is approved. See Tax Code §313.021[4] | 2012 |

| | |
|--|----------------------|
| 3. Date commercial operations began at the site of the project | 31-Dec-12 |
| 4. First year of property value limitation | 2014 |
| SECTION 4: Value Limitation Details | |
| 1. Minimum limitation amount per Agreement (for entire agreement) | 10,000,000 |
| 2. Amount of qualified investment during the qualifying time period the recipient committed to spend or allocate for this project on application (not total investment) | 342,115,250 |
| 3. Total qualified investment made from the beginning of the qualifying time period through the end of the qualifying time period or the last complete tax year, if still in the qualifying time period | 272,827,913 |
| 4. Has the size and/or scope of the project changed, resulting in a material change in qualified property from that in the application? | No |
| 4a. If yes, please describe on an attachment how the actual qualified property — for which you are providing actual and estimated market values on subsequent pages — differs from that property described in the agreement. Include only property located in this school district. | n/a |
| 5. What was the number of permanent existing jobs at this facility prior to application? (See guidelines for definition of existing job.) | 0 |
| SECTION 5: Job Details | |
| 1 For agreements before Jan. 1, 2014, does the agreement include a definition of “new job” other than TAC §9.1051(14)(C), as the rule existed at the time of application? | no |
| 1a. If yes, please provide the definition of “new job” as used in the agreement. (Use attachments if needed.) | n/a |
| SECTION 6: Authorized Signature | |
| After this report and charts are complete, they should be reviewed and certified to be complete by a company employee authorized to sign on behalf of the company listed in Section 2. | |
| By signing below, I certify that I am an employee of _____, a current agreement holder of a limitation on appraised value who is authorized to sign on behalf of the company. I attest that the contents of this form and attachments are true and correct to the best of my knowledge and belief and have determined that the electronic copy is identical to the hard copy of this report. | |
| Print Name of Company Employee | Shawn Pittman |
| Title | Property Tax Manager |
| Phone | 704-382-1119 |
| Signature of Company Employee | |
| Date | 3/25/2016 |
| NOTE: If you amend your report, you will need to resign and resubmit this section with your forms, charts or attachments. | |

Biennial Progress Report for Texas Economic Development Act
CHART A1: Job Data for Applications 1 through 999

App Number **201**

Date **#####**

Form 50-773A

District Name Lyford

1st Yr. of Qualifying Time Period 2012

Revised May 2014

Company Name Los Vientos Windpower IA, LLC and IB, LLC

CHART A1 - Only complete this for applications 1 through 999.

| | | Qualifying Time Period | | Limitation Period | | | | | | | | | | Viable Presence Period | | |
|-----------------|--|-------------------------------------|-----------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------------|--|--|
| | | Year 1 (First Complete Tax Year) | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | | |
| Tax year (YYYY) | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | | |
| 1 | Number of qualifying jobs ¹ applicant committed to create on application (cumulative) | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | | |
| 2 | Number of qualifying jobs ¹ applicant actually created (cumulative) | 14 | 14 | 9 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | | |
| 3 | Number of new jobs ² created (cumulative) | 14 | 14 | 9 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | | |
| 4 | Median annual wage of new jobs applicant created | \$60,722 | \$60,722 | \$61,937 | \$63,175 | \$64,439 | \$65,728 | \$67,042 | \$68,383 | \$69,751 | \$71,146 | \$72,569 | \$74,020 | \$75,500 | | |
| 5 | Total wages for new jobs applicant created | \$896,462 | \$914,382 | \$599,580 | \$1,168,380 | \$1,191,748 | \$1,215,583 | \$1,239,894 | \$1,264,692 | \$1,289,986 | \$1,315,786 | \$1,342,101 | \$1,368,943 | \$1,396,322 | | |

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

Notes:

- Jobs meeting all of the requirements of Tax Code §313.021(3) as the statute existed before Jan. 1, 2014. Do not include construction jobs in counts of qualifying jobs.
- For new job definition see TAC §9.1051(14) as rules existed before Jan. 1, 2014.

The CPA requests companies complete the electronic spreadsheet version of the form and submit identical electronic and hard copy versions of the spreadsheet (with any attachments) to the district.

Biennial Progress Report for Texas Economic Development Act
CHART A2: Investment and Market Values for Applications 1 through 999

Date
Application Number **201**
Current Agreement Holder Name
ISD Name

Los Vientos Windpower IA, LLC and IB, LLC

Lyford Consolidated ISD

Form 50-773A
Revised May 2014

CHART A2 - Only complete this for applications 1 through 999.

| | Year | School Year (YYYY-YYYY) | Tax Year (actual tax year) YYYY | Total Investment¹ (cumulative) | Market value of qualified property on Jan. 1 BEFORE any exemptions² | Market value less any exemptions (such as pollution control) and before limitation³ | Taxable value of qualified property for purposes of M&O |
|---|-------------|------------------------------------|--|--|---|---|--|
| Prior to start of value limitation period | 1 | 2012-2013 | 2012 | \$ 610,030,457 | \$ 94,997 | \$ 94,997 | \$ 94,997 |
| | 2 | 2013-2014 | 2013 | \$ 610,030,457 | \$ 494,273,620 | \$ 494,273,620 | \$ 494,273,620 |
| Value limitation period | 3 | 2014-2015 | 2014 | \$ 610,030,457 | \$ 350,179,355 | \$ 350,179,355 | \$ 10,000,000 |
| | 4 | 2015-2016 | 2015 | \$ 610,030,457 | \$ 387,381,807 | \$ 387,381,807 | \$ 10,000,000 |
| | 5 | 2016-2017 | 2016 | \$ 610,030,457 | \$ 383,507,989 | \$ 383,507,989 | \$ 10,000,000 |
| | 6 | 2017-2018 | 2017 | \$ 610,030,457 | \$ 379,672,909 | \$ 379,672,909 | \$ 10,000,000 |
| | 7 | 2018-2019 | 2018 | \$ 610,030,457 | \$ 375,876,180 | \$ 375,876,180 | \$ 10,000,000 |
| | 8 | 2019-2020 | 2019 | \$ 610,030,457 | \$ 372,117,418 | \$ 372,117,418 | \$ 10,000,000 |
| | 9 | 2020-2021 | 2020 | \$ 610,030,457 | \$ 368,396,244 | \$ 368,396,244 | \$ 10,000,000 |
| | 10 | 2021-2022 | 2021 | \$ 610,030,457 | \$ 364,712,282 | \$ 364,712,282 | \$ 10,000,000 |
| Viable presence period | 11 | 2022-2023 | 2022 | \$ 610,030,457 | \$ 361,065,159 | \$ 361,065,159 | \$ 361,065,159 |
| | 12 | 2023-2024 | 2023 | \$ 610,030,457 | \$ 357,454,507 | \$ 357,454,507 | \$ 357,454,507 |
| | 13 | 2024-2025 | 2024 | \$ 610,030,457 | \$ 353,879,962 | \$ 353,879,962 | \$ 353,879,962 |

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

Notes:

1. Total investment is all investment at original cost, including land acquired after filing of application. Investments made in a year should be reflected in the subsequent year's market value.
2. Use appraisal values from CAD as available. For future years, use market value that the entity estimates will approximate the market value for ad volorem tax purposes in that year.
3. This amount is typically the taxable value for the purpose of I&S fund or debt service reserve fund.

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