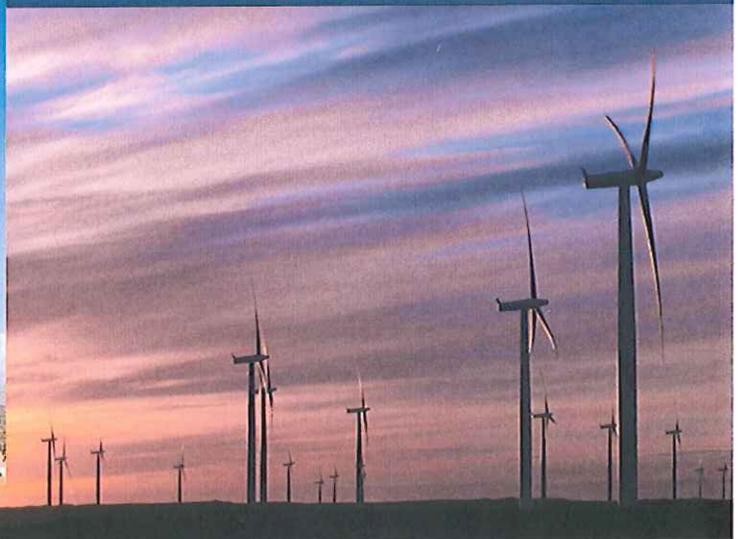
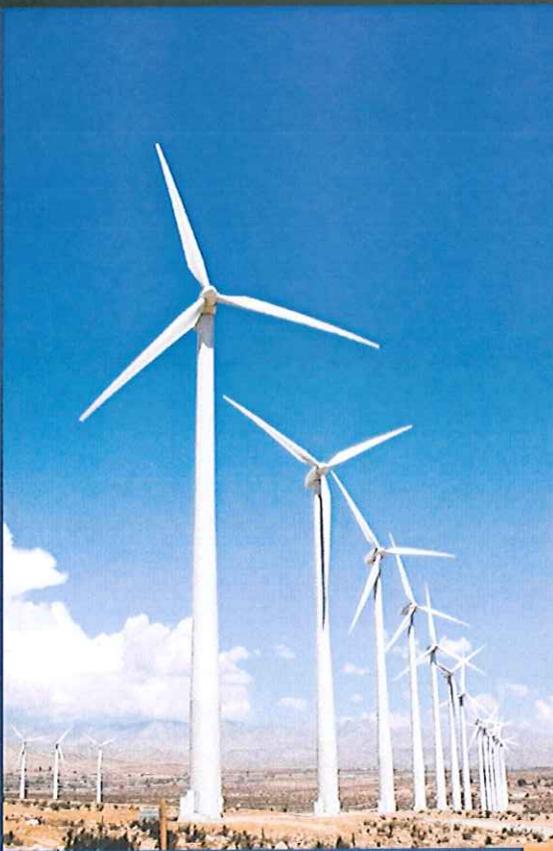


**FINDINGS OF THE GOLDTHWAITE
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
GOLDTHWAITE WIND ENERGY, LLC**



June 18, 2012

**FINDINGS
OF THE
GOLDTHWAITE INDEPENDENT
SCHOOL DISTRICT BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY
GOLDTHWAITE WIND ENERGY LLC**

JUNE 18, 2012

Board Findings of the Goldthwaite Independent School District

FINDINGS OF THE GOLDTHWAITE INDEPENDENT
SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY
GOLDTHWAITE WIND ENERGY LLC

STATE OF TEXAS §

COUNTY OF MILLS §

On the 18th day of June, 2012, a public meeting of the Board of Trustees of the Goldthwaite Independent School 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 of Trustees took up and considered the application of the Goldthwaite Wind Energy LLC (Goldthwaite Wind Energy) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. After hearing presentations from the District's administrative staff, and from consultants retained by the District to advise the Board in this matter, the Board of Trustees of the Goldthwaite Independent School District makes the following findings with respect to the application of Goldthwaite Wind Energy, and the economic impact of that application:

On December 15, 2011, the Superintendent of Schools of the Goldthwaite Independent School District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts received an Application from Goldthwaite Wind Energy for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The application was amended on February 24, 2012 and again on March 5, 2012. A copy of the amended Application is attached as **Attachment A**.

The Applicant, Goldthwaite Wind Energy (Texas Taxpayer Id. 32037772772), 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. See **Attachment B**.

Board Findings of the Goldthwaite Independent School District

The Board of Trustees has acknowledged receipt of the Application, along with the requisite application fee, as established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Texas Comptroller's Office for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Mills County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Texas Comptroller's Office pursuant to Texas Tax Code § 313.026 and a favorable recommendation was issued on April 3, 2012. A copy of the Comptroller's letter is attached to the findings as **Attachment C**.

After receipt of the Application, the Texas Comptroller of Public Accounts caused to be conducted an economic impact evaluation pursuant to Texas Tax Code § 313.026 and the Board of Trustees has carefully considered such evaluation. A copy of the economic impact evaluation is attached to these findings as **Attachment D**.

The Board of Trustees also directed that a specific financial analysis be conducted of the impact of the proposed value limitation on the finances of the Goldthwaite Independent School District. A copy of a report prepared by Moak, Casey & Associates, Inc. is attached to these findings as **Attachment E**.

The Board of Trustees has confirmed that the taxable value of property in the Goldthwaite Independent School District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment F**.

After receipt of the Application, the District entered into negotiations with Goldthwaite Wind Energy, over the specific language to be included in the Agreement for an Appraised Value Limitation on Qualified Property, 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 **Attachment G**.

Board Findings of the Goldthwaite Independent School District

After review of the Comptroller's recommendation, and in consideration of its own economic impact study the Board finds:

Board Finding Number 1.

There is a strong relationship between the Applicant's industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plan of this State as described in the strategic plan for economic development (ED Plan) submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Texas Government Code.

In support of Finding 1, the economic impact evaluation states:

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Goldthwaite Wind Energy LLC project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

Board Finding Number 2.

The economic condition of Mills County, Texas, is in need of long-term improvement.

Based on information provided by the Comptroller's Office, Mills County is the 199th largest in the state in terms of population. Population growth in Mills County is positive and it was the state's 61st fastest-growing county from 2009 to 2010. The state population grew by 1.8 percent between 2009 and 2010, while the population of Mills County increased by 1.6 percent over the same period.

September 2011 employment for Mills County was down 4.0 percent from September 2010, well below the state's 0.9 percent increase in total employment during the same period. The unemployment rate in Mills County was 7.1 percent in September 2011, less than the current state average of 8.5 percent. It is noteworthy that the Mills County unemployment rate increased from 5.9 percent a year ago to the 7.1 percent level in September 2011.

Board Findings of the Goldthwaite Independent School District

Mills County continues to have a lower per capita personal income than the state as a whole. In terms of per capita income, Mills County's \$30,552 in 2010 ranked 166th among the 254 counties in Texas, while the Texas average was \$38,609 for the same period.

In the fourth quarter of 2010, taxable sales totaled \$5.63 million in Mills County. This figure reflects a 9.4 percent increase from the year-earlier fourth quarter.

Mills County will benefit from economic activity like that associated with the Goldthwaite Wind Energy project. Major capital investments like this project are beneficial to the community on a number of fronts, including direct and indirect employment, expanded opportunities for existing businesses and increased local tax bases.

Board Finding Number 3.

The average salary level of qualifying jobs is expected to be at least \$39,400 per year. The review of the application by the State Comptroller's Office indicated that this amount—based on Texas Workforce Commission data—complies with the requirement that qualifying jobs must pay 110 percent of the regional average manufacturing wage. Goldthwaite Wind Energy indicates that total employment will be approximately ten (10) new jobs, eight (8) of which will be qualifying jobs.

In support of Finding 3, the economic impact evaluation states:

After construction, the project will create ten new jobs when fully operational. Eight jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Central Texas Council of Governments Region, where Mills County is located was \$35,788 in 2010. The annual average manufacturing wage for 2010-2011 for Mills County is \$27,313. That same year, the county annual average wage for all industries was \$26,182. In addition to a salary of \$39,376, each qualifying position will receive benefits including medical, dental and vision insurance with at least 80% of the premiums for the employee paid by the applicant. In addition each qualifying employee will receive paid vacation time, sick leave, life insurance, disability plans and 401(k) retirement savings plan.

Board Finding Number 4.

The level of the applicant's average investment per qualifying job over the term of the Agreement is estimated to be approximately \$27.3 million on the basis of the goal of eight (8) new qualifying positions for the entire Goldthwaite Wind Energy project.

In support of Finding 4, the economic impact evaluation states:

The project's total investment is \$218.4 million, resulting in a relative level of investment per qualifying job of \$27.3 million.

Board Finding Number 5.

Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Board Finding Number 6.

Subsequent economic effects on the local and regional tax bases will be significant. In addition, the impact of the added infrastructure will be significant to the region.

Table 1 depicts Goldthwaite Wind Energy LLC's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Board Findings of the Goldthwaite Independent School District

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Goldthwaite Wind Energy LLC

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2012	54	48	102	\$3,055,585	\$2,944,415	\$6,000,000
2013	37	36	73	\$394,000	\$4,606,000	\$5,000,000
2014	10	12	22	\$394,000	\$1,606,000	\$2,000,000
2015	10	15	25	\$394,000	\$1,606,000	\$2,000,000
2016	10	23	33	\$394,000	\$2,606,000	\$3,000,000
2017	10	23	33	\$394,000	\$2,606,000	\$3,000,000
2018	10	25	35	\$394,000	\$2,606,000	\$3,000,000
2019	10	25	35	\$394,000	\$2,606,000	\$3,000,000
2020	10	26	36	\$394,000	\$3,606,000	\$4,000,000
2021	10	30	40	\$394,000	\$3,606,000	\$4,000,000
2022	10	33	43	\$394,000	\$3,606,000	\$4,000,000
2023	10	33	43	\$394,000	\$3,606,000	\$4,000,000
2024	10	35	45	\$394,000	\$4,606,000	\$5,000,000
2025	10	27	37	\$394,000	\$3,606,000	\$4,000,000
2026	10	25	35	\$394,000	\$3,606,000	\$4,000,000
2027	10	27	37	\$394,000	\$3,606,000	\$4,000,000

Source: CPA, RFEMl, Goldthwaite Wind Energy LLC

The statewide average ad valorem tax base for school districts in Texas was \$1.6 billion in 2010. Goldthwaite ISD's ad valorem tax base in 2010 was \$136 million. The statewide average wealth per WADA was estimated at \$345,067 for fiscal 2010-2011. During that same year, Goldthwaite ISD's estimated wealth per WADA was \$157,515. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district and Mills County with all property tax incentives sought being granted using estimated market value from Goldthwaite Wind Energy LLC's application. Goldthwaite Wind Energy LLC has applied for both a value limitation under Chapter 313, Tax Code and tax abatement with the county. Table 3 illustrates the estimated tax impact of the Goldthwaite Wind Energy LLC project on the region if all taxes are assessed.

Board Findings of the Goldthwaite Independent School District

Table 2 Estimated Direct Ad Valorem Taxes with all property tax incentives sought

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Goldthwaite ISD I&S Levy	Goldthwaite ISD M&O Levy	Goldthwaite ISD M&O and I&S Tax Levies (Before Credit Credited)	Goldthwaite ISD M&O and I&S Tax Levies (After Credit Credited)	Mills County Tax Levy	Mills County Road and Bridge District	Estimated Total Property Taxes
			0.0751	1.0400				0.7122	0.8800	
2013	\$140,712,000	\$140,712,000		\$105,675	\$1,463,405	\$1,569,080	\$1,569,080	\$400,860	\$1,238,266	\$3,208,205
2014	\$209,966,000	\$209,966,000		\$157,684	\$2,183,646	\$2,341,331	\$2,341,331	\$747,689	\$1,847,701	\$4,936,721
2015	\$197,368,000	\$10,000,000		\$148,223	\$104,000	\$252,223	\$252,223	\$562,262	\$1,736,838	\$2,551,324
2016	\$185,526,000	\$10,000,000		\$139,330	\$104,000	\$243,330	\$149,494	\$528,526	\$1,632,629	\$2,310,649
2017	\$174,394,000	\$10,000,000		\$130,970	\$104,000	\$234,970	\$143,644	\$496,814	\$1,534,667	\$2,175,125
2018	\$163,930,000	\$10,000,000		\$123,111	\$104,000	\$227,111	\$138,145	\$700,506	\$1,442,584	\$2,281,235
2019	\$154,094,000	\$10,000,000		\$115,725	\$104,000	\$219,725	\$132,976	\$658,474	\$1,356,027	\$2,147,478
2020	\$144,848,000	\$10,000,000		\$108,781	\$104,000	\$212,781	\$128,118	\$618,964	\$1,274,662	\$2,021,744
2021	\$136,157,000	\$10,000,000		\$102,254	\$104,000	\$206,254	\$123,551	\$581,826	\$1,198,182	\$1,903,558
2022	\$127,988,000	\$10,000,000		\$96,119	\$104,000	\$200,119	\$119,258	\$546,918	\$1,126,294	\$1,792,470
2023	\$120,309,000	\$120,309,000		\$90,352	\$1,251,214	\$1,341,566	\$36,093	\$856,841	\$1,058,719	\$1,951,653
2024	\$113,090,000	\$113,090,000		\$84,931	\$1,176,136	\$1,261,067	\$33,927	\$805,427	\$995,192	\$1,834,546
2025	\$106,305,000	\$106,305,000		\$79,835	\$1,105,572	\$1,185,407	\$888,073	\$757,104	\$935,484	\$2,580,661
2026	\$99,927,000	\$99,927,000		\$75,045	\$1,039,241	\$1,114,286	\$711,680	\$711,680	\$879,358	\$2,705,324
2027	\$93,931,000	\$93,931,000		\$70,542	\$976,882	\$1,047,425	\$1,047,425	\$668,977	\$826,593	\$2,542,994
						Total	\$8,217,622	\$9,642,869	\$19,083,196	\$36,943,687

Assumes School Value Limitation and Tax Abatement with the County.

Source: CPA, Goldthwaite Wind Energy LLC

¹Tax Rate per \$100 Valuation

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Goldthwaite ISD I&S Levy	Goldthwaite ISD M&O Levy	Goldthwaite ISD M&O and I&S Tax Levies	Mills County Tax Levy	Mills County Road and Bridge District	Estimated Total Property Taxes	
			0.0751	1.0400			0.7122	0.8800		
2013	\$140,712,000	\$140,712,000		\$105,675	\$1,463,405	\$1,569,080	\$1,002,151	\$1,238,266	\$3,809,496	
2014	\$209,966,000	\$209,966,000		\$157,684	\$2,183,646	\$2,341,331	\$1,495,378	\$1,847,701	\$5,684,410	
2015	\$197,368,000	\$197,368,000		\$148,223	\$2,052,627	\$2,200,851	\$1,405,655	\$1,736,838	\$5,343,344	
2016	\$185,526,000	\$185,526,000		\$139,330	\$1,929,470	\$2,068,800	\$1,321,316	\$1,632,629	\$5,022,745	
2017	\$174,394,000	\$174,394,000		\$130,970	\$1,813,698	\$1,944,667	\$1,242,034	\$1,534,667	\$4,721,369	
2018	\$163,930,000	\$163,930,000		\$123,111	\$1,704,872	\$1,827,983	\$1,167,509	\$1,442,584	\$4,438,077	
2019	\$154,094,000	\$154,094,000		\$115,725	\$1,602,578	\$1,718,302	\$1,097,457	\$1,356,027	\$4,171,787	
2020	\$144,848,000	\$144,848,000		\$108,781	\$1,506,419	\$1,615,200	\$1,031,607	\$1,274,662	\$3,921,470	
2021	\$136,157,000	\$136,157,000		\$102,254	\$1,416,033	\$1,518,287	\$969,710	\$1,198,182	\$3,686,178	
2022	\$127,988,000	\$127,988,000		\$96,119	\$1,331,075	\$1,427,194	\$911,531	\$1,126,294	\$3,465,019	
2023	\$120,309,000	\$120,309,000		\$90,352	\$1,251,214	\$1,341,566	\$856,841	\$1,058,719	\$3,257,126	
2024	\$113,090,000	\$113,090,000		\$84,931	\$1,176,136	\$1,261,067	\$805,427	\$995,192	\$3,061,686	
2025	\$106,305,000	\$106,305,000		\$79,835	\$1,105,572	\$1,185,407	\$757,104	\$935,484	\$2,877,995	
2026	\$99,927,000	\$99,927,000		\$75,045	\$1,039,241	\$1,114,286	\$711,680	\$879,358	\$2,705,324	
2027	\$93,931,000	\$93,931,000		\$70,542	\$976,882	\$1,047,425	\$668,977	\$826,593	\$2,542,994	
						Total	\$24,181,445	\$15,444,377	\$19,083,196	\$58,709,019

Source: CPA, Goldthwaite Wind Energy LLC

¹Tax Rate per \$100 Valuation

Board Finding Number 7.

The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add \$210 million to the tax base for debt service purposes at the peak investment level for the 2015-16 school year. The Goldthwaite Wind Energy project remains fully taxable for debt services taxes, with Goldthwaite ISD currently levying a \$0.0751 I&S rate. The value of the Goldthwaite Wind Energy project is expected to depreciate over the life of the agreement and beyond, but full access to the additional value will add to the District's tax base. At its peak value, the project could result in a reduction in the GISD I&S tax rate of approximately \$0.03 per \$100.

Board Finding Number 8.

The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the Goldthwaite Wind Energy project.

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the addition of a wind energy project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in Goldthwaite ISD as stated in **Attachment D**.

Board Finding Number 9.

The ability of the applicant to locate the proposed facility in another state or another region of this state is substantial, as a result of the highly competitive marketplace for economic development.

In support of Finding 9, the economic impact evaluation states:

According to Goldthwaite Wind Energy LLC's application, "Invenergy develops, owns and operates wind energy projects across the US and in Europe. We have numerous developments in nearby states, Kansas and Oklahoma, where the wind resource is equivalent and their taxing incentives similar to Texas."

Board Findings of the Goldthwaite Independent School District

Board Finding Number 10.

During the past two years, no projects in the Central Texas Council of Governments Region applied for value limitation agreements under Tax Code, Chapter 313.

Board Finding Number 11.

The Board of Trustees hired consultants to review and verify the information in the Application from Goldthwaite Wind Energy. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.

Board Finding Number 12.

The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Ten Million Dollars, which is consistent with the minimum values currently set out by Tax Code, §§ 313.054(a).

According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2010 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year, Attachment F, the total 2011 industrial value for Goldthwaite ISD is \$1.67 million. Goldthwaite ISD is categorized as a Subchapter C rural school district, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or is located in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. Given that the value of industrial property in Goldthwaite ISD exceeds \$1 million but is less than \$90 million, it is classified as a Category III district which can offer a minimum value limitation of \$10 million.

Board Finding Number 13.

The Applicant (Taxpayer Id. 32037772772) is eligible for the limitation on appraised value of qualified property as specified in the Agreement based on its "good standing" certification as a franchise-tax paying entity.

Board Findings of the Goldthwaite Independent School District

Board Finding Number 14.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District.

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a revenue loss in the first year the value limitation is in effect without the proposed Agreement. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. Additional revenue protection measures are also in place for the duration of the Agreement.

Board Finding Number 15.

Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the Goldthwaite Independent School District. It is further ORDERED that these findings and the Attachments 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 Goldthwaite Independent School District.

Board Findings of the Goldthwaite Independent School District

Dated the 18th day of June 2012.

GOLDTHWAITE INDEPENDENT SCHOOL DISTRICT

By: 
Rich Brown
President Board of Trustees

ATTEST:

By: 
~~Chip Patterson~~ *Cheston Francis*
~~Secretary~~ Board of Trustees
vp



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

June 5, 2012

President and Members
Board of Trustees
Goldthwaite Independent School District
P.O. Box 608
Goldthwaite, Texas 76844

Re: Recommendations and Findings of the firm Concerning Application of Goldthwaite Wind Energy, LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

Dear President Brown and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Ector County Independent School District, with respect to the pending Application of Goldthwaite Wind Energy, LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. Based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate revenue protection provisions to protect the interests of the District.

As a result of the foregoing it is our recommendation that the Board of Trustees approve the Application of Goldthwaite Wind Energy, LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in blue ink that reads "Daniel T. Casey".

Daniel T. Casey

www.moakcasey.com

Phone 512-485-7878

400 W. 15th Street * Suite 1410 * Austin, TX 78701-1648

Fax 512-485-7888

O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
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KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

LESLIE MCCOLLOM
CERTIFIED, CIVIL APPELLATE
CERTIFIED, LABOR AND EMPLOYMENT
TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

June 1, 2012

President and Members
Of the Board of Trustees
Goldthwaite Independent School District
P.O. Box 608
Goldthwaite, Texas 76844

*Re: Recommendations and Findings of the Firm Concerning Application of
Goldthwaite Wind Energy LLC for Limitation on Appraised Value of Property for
School District Maintenance and Operations Taxes, first qualifying year 2013*

Dear President Brown and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Goldthwaite Independent School District, with respect to the pending Application of Goldthwaite Wind Energy LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, to be effected by an agreement with a first qualifying time year of 2013. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. We have also negotiated an Agreement between the District and Goldthwaite Wind Energy LLC. Based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.

Letter to Goldthwaite ISD

June 1, 2012

Page 2 of 2

4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate legal provisions so as to protect the interests of the District.

As a result of the foregoing conclusions it is our recommendation that the Board of Trustees approve the Application of Goldthwaite Wind Energy LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin O'Hanlon", written in a cursive style.

Kevin O'Hanlon
For the Firm

Attachment A

Application



Application for Appraised Value Limitation on Qualified Property

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

Form 50-296
(Revised May 2010)

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 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 original completed application to the Comptroller in a three-ring binder with tabs separating each section of the documents, in addition to an electronic copy on CD. 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, the Comptroller will publish all submitted application materials on its Web site. 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 rules as explained in the Confidentiality Notice below.

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. 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, make a recommendation to the school board regarding the application and prepare an economic impact evaluation 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 before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Authorized School District Representative		Date application received by district 12/15/11
First Name Ronny	Last Name Wright	
Title Superintendent		
School District Name Goldthwaite Independent School District		
Street Address 1509 Hannah Valley Road		
Mailing Address		
City Goldthwaite	State Texas	ZIP 76844
Phone Number (325) 648-3531	Fax Number (325) 648-2456	
Mobile Number (optional)	E-mail Address r.wright@goldisd.net	

I authorize the consultant to provide and obtain information related to this application.. Yes No

Will consultant be primary contact? Yes No



Application for Appraised Value Limitation on Qualified Property

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name Kevin

Last Name O'Hanlon

Consultant

O'Hanlon, McCollom & Demerath

808 West Avenue

808 West Avenue

City Austin

State TX

ZIP 78701

Phone Number 512-494-9949

Fax Number 512-494-9919

Mobile Number (Optional)

E-mail Address kohanlon@808west.com; mhanley@808west.com

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.

Signature (Authorized School District Representative)

Date

1/9/2012

Has the district determined this application complete? Yes No

If yes, date determined complete. January 9, 2012

Have you completed the school finance documents required by TAC 9.1054(c)(3)? Yes No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	✓
2	Certification page signed and dated by authorized school district representative	2 of 16	✓
3	Date application deemed complete by ISD	2 of 16	✓
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5	Completed company checklist	12 of 16	✓
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	will supplement



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name Bryan		Last Name Schueler	
Title Senior Vice President, Development			
Organization Invenergy LLC			
Street Address One South Wacker Drive, Suite 1900			
Mailing Address One South Wacker Drive, Suite 1900			
City Chicago		State IL	ZIP 60606
Phone Number (312) 582-1468		Fax Number	
Mobile Number (optional)		Business e-mail Address bschueler@invenergyllc.com	

Will a company official other than the authorized business representative be responsible for responding to future information requests? Yes No

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

First Name Joe		Last Name Condo	
Title General Counsel			
Organization Invenergy LLC			
Street Address 1 South Wacker Dr, Suite 1900			
Mailing Address			
City Chicago		State IL	ZIP 60606
Phone Number (312) 582-1465		Fax Number	
Mobile Number (optional)		E-mail Address	

I authorize the consultant to provide and obtain information related to this application..... Yes No

Will consultant be primary contact? Yes No



Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Evan

Last Name

Horn

Title

Senior Consultant

Firm Name

ONESOURCE™ Property Tax Thomson Reuters

Street Address

400 W 15th Street Suite 700

Mailing Address

400 W 15th Street Suite 700

City

Austin

State

TX

ZIP

78701

Phone Number

(512) 691-6067

Fax Number

Business email Address

Evan.Horn@thomsonreuters.com

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 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.

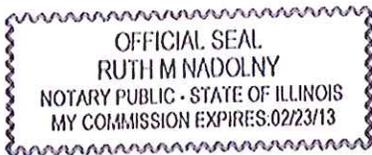
Signature (Authorized Business Representative (Applicant))

[Handwritten Signature]

Date

2-24-2012

GIVEN under my hand and seal of office this 24th day of February, 2012



[Handwritten Signature]

Notary Public, State of Illinois

(Notary Seal)

My commission expires 2/23/13

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 § 37.10.



FEES AND PAYMENTS

Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "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.

Please answer only either A OR B:

A. 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

B. 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

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Goldthwaite Wind Energy LLC, a Delaware limited liability company

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

32037772772

NAICS code

221119

Is the applicant a party to any other Chapter 313 agreements? Yes No

If yes, please list name of school district and year of agreement.

See attachment for list of Chapter 313 agreements with Invenergy LLC subsidiaries

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? Yes No

Identify business organization of applicant (corporation, limited liability corporation, etc.)

Limited Liability Company

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)? Yes No
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas? Yes No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? NA Yes No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)



ELIGIBILITY UNDER TAX CODE CHAPTER 313.024

- Are you an entity to which Tax Code, Chapter 171 applies?
The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:
(1) manufacturing
(2) research and development
(3) a clean coal project, as defined by Section 5.001, Water Code
(4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code
(5) renewable energy electric generation
(6) electric power generation using integrated gasification combined cycle technology
(7) nuclear electric power generation
(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)
Are you requesting that any of the land be classified as qualified investment?
Will any of the proposed qualified investment be leased under a capitalized lease?
Will any of the proposed qualified investment be leased under an operating lease?
Are you including property that is owned by a person other than the applicant?
Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?

PROJECT DESCRIPTION

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. (Use attachments as necessary)

See Checklist Item #4

Describe the ability of your company to locate or relocate in another state or another region of the state.

See Checklist Item #4

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- New Jobs, Construct New Facility, New Business / Start-up, Expand Existing Facility, Relocation from Out-of-State, Expansion, Purchase Machinery & Equipment, Consolidation, Relocation within Texas

PROJECTED TIMELINE

Begin Construction April 2012, Begin Hiring New Employees March 2012, Construction Complete December 2012, Fully Operational December 2012, Purchase Machinery & Equipment March 2012

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)?

Note: Improvements made before that time may not be considered qualified property. When do you anticipate the new buildings or improvements will be placed in service? December 2012

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source	Amount
_____	_____
_____	_____
_____	_____
Total	_____

Will other incentives be offered by local units of government? Yes No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

Goldthwaite County - Chapter 312 agreement - 10 years; 60% abated years 1 through 5; 40% abated years 6 through 10

THE PROPERTY

Identify county or counties in which the proposed project will be located Mills County

Central Appraisal District (CAD) that will be responsible for appraising the property Mills County

Will this CAD be acting on behalf of another CAD to appraise this property? Yes No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: Mills County - 100% City: N/A
(Name and percent of project) (Name and percent of project)

Hospital District: N/A Water District: N/A
(Name and percent of project) (Name and percent of project)

Other (describe): Road and Bridge - 100% Other (describe): Lometa ISD - 0% at 95 MW; up to 8.5% at 152 MW
(Name and percent of project) (Name and percent of project)

Is the project located entirely within this ISD? Yes No

If not, please provide additional information on the project scope and size to assist in the economic analysis.

Goldthwaite Wind Energy will have no turbines within Lometa ISD in the initial 95 MW. Leases will be available within Lometa ISD and 8 turbines may be installed when the facility expands to 152 MW depending on layout.

INVESTMENT

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

At the time of application, what is the estimated minimum qualified investment required for this school district? \$10,000,000

What is the amount of appraised value limitation for which you are applying? \$10,000,000

What is your total estimated *qualified* investment? \$218,409,000

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? May 1, 2012

What is the anticipated date of the beginning of the qualifying time period? January 1, 2013

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? \$218,409,000

Describe the qualified investment.[See 313.021(1).]

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
- (3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? Yes No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

- (1) in or on the new building or other new improvement for which you are applying? Yes No
- (2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? Yes No
- (3) on the same parcel of land as the building for which you are applying for an appraised value limitation? Yes No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? Yes No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? Yes No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? Yes No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
- (3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

Land

Is the land on which you propose new construction or improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? _____

Will the applicant own the land by the date of agreement execution? Yes No

Will the project be on leased land? Yes No

QUALIFIED PROPERTY (CONTINUED)

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

Miscellaneous

Is the proposed project a building or new improvement to an existing facility? Yes No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. _____ (Market Value) _____ (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? Yes No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? Yes No

WAGE AND EMPLOYMENT INFORMATION

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

The last complete calendar quarter before application review start date is the:

First Quarter Second Quarter Third Quarter Fourth Quarter of 2011 (year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC? 0

Note: For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. N/A

Total number of new jobs that will have been created when fully operational 10

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? Yes No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. **Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).**

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? 8

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html>)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).

WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. 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 from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7).

110% of the county average weekly wage for all jobs (all industries) in the county is \$553.85
 110% of the county average weekly wage for manufacturing jobs in the county is \$577.78
 110% of the county average weekly wage for manufacturing jobs in the region is \$757.24

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

§313.021(5)(A) or §313.021(5)(B) or §313.021(3)(E)(ii), or §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \$39,376.48

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \$39,376.48

- Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? Yes No
- Will each qualifying job require at least 1,600 of work a year? Yes No
- Will any of the qualifying jobs be jobs transferred from one area of the state to another? Yes No
- Will any of the qualifying jobs be retained jobs? Yes No
- Will any of the qualifying jobs be created to replace a previous employee? Yes No
- Will any required qualifying jobs be filled by employees of contractors? Yes No

If yes, what percent? Approximately 30% of the technician positions may be filled by contractors

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? Yes No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

In addition to annual salary, each qualified position will be eligible to receive medical, dental, vision and participate in 401K retirement plan.

ECONOMIC IMPACT

- Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? Yes No
- Is Schedule A completed and signed for all years and attached? Yes No
- Is Schedule B completed and signed for all years and attached? Yes No
- Is Schedule C (Application) completed and signed for all years and attached? Yes No
- Is Schedule D completed and signed for all years and attached? Yes No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

CONFIDENTIALITY NOTICE

**Property Tax Limitation Agreement Applications
Texas Government Code Chapter 313
Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) it describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.

**COMPANY CHECKLIST AND REQUESTED ATTACHMENTS**

	Checklist	Page X of 16	Check Completed
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	✓
2	Proof of Payment of Application Fee (Attachment)	5 of 16	✓
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	✓
4	Detailed description of the project	6 of 16	✓
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	✓
6	Description of Qualified Investment (Attachment)	8 of 16	✓
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	✓
8	Description of Qualified Property (Attachment)	8 of 16	✓
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	✓
10	Description of Land (Attachment)	9 of 16	N/A
11	A detailed map showing location of the land with vicinity map.	9 of 16	N/A
12	A description of all existing (if any) improvements (Attachment)	9 of 16	N/A
13	Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	N/A
14	Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	✓
15	Description of Benefits	10 of 16	✓
16	Economic Impact (if applicable)	10 of 16	N/A
17	Schedule A completed and signed	13 of 16	✓
18	Schedule B completed and signed	14 of 16	✓
19	Schedule C (Application) completed and signed	15 of 16	✓
20	Schedule D completed and signed	16 of 16	✓
21	Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	N/A
22	Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	✓
23	Legal Description of Reinvestment Zone (Attachment)*	9 of 16	✓
24	Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	✓

*To be submitted with application or before date of final application approval by school board.

CHECKLIST ITEM

List of Chapter 313 Agreements with Invenergy LLC Subsidiaries:

<u>School District</u>	<u>First Full Tax Year</u>	<u>Company</u>
Spur ISD No. 71	2008	McAdoo Wind Energy LLC
Grady ISD No. 73	2008	Stanton Wind Energy LLC
Stanton ISD No. 72	2008	Stanton Wind Energy LLC
Hermleigh ISD No. 60	2008	Scurry County Wind LP
Snyder ISD No. 61	2008	Scurry County Wind LP
Blackwell CISD No. 93	2008	Turkey Track Wind Energy LLC

CHECKLIST ITEM #2

PROOF OF PAYMENT OF 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)*

CHECKLIST ITEM #3

COMBINED GROUP MEMBERSHIP DOCUMENTATION

**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

Tcode 132 8

<input checked="" type="checkbox"/> Reporting entity taxpayer number	<input checked="" type="checkbox"/> Report year	Reporting entity taxpayer name
12006168525	2011	POLSKY ENERGY HOLDINGS LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. INVENERGY LLC	13644627930	<input type="checkbox"/>
2. INVENERGY SERVICES LLC	32020649813	<input type="checkbox"/>
3. INVENERGY ENERGY MGMT LLC	32038203900	<input type="checkbox"/>
4. INVENERGY WIND NORTH AMERICA	12082346938	<input type="checkbox"/>
5. DOUGHERTY WIND ENERGY LLC	32037772806	<input type="checkbox"/>
6. GOLDWAITHE WIND ENERGY LLC	32037772772	<input type="checkbox"/>
7. GUNSIGHT MTN WIND ENERGY LLC	32033576318	<input type="checkbox"/>
8. INVENERGY MET LLC	32037132977	<input type="checkbox"/>
9. INVENERGY WIND DEVELOPMENT	32034181217	<input type="checkbox"/>
10. LENORAH WIND ENERGY LLC	32040941919	<input type="checkbox"/>
11. PISTOL HILL WIND ENERGY LLC	32033576326	<input type="checkbox"/>
12. STERLING WIND ENERGY LLC	32033691760	<input type="checkbox"/>
13. ELLIS COUNTY ENERGY LLC	32034711989	<input type="checkbox"/>
14. GRIMES COUNTY ENERGY LLC	32033798805	<input type="checkbox"/>
15. POLSKY ENERGY INVESTMENTS	200616874	<input checked="" type="checkbox"/>
16. INVENERGY INVESTMENT CO LLC	371456538	<input checked="" type="checkbox"/>
17. INVENERGY WIND HOLDINGS LLC	263467425	<input checked="" type="checkbox"/>
18. INVENERGY WIND INVESTMENT CORP.	300447600	<input checked="" type="checkbox"/>
19. INVENERGY WIND FINANCING LLC		<input checked="" type="checkbox"/>
20. INVENERGY WIND LLC	200783399	<input checked="" type="checkbox"/>
21. INVENERGY THERMAL LLC	203817973	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

<input type="checkbox"/> Reporting entity taxpayer number 12006168525	<input type="checkbox"/> Report year 2011	Reporting entity taxpayer name POLSKY ENERGY HOLDINGS LLC
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. INVENERGY SOLAR LLC	270748782	<input checked="" type="checkbox"/>
2. COTTONWOODS WIND ENERGY LLC		<input checked="" type="checkbox"/>
3. INVENERGY WIND FINANCE ROC LLC		<input checked="" type="checkbox"/>
4. INVENERGY COASTAL HOLDINGS LLC	263756863	<input checked="" type="checkbox"/>
5. INVENERGY LOGAN HOLDING CO LLC	208762182	<input checked="" type="checkbox"/>
6. INVENERGY LOGAN FINANCE CO LLC	208763301	<input checked="" type="checkbox"/>
7. FORWARD ENERGY LLC	204540811	<input checked="" type="checkbox"/>
8. INVENERGY WIND FINANCE CO IV	260520587	<input checked="" type="checkbox"/>
9. INVENERGY WIND TURBINE LLC	260520971	<input checked="" type="checkbox"/>
10. STANTON WIND HOLDINGS LLC		<input checked="" type="checkbox"/>
11. BEECH RIDGE ENERGY LLC	263207197	<input checked="" type="checkbox"/>
12. BIG OTTER WIND LLC		<input checked="" type="checkbox"/>
13. BISHOP HILL ENERGY LLC	264583832	<input checked="" type="checkbox"/>
14. BISHOP HILL ENERGY II LLC		<input checked="" type="checkbox"/>
15. BRUSH CREEK WIND ENERGY LLC		<input checked="" type="checkbox"/>
16. BRUSH CREEK WIND ENERGY II LLC		<input checked="" type="checkbox"/>
17. CA RIDGE WIND ENERGY LLC		<input checked="" type="checkbox"/>
18. CROW CREEK ENERGY LLC		<input checked="" type="checkbox"/>
19. FORWARD ENERGY II LLC	260562274	<input checked="" type="checkbox"/>
20. GRAND RIDGE ENERGY II LLC	263207132	<input checked="" type="checkbox"/>
21. GRAND RIDGE ENERGY III LLC	263294226	<input checked="" type="checkbox"/>

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Texas Comptroller Official Use Only



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**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

<input type="checkbox"/> Reporting entity taxpayer number	<input type="checkbox"/> Report year	Reporting entity taxpayer name
12006168525	2011	POLSKY ENERGY HOLDINGS LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. GRAND RIDGE ENERGY IV LLC	263294276	<input checked="" type="checkbox"/>
2. HARDIN WIND ENERGY LLC		<input checked="" type="checkbox"/>
3. HEARTLAND WIND ENERGY LLC		<input checked="" type="checkbox"/>
4. HIGHLAND WIND ENERGY LLC		<input checked="" type="checkbox"/>
5. HORN BUTTE WIND ENERGY LLC		<input checked="" type="checkbox"/>
6. HORSE LAKE WIND ENERGY LLC	352324869	<input checked="" type="checkbox"/>
7. HURRICANE LAKE WIND ENERGY LLC		<input checked="" type="checkbox"/>
8. IDAHO WIND GENERATION CO LLC		<input checked="" type="checkbox"/>
9. INVENERGY NEW YORK LLC	061680634	<input checked="" type="checkbox"/>
10. INVENERGY PARTS LLC	32039357473	<input type="checkbox"/>
11. INVENERGY RENEWABLE LLC	263434351	<input type="checkbox"/>
12. INVENERGY TX TRADING I LLC		<input checked="" type="checkbox"/>
13. INVENERGY TX TRADING II LLC		<input checked="" type="checkbox"/>
14. INVENERGY WIND DEV IOWA LLC		<input checked="" type="checkbox"/>
15. INVENERGY WIND DEVELOPMENT ND		<input checked="" type="checkbox"/>
16. INVENERGY WIND DEV OK LLC	204126112	<input checked="" type="checkbox"/>
17. INVENERGY WIND FIN CO III LLC	204135995	<input checked="" type="checkbox"/>
18. IWF NORTH AMERICA LLC	208906923	<input checked="" type="checkbox"/>
19. INVENERGY WIND MONTANA LLC		<input checked="" type="checkbox"/>
20. JUDITH GAP WIND ENERGY II LLC		<input checked="" type="checkbox"/>
21. LA SIERRITA WIND LLC		<input checked="" type="checkbox"/>

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Texas Comptroller Official Use Only



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**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

Tcode 132 8

<input checked="" type="checkbox"/> Reporting entity taxpayer number	<input checked="" type="checkbox"/> Report year	Reporting entity taxpayer name
12006168525	2011	POLSKY ENERGY HOLDINGS LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. LASSEN WIND GENERATION LLC	208805949	<input checked="" type="checkbox"/>
2. LEDGE WIND ENERGY LLC	263477676	<input checked="" type="checkbox"/>
3. OCEANA WIND LLC	204540080	<input checked="" type="checkbox"/>
4. PINE RIDGE ENERGY LLC		<input checked="" type="checkbox"/>
5. PRAIRIE BREEZE WIND ENERGY LLC		<input checked="" type="checkbox"/>
6. SEGDWICK WIND ENERGY LLC		<input checked="" type="checkbox"/>
7. INVENERGY ROC HOLDINGS LLC	263866744	<input checked="" type="checkbox"/>
8. STONY CREEK ENERGY LLC	262082798	<input checked="" type="checkbox"/>
9. INVENERGY WIND MANAGEMENT LLC		<input checked="" type="checkbox"/>
10. GRATIOT COUNTY WIND II LLC		<input checked="" type="checkbox"/>
11. SUMMIT RIDGE ENERGY LLC		<input checked="" type="checkbox"/>
12. TECATE DIVIDE WIND ENERGY LLC	300475081	<input checked="" type="checkbox"/>
13. TEHACHAPI CONNECT LLC		<input checked="" type="checkbox"/>
14. VANTAGE WIND ENERGY LLC	264072417	<input checked="" type="checkbox"/>
15. WHITE OAK ENERGY LLC	208468199	<input checked="" type="checkbox"/>
16. HALES LAKE ENERGY LLC		<input checked="" type="checkbox"/>
17. MORESVILLE ENERGY LLC	261363691	<input checked="" type="checkbox"/>
18. STEVMIC PROPERTIES LLC	300526664	<input checked="" type="checkbox"/>
19. INVENERGY THERMAL FIN LLC	208687404	<input checked="" type="checkbox"/>
20. CANNON FALLS FINANCING LLC	205264896	<input checked="" type="checkbox"/>
21. INVENERGY CANNON FALLS LLC	205477569	<input checked="" type="checkbox"/>

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**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

<input type="checkbox"/> Reporting entity taxpayer number	<input type="checkbox"/> Report year	Reporting entity taxpayer name
12006168525	2011	POLSKY ENERGY HOLDINGS LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. SPINDLE HILL FINANCING LLC	205232084	<input checked="" type="checkbox"/>
2. SPINDLE HILL ENERGY LLC	205022554	<input checked="" type="checkbox"/>
3. INVENERGY ACQUISITION LLC	200616985	<input checked="" type="checkbox"/>
4. SUTTON ENERGY LLC	260674011	<input checked="" type="checkbox"/>
5. MCDOWELL COUNTY ENERGY LLC	262661421	<input checked="" type="checkbox"/>
6. INVENERGY THERMAL CONNECTICUT LLC	262602679	<input checked="" type="checkbox"/>
7. INVENERGY THERMAL HOLDINGS LLC	204577532	<input checked="" type="checkbox"/>
8. SQUIRREL CREEK ENERGY LLC	203903918	<input checked="" type="checkbox"/>
9. INVENERGY THERMAL HLDGS II LLC	205028278	<input checked="" type="checkbox"/>
10. INVENERGY TURBINE CO II LLC	203960201	<input checked="" type="checkbox"/>
11. INVENERGY THERMAL DEV LLC	261563294	<input checked="" type="checkbox"/>
12. INVENERGY HARDEE LLC	12002433378	<input checked="" type="checkbox"/>
13. INVENERGY TN LLC	14215633919	<input checked="" type="checkbox"/>
14. INVENERGY HARDEE HOLDINGS LLC	770617282	<input checked="" type="checkbox"/>
15. INVENERGY SERVICES GRAND RIDGE LLC	271168079	<input checked="" type="checkbox"/>
16. AGUA POQUITA WIND ENERGY LLC	32039110278	<input type="checkbox"/>
17. DARKE WIND ENERGY LLC	270667704	<input checked="" type="checkbox"/>
18. GRAND RIDGE V LLC	271369315	<input checked="" type="checkbox"/>
19. GRATIOT COUNTY WIND LLC		<input checked="" type="checkbox"/>
20. INVENERGY WIND CALIFORNIA LLC	611594266	<input checked="" type="checkbox"/>
21. MORROW WIND ENERGY LLC	270449139	<input checked="" type="checkbox"/>

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1039

**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

<input type="checkbox"/> Reporting entity taxpayer number	<input type="checkbox"/> Report year	Reporting entity taxpayer name
12006168525	2011	POLSKY ENERGY HOLDINGS LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. UNION WIND ENERGY LLC	264527222	<input checked="" type="checkbox"/>
2. BISHOP HILL HOLDINGS		<input checked="" type="checkbox"/>
3. INVENERGY SOLAR DEVELOPMENT LLC	270748913	<input checked="" type="checkbox"/>
4. HARDEE HOLDINGS LLC	200258136	<input checked="" type="checkbox"/>
5. HARDEE LP LLC		<input checked="" type="checkbox"/>
6. HARDEE GP LLC		<input checked="" type="checkbox"/>
7. HARDEE POWER PARTNERS LIMITED		<input checked="" type="checkbox"/>
8. GRAND RIDGE EXP HOLDINGS LLC		<input checked="" type="checkbox"/>
9. INVENERGY ILLINOIS SOLAR I LLC	273411372	<input checked="" type="checkbox"/>
10. INVENERGY ILLINOIS SOLAR II LLC	273411444	<input checked="" type="checkbox"/>
11. INVENERGY ILLINOIS SOLAR III LLC	273426043	<input checked="" type="checkbox"/>
12. INVENERGY ILLINOIS SOLAR IV LLC	273438626	<input checked="" type="checkbox"/>
13. INVENERGY ILLINOIS WIND HOLDINGS LLC		<input checked="" type="checkbox"/>
14. INVENERGY SERVICES INSTALLATION LLC	273327310	<input checked="" type="checkbox"/>
15. INVENERGY WIND DEVELOPMENT MICHIGAN LLC		<input checked="" type="checkbox"/>
16. INVENERGY WIND DEVELOPMENT MONTANA LLC	273554310	<input checked="" type="checkbox"/>
17. INVENERGY WIND TURBINE TRANSPORT I LLC	272933240	<input checked="" type="checkbox"/>
18. INVENERGY WIND TURBINE TRANSPORT II LLC	272933334	<input checked="" type="checkbox"/>
19. NELIGH WIND ENERGY LLC		<input checked="" type="checkbox"/>
20. OLD STATE ENERGY LLC		<input checked="" type="checkbox"/>
21. PLEASANT RIDGE ENERGY LLC		<input checked="" type="checkbox"/>

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**TEXAS FRANCHISE TAX
EXTENSION AFFILIATE LIST**

Reporting entity taxpayer number	Report year	Reporting entity taxpayer name
12006168525	2011	POLSKY ENERGY HOLDINGS LLC

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. TIDEWATER SOLAR ENERGY LLC		<input checked="" type="checkbox"/>
2. TONOPAH ENERGY LLC	273411491	<input checked="" type="checkbox"/>
3. TRICOUNTY WIND ENERGY LLC	273635437	<input checked="" type="checkbox"/>
4. TYRRELL ENERGY LLC		<input checked="" type="checkbox"/>
5. VANTAGE CLASS B HOLDINGS LLC		<input checked="" type="checkbox"/>
6. WILKINSON ENERGY LLC		<input checked="" type="checkbox"/>
7.		<input type="checkbox"/>
8.		<input type="checkbox"/>
9.		<input type="checkbox"/>
10.		<input type="checkbox"/>
11.		<input type="checkbox"/>
12.		<input type="checkbox"/>
13.		<input type="checkbox"/>
14.		<input type="checkbox"/>
15.		<input type="checkbox"/>
16.		<input type="checkbox"/>
17.		<input type="checkbox"/>
18.		<input type="checkbox"/>
19.		<input type="checkbox"/>
20.		<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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CHECKLIST ITEM #4

A. Detailed Description of Project

Goldthwaite Wind Energy LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 95 megawatts (the "Goldthwaite Project") and a may install up to 152 megawatts. The exact number of wind turbines and the size of each turbine will vary depending upon the wind turbines selected and the megawatt generating capacity of the project completed, but presently our plans are to install GE 1.62 megawatt turbines on property within the reinvestment zone in Mills County, TX. The first phase may install a minimum of 95 megawatts within the Goldthwaite ISD portion of the project in 2012. A second phase may install up to another 57 megawatts in either 2012 or 2013. Up to 8 turbines in the second phase may be located within the Lometa ISD portion of the project.

The additional improvements for the Goldthwaite Project will including but are not limited to, wind turbines, towers, foundations, roadways, buildings and offices, anemometer towers, electrical transmission cables and towers, and electrical substations.

B. Ability to Relocate to Another State or Region

Invenergy develops, owns and operates wind energy projects across the US and in Europe. We have numerous developments in nearby states, Kansas and Oklahoma, where the wind resource is equivalent and their taxing incentives similar to Texas.

CHECKLIST ITEM #5

OTHER SCHOOL DISTRICT INFORMATION

The first phase of the Goldthwaite Wind Energy Project anticipates constructing 95 megawatts of wind generation capacity within the Goldthwaite ISD portion of the project in 2012. A second phase may install up to another 57 megawatts in either 2012 or 2013. Up to 8 turbines in the second phase may be located within the Lometa ISD portion of the project depending on the final project layout. If the layout chosen places 8 turbines within Lometa ISD, approximately 8.5% of the project value will be within Lometa ISD. Goldthwaite Wind Energy has no plans to pursue a Limitation of Value agreement with Lometa ISD.

CHECKLIST ITEM #6 / #8

Description of Qualified Investment / Qualified Property

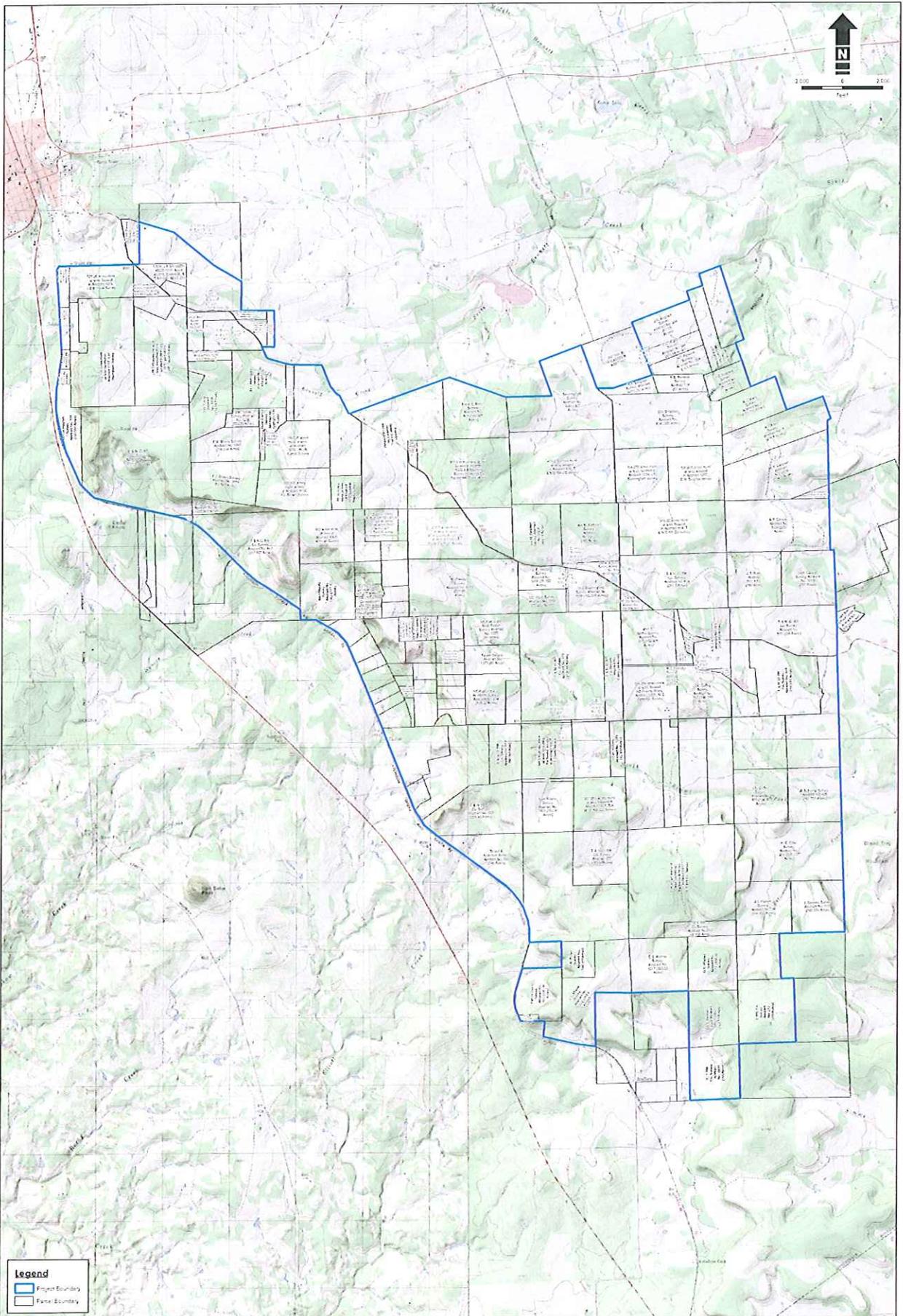
Goldthwaite Wind Energy LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 95 megawatts (the "Goldthwaite Project") and may install up to 152 megawatts. The exact number of wind turbines and the size of each turbine will vary depending upon the wind turbines selected and the megawatt generating capacity of the project completed, but presently our plans are to install GE 1.62 megawatt turbines on property within the reinvestment zone in Mills County, TX. The first phase will may install a minimum 95 megawatts within the Goldthwaite ISD portion of the project in 2012. A second phase may install up to another 57 megawatts in either 2012 or 2013. Up to 8 turbines in the second phase may be located within the Lometa ISD portion of the project.

The additional improvements for the Goldthwaite Project will include but are not limited to:

- Gravel roads to each tower installation location
- Foundations for each turbine
- Towers for each turbine
- Wind turbines
- Operation and maintenance building with spare parts storage, workshop and offices
- Anemometer towers for collecting meteorological data
- Electrical collection cables between wind turbines
- Electrical substation

CHECKLIST ITEM #7 / #9

Map of Qualified Investment / Qualified Property



Site Location

Goldthwaite Wind Energy Project, Mills County, Texas

Rev. 00
November 17, 2011

Invenergy

One South Wacker Drive Suite 1900
Chicago, Illinois 60604
(312) 224-1400

Calculations of wages information---Based on Most Recent Data Available

110% of County Average Weekly Wage for all Jobs

Year	Period	Wages
2010	3Q	524
2010	4Q	541
2011	1Q	467
2011	2Q	482

Average= \$503.50 average weekly salary
 X 1.1 (110%)
\$553.85 110% of County Average Weekly Wage for all Jobs

110% of County Average Weekly Wage for manufacturing Jobs

Year	Period	Wages
2010	3Q	538
2010	4Q	559
2011	1Q	466
2011	2Q	538

Average= \$525.25 average weekly salary
 X 1.1 (110%)
\$577.78 110% of County Average Weekly Wage for all Jobs

110 % of County Average Weekly Wage for Manufacturing Jobs in Region
 (Central Texas State Planning Region)

\$17.21 per hour
 X 40 hr per week
 \$ 688.40 average weekly salary
 X 1.10 (110%)
\$757.24
 X 52 weeks
\$39,376.48 110% of County Average Weekly Wage for all Jobs in Region

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

▲▼ Year	▲▼ Period	▲▼ Area	▲▼ Ownership	▲▼ Division	▲▼ Level	▲▼ Ind Code	▲▼ Industry	▲▼ Avg Weekly Wages
2010	1st Qtr	Mills County	Private	00	0	10	Total, All Industries	\$476
2010	2nd Qtr	Mills County	Private	00	0	10	Total, All Industries	\$472
2010	3rd Qtr	Mills County	Private	00	0	10	Total, All Industries	\$524
2010	4th Qtr	Mills County	Private	00	0	10	Total, All Industries	\$541
2011	1st Qtr	Mills County	Private	00	0	10	Total, All Industries	\$467
2011	2nd Qtr	Mills County	Private	00	0	10	Total, All Industries	\$482
2011	2nd Qtr	Mills County	Private	31	2	31-33	Manufacturing	\$538
2011	1st Qtr	Mills County	Private	31	2	31-33	Manufacturing	\$466
2010	4th Qtr	Mills County	Private	31	2	31-33	Manufacturing	\$559
2010	3rd Qtr	Mills County	Private	31	2	31-33	Manufacturing	\$538
2010	2nd Qtr	Mills County	Private	31	2	31-33	Manufacturing	\$468
2010	1st Qtr	Mills County	Private	31	2	31-33	Manufacturing	\$491

**2010 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas		
1. Panhandle Regional Planning Commission	\$18.60	\$38,683
2. South Plains Association of Governments	\$16.21	\$33,717
3. NORTEX Regional Planning Commission	\$18.34	\$38,153
4. North Central Texas Council of Governments	\$23.45	\$48,777
5. Ark-Tex Council of Governments	\$15.49	\$32,224
6. East Texas Council of Governments	\$17.63	\$36,672
7. West Central Texas Council of Governments	\$17.48	\$36,352
8. Rio Grande Council of Governments	\$15.71	\$32,683
9. Permian Basin Regional Planning Commission	\$19.90	\$41,398
10. Concho Valley Council of Governments	\$15.33	\$31,891
11. Heart of Texas Council of Governments	\$17.91	\$37,257
12. Capital Area Council of Governments	\$25.37	\$52,778
13. Brazos Valley Council of Governments	\$15.24	\$31,705
14. Deep East Texas Council of Governments	\$15.71	\$32,682
15. South East Texas Regional Planning Commission	\$27.56	\$57,333
16. Houston-Galveston Area Council	\$24.52	\$51,002
17. Golden Crescent Regional Planning Commission	\$20.07	\$41,738
18. Alamo Area Council of Governments	\$17.28	\$35,952
19. South Texas Development Council	\$13.27	\$27,601
20. Coastal Bend Council of Governments	\$21.55	\$44,822
21. Lower Rio Grande Valley Development Council	\$14.35	\$29,846
22. Texoma Council of Governments	\$18.10	\$37,651
23. Central Texas Council of Governments	\$17.21	\$35,788
24. Middle Rio Grande Development Council	\$13.21	\$27,471

Source: Texas Occupational Employment and Wages

Data published: June 2011

Data published annually, next update will be June 2012.

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

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

CHECKLIST ITEM #15

DESCRIPTION OF BENEFITS

Qualified employees of Goldthwaite Wind Energy LLC will be offered a full package of benefits including medical, dental and vision insurance with at least 80% of the premiums for the employee paid by Goldthwaite Wind Energy LLC. In addition each qualifying employee will receive paid vacation time, sick leave, life insurance, disability plans and 401(k) Retirement Savings Plans.

CHECKLIST ITEM #17 - 20

SCHEDULES A - D

Schedule A (Rev. May 2010): Investment

Form 50-296

Applicant Name: GOLDTHWAITE WIND ENERGY LLC
 ISD Name: GOLDTHWAITE INDEPENDENT SCHOOL DISTRICT

PROPERTY INVESTMENT AMOUNTS

(Estimated investment in each year. Do not put cumulative totals.)

	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service of during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)							
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	2012-2013	2012	140,712,000	-	140,712,000	-	140,712,000							
								Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)	1	2013-2014	77,697,000	-	77,697,000	-
									2	2014-2015	-	-	-	-
									3	2015-2016	-	-	-	-
									4	2016-2017	-	-	-	-
									5	2017-2018	-	-	-	-
									6	2018-2019	-	-	-	-
									7	2019-2020	-	-	-	-
									8	2020-2021	-	-	-	-
									9	2021-2022	-	-	-	-
									10	2022-2023	-	-	-	-
									11	2023-2024	-	-	-	-
									12	2024-2025	-	-	-	-
									13	2025-2026	-	-	-	-
									14	2026-2027	-	-	-	-
15	2027-2028	-	-	-	-									
Tax Credit Period (with 50% cap on credit)	Value Limitation Period													
	Continue to Maintain Viable Presence													
Credit Settle-Up Period	Post-Settle-Up Period													
	Post-Settle-Up Period													

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property.

Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

Column D: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings. Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value for planning, construction and operation of the facility.

Column E: The most significant example for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

12/5/2011
 DATE

Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Applicant Name
ISD Name

GOLDTHWAITE WIND ENERGY LLC
GOLDTHWAITE INDEPENDENT SCHOOL DISTRICT

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Qualified Property		Reductions from Market Value	Estimated Taxable Value	Final taxable value for M&O--after all reductions
					Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of property in the new building or "in or on the new improvement"			
	pre-year 1	2012-2013	2012	-	-	-	-	-	-
Complete tax years of qualifying time period	1	2013-2014	2013	-	-	140,712,000	-	140,712,000	140,712,000
	2	2014-2015	2014	-	-	209,966,000	-	209,966,000	209,966,000
	3	2015-2016	2015	-	-	197,368,000	-	197,368,000	10,000,000
	4	2016-2017	2016	-	-	185,526,000	-	185,526,000	10,000,000
	5	2017-2018	2017	-	-	174,394,000	-	174,394,000	10,000,000
Tax Credit Period (with 50% cap on credit)	6	2018-2019	2018	-	-	163,930,000	-	163,930,000	10,000,000
	7	2019-2020	2019	-	-	154,094,000	-	154,094,000	10,000,000
	8	2020-2021	2020	-	-	144,848,000	-	144,848,000	10,000,000
	9	2021-2022	2021	-	-	136,157,000	-	136,157,000	10,000,000
	10	2022-2023	2022	-	-	127,988,000	-	127,988,000	10,000,000
Credit Settle-Up Period	11	2023-2024	2023	-	-	120,309,000	-	120,309,000	120,309,000
	12	2024-2025	2024	-	-	113,090,000	-	113,090,000	113,090,000
	13	2025-2026	2025	-	-	106,305,000	-	106,305,000	106,305,000
Post- Settle-Up Period	14	2026-2027	2026	-	-	99,927,000	-	99,927,000	99,927,000
	15	2027-2028	2027	-	-	93,931,000	-	93,931,000	93,931,000

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

12-5-2011

DATE

Schedule C - Application: Employment Information

Goldthwaite Wind Energy LLC

Goldthwaite Independent School District

Applicant Name

ISD Name

	Year	School Year (YYYY-YYYY)	Tax Year (fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs		
				Column A: Number of Construction FTEs or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs	
	pre-year 1	2012 - 2013	2012	95,000 man hours	\$60,000	0	\$39,400	0	\$39,400	
Complete tax years of qualifying time period	1	2013 - 2014	2013	57,000 man hours	\$60,000	10	\$39,400	10	\$39,400	
	2	2014 - 2015	2014			10	\$39,400	10	\$39,400	
	3	2015 - 2016	2015			10	\$39,400	10	\$39,400	
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	4	2016 - 2017	2016			10	\$39,400	10	\$39,400
		5	2017 - 2018	2017			10	\$39,400	10	\$39,400
		6	2018 - 2019	2018			10	\$39,400	10	\$39,400
		7	2019 - 2020	2019			10	\$39,400	10	\$39,400
		8	2020 - 2021	2020			10	\$39,400	10	\$39,400
		9	2021 - 2022	2021			10	\$39,400	10	\$39,400
		10	2022 - 2023	2022			10	\$39,400	10	\$39,400
Credit Settle-Up period	Continue to Maintain Viable Presence	11	2023 - 2024	2023			10	\$39,400	10	\$39,400
		12	2024 - 2025	2024			10	\$39,400	10	\$39,400
		13	2025 - 2026	2025			10	\$39,400	10	\$39,400
Post-Settle-Up Period		14	2026 - 2027	2026			10	\$39,400	10	\$39,400
Post-Settle-Up Period		15	2027 - 2028	2027			10	\$39,400	10	\$39,400

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name

GOLDTHWAITE WIND ENERGY, LLC

ISD Name

GOLDTHWAITE

Form 50-296

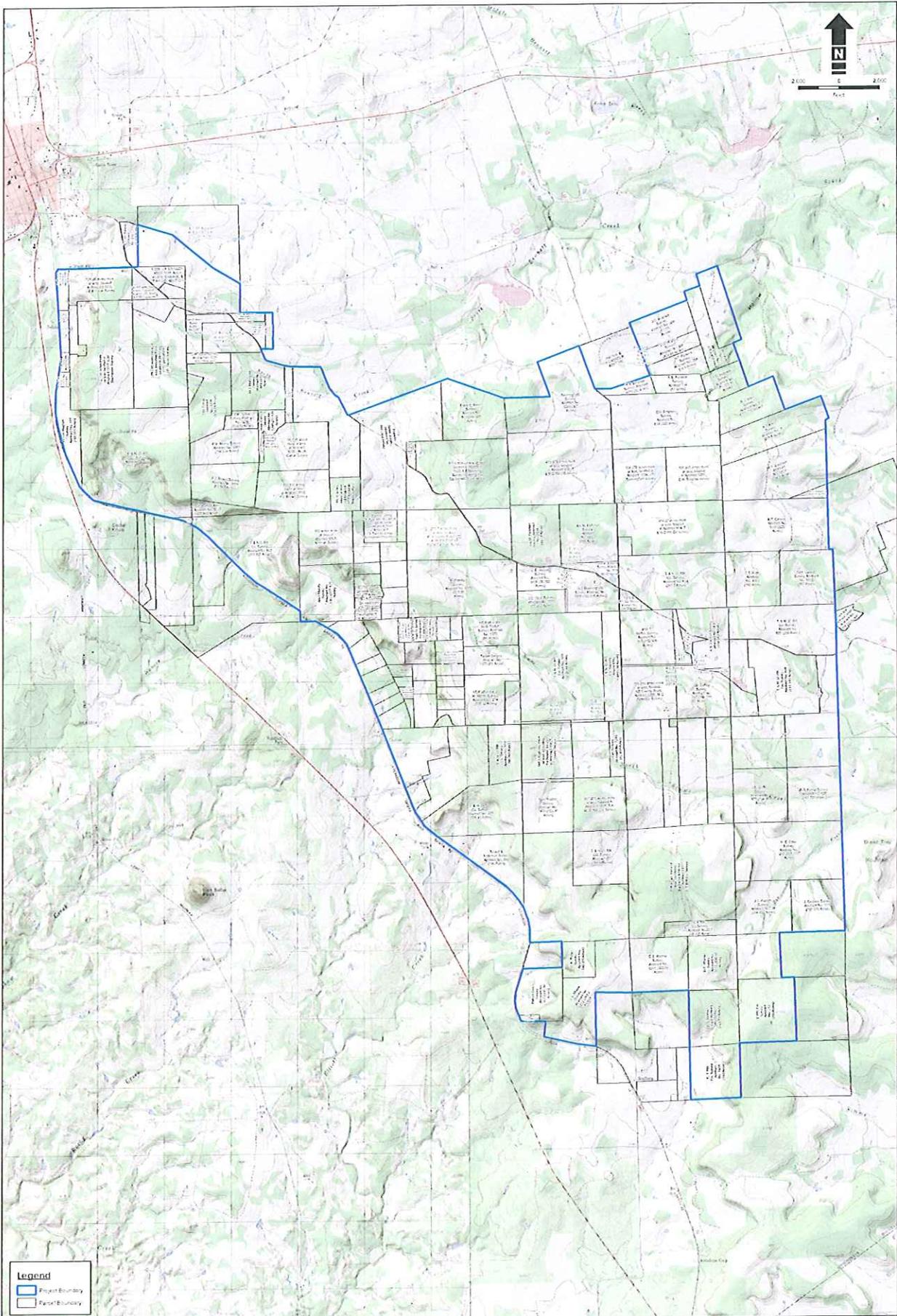
		Sales Tax Information				Other Property Tax Abatements Sought			
		Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other	
Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	
		2012	\$ -	\$ -	\$ -	0%	0%		
	2012-2013								
1	2013-2014	2013	\$ 500,000	\$ 1,000,000	\$ -	60%	0%		
2	2014-2015	2014	\$ 500,000	\$ 1,000,000	\$ -	60%	0%		
3	2015-2016	2015	\$ 500,000	\$ 1,000,000	\$ -	60%	0%		
4	2016-2017	2016	\$ 500,000	\$ 1,000,000	\$ -	60%	0%		
5	2017-2018	2017	\$ 500,000	\$ 1,000,000	\$ -	60%	0%		
6	2018-2019	2018	\$ 500,000	\$ 1,000,000	\$ -	40%	0%		
7	2019-2020	2019	\$ 500,000	\$ 1,000,000	\$ -	40%	0%		
8	2020-2021	2020	\$ 500,000	\$ 1,000,000	\$ -	40%	0%		
9	2021-2022	2021	\$ 500,000	\$ 1,000,000	\$ -	40%	0%		
10	2022-2023	2022	\$ 500,000	\$ 1,000,000	\$ -	40%	0%		
11	2023-2024	2023	\$ 500,000	\$ 1,000,000	\$ -	0%	0%		
12	2024-2025	2024	\$ 500,000	\$ 1,000,000	\$ -	0%	0%		
13	2025-2026	2025	\$ 500,000	\$ 1,000,000	\$ -	0%	0%		
14	2026-2027	2026	\$ 500,000	\$ 1,000,000	\$ -	0%	0%		
15	2027-2028	2027	\$ 500,000	\$ 1,000,000	\$ -	0%	0%		

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

12.5.2011

DATE



Site Location

Goldthwaite Wind Energy Project, Mills County, Texas

Rev. 00
November 17, 2011

Invenergy

One South Wacker Drive Suite 1500
Chicago, Illinois 60606
(312) 224-1450

CHECKLIST ITEM #22

ORDER ESTABLISHING THE ZONE

AN ORDER OF THE COMMISSIONERS COURT OF MILLS COUNTY, TEXAS DESIGNATING ALL REAL PROPERTY WITHIN UNINCORPORATED MILLS COUNTY, TEXAS AS A REINVESTMENT ZONE UNDER CHAPTER 312 OF THE TEXAS TAX CODE

WHEREAS, in conformity with Chapter 312 of the Texas Tax Code and the GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT (hereinafter "the Guidelines"), the Commissioners Court of Mills County has conducted a public hearing on November 26, 2007 to consider the designation of all real property within the unincorporated geographic area consisting of 700 square miles more or less not including incorporated areas of Mills County, more particularly described as the Reinvestment Zone Number One with property descriptions contained in Exhibit "A", (hereinafter "the property") as a reinvestment zone under the said chapter; and

WHEREAS, Chapter 312 and the Guidelines require that certain findings of fact be entered in order to designate a reinvestment zone;

WHEREAS, the Commissioners' Court of Mills County, Texas finds that the designation of the area as a reinvestment zone would contribute to the creation of new primary employment; and

WHEREAS, the Commissioners' Court of Mills County finds that the designation of the area as a reinvestment zone would contribute to the economic development of Mills County, Texas; and

WHEREAS, the Commissioners' Court of Mills County finds that the designation of the area as a reinvestment zone that would be a "benefit" to the property to be included in the zone; and

WHEREAS, the Commissioners' Court finds that the area to be designated as a reinvestment zone is not within the taxing jurisdiction of any municipality

WHEREAS, the Commissioners' Court of Mills County has made the findings of fact necessary to designate the property as a reinvestment zone; and

NOW, THEREFORE BE IT ORDERED BY THE COMMISSIONERS' COURT OF MILLS COUNTY, TEXAS:

Section 1. That the findings and recitals in the preamble to this Order are found to be true and correct and hereby RATIFIED, APPROVED, AND ADOPTED.

Section 2. That, pursuant to Chapter 312 of the Texas Tax Code, all real property contained within the unincorporated geographic area consisting of 700 square miles more or less not including incorporated areas, all in Mills County, Texas, as more particularly described in Exhibit "A" attached hereto is hereby designated as a reinvestment zone to be called the Reinvestment Zone Number One.

Passed and Approved this the 26th day of November 2007

Kirkland A. Fulk, County Judge

Billy Hobbs, Commissioner Pct. 3

John Mann, Commissioner Pct. 1

Wayne Wilcox, Commissioner Pct. 4

Jeff Garren, Commissioner Pct. 2

CHECKLIST ITEM #23

LEGAL DESCRIPTION OF REINVESTMENT ZONE

LEGAL DESCRIPTION OF MILLS COUNTY PROVIDED BY GENERAL LAND OFFICE

Beginning at the SE corner of the Richard Blevin Survey on the Colorado River,
Thence in a direct line to the SE corner of Survey No. 1 Sulphur Fork Ironworks.
Thence NE to South line of Yarbo, 1550 varas west of SE corner
Thence N 82° E to a point 9 ¼ miles N, 60° E from the west line of Comanche County
Thence S 30° E to a point ¼ mile S, 30° E from the south line of Hamilton County
Thence S 56° W to Colorado River.
Thence up said river with its meanders to the beginning, containing 700 square miles

-from VATS Annotated Civil Statutes Title 24. County Boundaries

CHECKLIST ITEM #24

GUIDELINES AND CRITERIA FOR REINVESTMENT ZONE

STATE OF TEXAS

COUNTY OF MILLS

ORDER

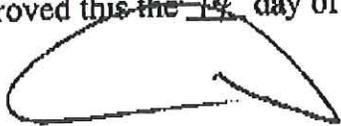
WHEREAS, by Order dated November 26, 2007, the Commissioners' Court of Mills County designated all real property within the unincorporated areas of the county as a reinvestment zone pursuant to Chapter 312 of the Texas Tax Code; and

WHEREAS, this reinvestment zone was called the Reinvestment Zone Number One; and

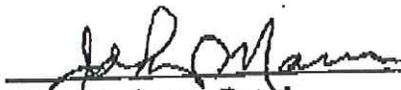
WHEREAS, the Commissioner's Court now desires to approve and ratify the foregoing Order.

IT IS, THEREFORE, ORDERED that the Court's Order of November 26, 2007, together with all findings, attachments and exhibits be, and is hereby ratified and continued in full force and effect until further order of this Court.

Passed and Approved this the 14 day of November, 2011



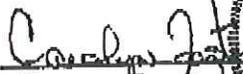
Kirkland A. Fulk, County Judge


Commissioner, Pct. 1


Commissioner, Pct. 2


Commissioner, Pct. 3


Commissioner, Pct. 4

Attest: 
Carolyn Foster, County Clerk



00279

Resolution

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN REINVESTMENT ZONES CREATED IN THE JURISDICTION OF MILLS COUNTY, TEXAS.

WHEREAS, the creation and retention of job opportunities that bring new wealth is one of the highest civic priorities; and,

WHEREAS, new jobs and investments will benefit the area economy, provide needed opportunities, strengthen the real estate market, and generate tax revenue to support local services; and,

WHEREAS, Mills County must compete with other localities across the nation currently offering tax inducements to attract new and modernization projects; and,

WHEREAS, any tax incentives offered in Mills County would reduce needed tax revenue unless these tax incentives are strictly limited in application to those new and existing industries that bring new wealth to the community; and,

WHEREAS, the abatement of property taxes, when offered to attract primary jobs in industries that bring in money from outside a community instead of merely recirculation dollars within a community, has been shown to be an effective method of enhancing and diversifying an area's economy; and,

WHEREAS, Texas laws requires any eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to the granting of any future tax abatement, which guidelines and criteria are to remain unchanged for a two-year period unless amended by minimum votes, as provided by said state law; and,

WHEREAS, these guidelines and criteria shall not be constructed as implying or suggesting that the County of Mills, or any other taxing jurisdiction, is under any obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis; and,

WHEREAS, these guidelines and criteria are approved for circulation to all affected taxing jurisdiction for consideration as a common policy for all jurisdictions that choose to participate in tax abatement agreements;

NOW THEREFORE BE IT RESOLVED THAT, said guidelines and criteria are as follows:

Sec. 1. Definitions

(a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by the County of Mills for economic development purposes.

(b) "Affected jurisdiction" means the County of Mills, and any other taxing jurisdiction with any substantial parts of its area located in Mills County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in tax abatement agreements by, or pursuant to, these guidelines.

00280

- (c) "Agreement" means a contractual agreement between a property owner or lessee, or both, and an affected jurisdiction for the purposes of tax abatement.
- (d) "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed-upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- (e) "Deferred maintenance" means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- (f) "Distribution Center Facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- (g) "Expansion" means the addition of permanent building and structures, fixed machinery and equipment for purposes of increasing production capacity.
- (h) "Facility" means property improvements completed or in the process of construction that together comprise an integral whole.
- (i) "Manufacturing Facility" means permanent buildings and structures, including fixed 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.
- (j) "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.
- (k) "New Facility" means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- (l) "Other basic industry" means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market that result in the creation of new permanent jobs, and that bring in new wealth.
- (m) "Productive life" means the number of years a property improvement is expected to be in service in a facility.
- (n) "Regional entertainment facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.

00281

(o) "Research facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used primarily for the research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

(p) "Regional service facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.

(q) "Renewable Energy Resource" means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5.

Sec. 2. Criteria for Abatement and Designation a Reinvestment Zone.

(a) Authorized facility. A facility may be eligible for abatement if it is a manufacturing facility, research facility, distribution center or regional service facility, regional entertainment facility, renewable energy resource, or other basic industry.

(b) Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, an abatement agreement between Mills County and the property owner or lessee, subject to such limitation as Mills County may require.

(c) New and existing facilities. Abatement may be for new facilities and improvements to existing facilities purposes of modernization or expansion.

(d) Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

(e) Ineligible property. The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; housing; hotel accommodations; deferred maintenance investments; property to be rented or leased, except as provided in Section 2 (f); improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, that are not integral to the operation of the facility; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated, or directed by a political subdivision of the State of Texas.

(f) Owned and Leased Facilities. If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee.

(g) Value and term of abatement. A tax abatement agreement granted by Mills County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed.

(h) Economic qualification. In order to be eligible to receive tax abatement the planned improvement:

00282

(1) must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis.

(2) must not be expected to solely or primarily have the effect of transferring employment from one part of the County of Mills to another; and,

(i) Existing business. Recognizing the importance of cosmetic improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, they may be granted a two-year tax abatement of the amount of value the facility is increased. (If a business has a building appraised at \$50,000.00 and modernization or expansion changes the appraised value to \$100,000.00, \$50,000.00 of the new value could be abated for two years beginning January 1 after the year completed.)

(j) Taxability. From the execution of the abatement agreement to the end of the agreement period taxes shall be assessed as follows:

(1) the value of ineligible property as provided in Section 2 (e) shall be fully taxable; and,

(2) the base year value of existing eligible property as determined each year shall be fully taxable;

and,

(3) The additional value of new eligible property shall be taxable in the manner described in Section 2(g, h, & i).

Sec. 3. Application and Hearing

(a) Any present or potential owner of taxable property in the jurisdiction of the Taxing Entities of the County of Mills, Texas may request tax abatement by filing a written request with the Mills County Commissioners Court.

(b) The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken; a descriptive list of the improvements that will be a part of the facility; a map and property description; and a time schedule for undertaking and completing the planned improvements.

In the case of modernization, 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. The application form may require any financial and other information that may be appropriate for evaluating the financial capacity of the applicant and any other factors.

(c) After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame, the Commissioners Court shall choose to deny the application, consider the application, or consider the application on an expedited basis.

(d) Consideration of Application. If the County determines that the application should be further

00283

considered, then the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. At the hearing the Commissioners' Court evaluates the application against the criteria in Section 2 and decides whether to designate the property for which an abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners' Court shall pass an order to that effect and may then arrange to consider for approval the tax abatement agreement between the applicant and the County at its next regularly scheduled meeting. At least seven (7) days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners' Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

(e) **Expedited Consideration of Application.** If the County determines that the application should receive expedited consideration, then the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court's next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. Also at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought, along with a copy of the proposed tax abatement agreement. During the Commissioners' Court meeting, the Commissioners' Court shall evaluate the application against the criteria in Sections 2 and shall decide whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners' Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, the Commissioners' Court may finally vote by simple majority to enter into the tax abatement agreement, or the decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

(f) **Confidentiality.** As required by Section 312.003 of the Texas Tax Code, information that is provided to the County in connection with an application or a request for a tax abatement under this chapter that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the abatement is sought is confidential and not subject to public disclosure until the tax abatement is executed.

(g) When the abatement is disapproved, an applicant may be granted a review, or rehearing, in which a new application and hearing may be required.

(h) Tax abatement may not be approved if the County finds that the application therefore was filed after the commencement of the construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.

(i) Request for variance from the provisions of Section 2 may be made in written form to the

- 00284

Commissioners' Court of Mills County. Such request shall include all the items listed in Section 3 (b) above, together with a complete description of the circumstances that prompt the applicant to request variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the County.

Sec. 4. Standards for denying Approval of Abatement.

(a) If any affected jurisdiction is able to conclusively show cause in the public hearing why the granting of the abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity, or the providing of services, Mills County shall deny the approval of abatement.

(b) An abatement agreement shall not be granted if it is determined that:

- (1) there would be substantial adverse effect on the providing of government services or tax basis;
- (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; or,
- (4) codes or laws would be violated.

Sec. 5. Effect of Approval of Application

Mills County Commissioners' Court acts only for the taxing entity of Mills County and for no other taxing entity within Mills County. The County's approval or disapproval of an application has no effect on any other taxing entity within the jurisdiction or their right to approve or disapprove an application. Only the governing bodies of the effected jurisdictions may grant tax abatements, and enter into tax abatement agreements with applicants.

Sec. 6. Tax Abatement Agreements

The Mills County Commissioners' Court after approval of an application shall enter into an agreement with the applicant. Such agreements shall be executed with the owner of the facility, and with the lessee when required. Such agreements shall include:

- (1) the estimated value to be abated and the base year value;
- (2) the percentage of value to be abated each year as provided in Sec. 2 (g, h, & i);
- (3) the commencement date and the termination date of abatement;
- (4) the proposed use of the facility, nature of construction, time schedule, map, property description, and improvements list as provided in application, Section 3 (b);
- (5) contractual obligations in the event of default, violation of terms or conditions, delinquent

00285

taxes recapture, administration, and assignment as provided in Sections 2 (a), 2 (f), 2 (g, h, & i), 7, 8, and 9.

(6) size of investment and average number of jobs involved. Such agreement shall normally be executed within 30 days after the applicant has forwarded all necessary information and documentation to the County; and

(7) the agreement shall stipulate that employees, or designated representatives, or both, of Mills County will have access to the reinvestment zone during the terms 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 24 hours prior notice and will be conducted in such a manner that they will not unreasonably interfere with the construction or operation or both of the facility. All inspections will be made in the presence of one or more representatives of the company or individual and in accordance with the safety standards of the company or individual.

Sec. 7 Recapture

(a) If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion, or other casualty or accident or natural disaster, for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within 60 days from the date of termination.

(b) If the Mills County Commissioners' Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners' Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60 days from the date of such notice ("cure period"), then the agreement may be terminated.

(c) If the company or individual (1) allows its ad valorem taxes owed to the County of Mills, or any other taxing entity in Mills County, to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

Sec. 8. Administration

(a) The Chief Appraiser of the Mills County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.

(b) Upon completion of construction, a designated representative of Mills County shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and shall make a report to the Commissioners' Court regarding the findings of each evaluation.

Attachment B

Certificate of Account Status


[Taxable Entity Search Results](#)

Franchise Tax Certification of Account Status

This Certification Not Sufficient for Filings with Secretary of State

[Obtain a certification](#) sufficient for filings with the Secretary of State.

Certification of Account Status	Officers And Directors Information
Entity Information:	GOLDTHWAITE WIND ENERGY LLC 1 S WACKER DR STE 1900 CHICAGO, IL 60606-4644
Status:	TEMPORARY GOOD STANDING through July 16, 2012
Registered Agent:	NATIONAL CORPORATE RESEARCH, LTD. 800 BRAZOS, SUITE 400 AUSTIN, TX 78701
Registered Agent Resignation Date:	
State of Formation:	DE
File Number:	0801018740
SOS Registration Date:	August 19, 2008
Taxpayer Number:	32037772772

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Attachment C

State Comptroller's Recommendation

S U S A N
C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

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



April 3, 2012

Ronny Wright
Superintendent
Goldthwaite Independent School District
1509 Hannah Valley Road
Goldthwaite, Texas 76844

Dear Superintendent Wright:

On March 7, 2012, the Comptroller received the completed application for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted in December 15, 2011 to the Goldthwaite Independent School District (Goldthwaite ISD) by Goldthwaite Wind Energy LLC. This letter presents the results of the comptroller's review of the application:

- 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 make a recommendation to the governing body of the school district as to whether the application should be approved or disapproved using the criteria set out by Section 313.026.

Goldthwaite ISD is currently classified as a rural school district in Category 3 according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$218,409,000) is consistent with the proposed appraised value limitation sought (\$10 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement. Goldthwaite Wind Energy LLC is proposing the construction of a wind power electric generation facility in Mills County. Goldthwaite Wind Energy LLC is an active franchise taxpayer in good standing, as required by Tax Code Section 313.024(a).

As required by Section 313.024(h), the Comptroller has determined that the property, as described by the application, meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

After reviewing the application using the criteria listed in Section 313.026, and the information provided by Goldthwaite Wind Energy LLC, the Comptroller's recommendation is that Goldthwaite Wind Energy LLC's application under Tax Code Chapter 313 be approved.

Our review of the application assumes the truth and accuracy of the statements in the application and that, if the application is approved, the applicant would perform according to the provisions of the agreement reached with the school district. Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements. The school district is responsible for verifying that all requirements of the statute have been fulfilled. Additionally, Section 313.025 requires the school district to determine if the evidence supports making specific findings that the information in the application is

¹ All statutory references are to the Texas TaxCode, unless otherwise noted.

true and correct, the applicant is eligible for a limitation and that granting the application is in the best interest of the school district and state. As stated above, we prepared the recommendation by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria.

The Comptroller's recommendation is based on the application that has been submitted and reviewed by the Comptroller. The recommendation may not be used by the ISD to support its approval of the property value limitation agreement if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this recommendation is contingent on future compliance with the Chapter 313 and the Texas Administrative Code, with particular reference to the following requirements related to the execution of the agreement:

1. The applicant must provide the Comptroller a copy of the proposed limitation on appraised value agreement no later than 10 days prior to the meeting scheduled by the district to consider approving the agreement, so that the Comptroller may review it for compliance with the statutes and the Comptroller's rules as well as consistency with the application;
2. The Comptroller providing written confirmation that it received and reviewed the draft agreement and affirming the recommendation made in this letter;
3. The district must approve and execute a limitation agreement that has been reviewed by this office within a year from the date of this letter; and
4. Section 313.025 requires the district to provide to the Comptroller a copy of the signed limitation agreement within 7 days after execution.

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-3973, or direct in Austin at 512-463-3973.

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Attachment D

Economic Analysis

Economic Impact for Chapter 313 Project

Applicant	Goldthwaite Wind Energy LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation - Wind
School District	Goldthwaite ISD
2009-10 Enrollment in School District	599
County	Mills
Total Investment in District	\$218,409,000
Qualified Investment	\$218,409,000
Limitation Amount	\$10,000,000
Number of total jobs committed to by applicant	10
Number of qualifying jobs committed to by applicant	8
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$757
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$757
Minimum Annual Wage committed to by applicant for qualified jobs	\$39,376
Investment per Qualifying Job	\$27,301,125
Estimated 15 year M&O levy without any limit or credit:	\$22,552,868
Estimated gross 15 year M&O tax benefit	\$15,963,823
Estimated 15 year M&O tax benefit (<i>after</i> deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$15,620,793
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$3,439,051
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$6,932,075
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	69.3%
Percentage of tax benefit due to the limitation	78.5%
Percentage of tax benefit due to the credit.	21.5%

This presents the Comptroller's economic impact evaluation of Goldthwaite Wind Energy LLC (the project) applying to Goldthwaite Independent School District (the district), as required by Tax Code, 313.026. This evaluation is based on information provided by the applicant and examines the following criteria:

- (1) the recommendations of the comptroller;
- (2) the name of the school district;
- (3) the name of the applicant;
- (4) the general nature of the applicant's investment;
- (5) the relationship between the applicant's industry and the types of qualifying jobs to be created by the applicant to the long-term economic growth plans of this state as described in the strategic plan for economic development submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Government Code, as that section existed before February 1, 1999;
- (6) the relative level of the applicant's investment per qualifying job to be created by the applicant;
- (7) the number of qualifying jobs to be created by the applicant;
- (8) the wages, salaries, and benefits to be offered by the applicant to qualifying job holders;
- (9) the ability of the applicant to locate or relocate in another state or another region of this state;
- (10) the impact the project will have on this state and individual local units of government, including:
 - (A) tax and other revenue gains, direct or indirect, that would be realized during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller; and
 - (B) economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller;
- (11) the economic condition of the region of the state at the time the person's application is being considered;
- (12) the number of new facilities built or expanded in the region during the two years preceding the date of the application that were eligible to apply for a limitation on appraised value under this subchapter;
- (13) the effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code;
- (14) the projected market value of the qualified property of the applicant as determined by the comptroller;
- (15) the proposed limitation on appraised value for the qualified property of the applicant;
- (16) the projected dollar amount of the 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 with assumptions of the projected appreciation or depreciation of the investment and projected tax rates clearly stated;
- (17) 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 with assumptions of the projected appreciation or depreciation of the investment clearly stated;
- (18) the projected effect on the Foundation School Program of payments to the district for each year of the agreement;
- (19) the projected future tax credits if the applicant also applies for school tax credits under Section 313.103; and
- (20) 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 stated in Subdivision (17) from the projected taxes stated in Subdivision (16).

Wages, salaries and benefits [313.026(6-8)]

After construction, the project will create ten new jobs when fully operational. Eight jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Central Texas Council of Governments Region, where Mills County is located was \$35,788 in 2010. The annual average manufacturing wage for 2010-2011 for Mills County is \$27,313. That same year, the county annual average wage for all industries was \$26,182. In addition to a salary of \$39,376, each qualifying position will receive benefits including medical, dental and vision insurance with at least 80% of the premiums for the employee paid by the applicant. In addition each qualifying employee will receive paid vacation time, sick leave, life insurance, disability plans and 401(k) retirement savings plan. The project's total investment is \$218.4 million, resulting in a relative level of investment per qualifying job of \$27.3 million.

Ability of applicant to locate to another state and [313.026(9)]

According to Goldthwaite Wind Energy LLC's application, "Invenergy develops, owns and operates wind energy projects across the US and in Europe. We have numerous developments in nearby states, Kansas and Oklahoma, where the wind resource is equivalent and their taxing incentives similar to Texas."

Number of new facilities in region [313.026(12)]

During the past two years, no projects in the Central Texas Council of Governments Region applied for value limitation agreements under Tax Code, Chapter 313.

Relationship of applicant's industry and jobs and Texas's economic growth plans [313.026(5)]

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Goldthwaite Wind Energy LLC project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

Economic Impact [313.026(10)(A), (10)(B), (11), (13-20)]

Table 1 depicts Goldthwaite Wind Energy LLC's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Goldthwaite Wind Energy LLC

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2012	54	48	102	\$3,055,585	\$2,944,415	\$6,000,000
2013	37	36	73	\$394,000	\$4,606,000	\$5,000,000
2014	10	12	22	\$394,000	\$1,606,000	\$2,000,000
2015	10	15	25	\$394,000	\$1,606,000	\$2,000,000
2016	10	23	33	\$394,000	\$2,606,000	\$3,000,000
2017	10	23	33	\$394,000	\$2,606,000	\$3,000,000
2018	10	25	35	\$394,000	\$2,606,000	\$3,000,000
2019	10	25	35	\$394,000	\$2,606,000	\$3,000,000
2020	10	26	36	\$394,000	\$3,606,000	\$4,000,000
2021	10	30	40	\$394,000	\$3,606,000	\$4,000,000
2022	10	33	43	\$394,000	\$3,606,000	\$4,000,000
2023	10	33	43	\$394,000	\$3,606,000	\$4,000,000
2024	10	35	45	\$394,000	\$4,606,000	\$5,000,000
2025	10	27	37	\$394,000	\$3,606,000	\$4,000,000
2026	10	25	35	\$394,000	\$3,606,000	\$4,000,000
2027	10	27	37	\$394,000	\$3,606,000	\$4,000,000

Source: CPA, REMI, Goldthwaite Wind Energy LLC

The statewide average ad valorem tax base for school districts in Texas was \$1.6 billion in 2010. Goldthwaite ISD's ad valorem tax base in 2010 was \$136 million. The statewide average wealth per WADA was estimated at \$345,067 for fiscal 2010-2011. During that same year, Goldthwaite ISD's estimated wealth per WADA was \$157,515. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district and Mills County with all property tax incentives sought being granted using estimated market value from Goldthwaite Wind Energy LLC's application. Goldthwaite Wind Energy LLC has applied for both a value limitation under Chapter 313, Tax Code and tax abatement with the county. Table 3 illustrates the estimated tax impact of the Goldthwaite Wind Energy LLC project on the region if all taxes are assessed.

Table 2 Estimated Direct Ad Valorem Taxes with all property tax incentives sought

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Goldthwaite ISD I&S Levy	Goldthwaite ISD M&O Levy	Goldthwaite ISD M&O and I&S Tax Levies (Before Credit Credited)	Goldthwaite ISD M&O and I&S Tax Levies (After Credit Credited)	Mills County Tax Levy	Mills County Road and Bridge District	Estimated Total Property Taxes
			0.0751	1.0400				0.7122	0.8800	
2013	\$140,712,000	\$140,712,000		\$105,675	\$1,463,405	\$1,569,080	\$1,569,080	\$400,860	\$1,238,266	\$3,208,205
2014	\$209,966,000	\$209,966,000		\$157,684	\$2,183,646	\$2,341,331	\$2,341,331	\$747,689	\$1,847,701	\$4,936,721
2015	\$197,368,000	\$10,000,000		\$148,223	\$104,000	\$252,223	\$252,223	\$562,262	\$1,736,838	\$2,551,324
2016	\$185,526,000	\$10,000,000		\$139,330	\$104,000	\$243,330	\$149,494	\$528,526	\$1,632,629	\$2,310,649
2017	\$174,394,000	\$10,000,000		\$130,970	\$104,000	\$234,970	\$143,644	\$496,814	\$1,534,667	\$2,175,125
2018	\$163,930,000	\$10,000,000		\$123,111	\$104,000	\$227,111	\$138,145	\$700,506	\$1,442,584	\$2,281,235
2019	\$154,094,000	\$10,000,000		\$115,725	\$104,000	\$219,725	\$132,976	\$658,474	\$1,356,027	\$2,147,478
2020	\$144,848,000	\$10,000,000		\$108,781	\$104,000	\$212,781	\$128,118	\$618,964	\$1,274,662	\$2,021,744
2021	\$136,157,000	\$10,000,000		\$102,254	\$104,000	\$206,254	\$123,551	\$581,826	\$1,198,182	\$1,903,558
2022	\$127,988,000	\$10,000,000		\$96,119	\$104,000	\$200,119	\$119,258	\$546,918	\$1,126,294	\$1,792,470
2023	\$120,309,000	\$120,309,000		\$90,352	\$1,251,214	\$1,341,566	\$36,093	\$856,841	\$1,058,719	\$1,951,653
2024	\$113,090,000	\$113,090,000		\$84,931	\$1,176,136	\$1,261,067	\$33,927	\$805,427	\$995,192	\$1,834,546
2025	\$106,305,000	\$106,305,000		\$79,835	\$1,105,572	\$1,185,407	\$888,073	\$757,104	\$935,484	\$2,580,661
2026	\$99,927,000	\$99,927,000		\$75,045	\$1,039,241	\$1,114,286	\$1,114,286	\$711,680	\$879,358	\$2,705,324
2027	\$93,931,000	\$93,931,000		\$70,542	\$976,882	\$1,047,425	\$1,047,425	\$668,977	\$826,593	\$2,542,994
						Total	\$8,217,622	\$9,642,869	\$19,083,196	\$36,943,687

Assumes School Value Limitation and Tax Abatement with the County.
Source: CPA, Goldthwaite Wind Energy LLC
¹Tax Rate per \$100 Valuation

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Goldthwaite ISD I&S Levy	Goldthwaite ISD M&O Levy	Goldthwaite ISD M&O and I&S Tax Levies	Mills County Tax Levy	Mills County Road and Bridge District	Estimated Total Property Taxes	
			0.0751	1.0400			0.7122	0.8800		
2013	\$140,712,000	\$140,712,000		\$105,675	\$1,463,405	\$1,569,080	\$1,002,151	\$1,238,266	\$3,809,496	
2014	\$209,966,000	\$209,966,000		\$157,684	\$2,183,646	\$2,341,331	\$1,495,378	\$1,847,701	\$5,684,410	
2015	\$197,368,000	\$197,368,000		\$148,223	\$2,052,627	\$2,200,851	\$1,405,655	\$1,736,838	\$5,343,344	
2016	\$185,526,000	\$185,526,000		\$139,330	\$1,929,470	\$2,068,800	\$1,321,316	\$1,632,629	\$5,022,745	
2017	\$174,394,000	\$174,394,000		\$130,970	\$1,813,698	\$1,944,667	\$1,242,034	\$1,534,667	\$4,721,369	
2018	\$163,930,000	\$163,930,000		\$123,111	\$1,704,872	\$1,827,983	\$1,167,509	\$1,442,584	\$4,438,077	
2019	\$154,094,000	\$154,094,000		\$115,725	\$1,602,578	\$1,718,302	\$1,097,457	\$1,356,027	\$4,171,787	
2020	\$144,848,000	\$144,848,000		\$108,781	\$1,506,419	\$1,615,200	\$1,031,607	\$1,274,662	\$3,921,470	
2021	\$136,157,000	\$136,157,000		\$102,254	\$1,416,033	\$1,518,287	\$969,710	\$1,198,182	\$3,686,178	
2022	\$127,988,000	\$127,988,000		\$96,119	\$1,331,075	\$1,427,194	\$911,531	\$1,126,294	\$3,465,019	
2023	\$120,309,000	\$120,309,000		\$90,352	\$1,251,214	\$1,341,566	\$856,841	\$1,058,719	\$3,257,126	
2024	\$113,090,000	\$113,090,000		\$84,931	\$1,176,136	\$1,261,067	\$805,427	\$995,192	\$3,061,686	
2025	\$106,305,000	\$106,305,000		\$79,835	\$1,105,572	\$1,185,407	\$757,104	\$935,484	\$2,877,995	
2026	\$99,927,000	\$99,927,000		\$75,045	\$1,039,241	\$1,114,286	\$711,680	\$879,358	\$2,705,324	
2027	\$93,931,000	\$93,931,000		\$70,542	\$976,882	\$1,047,425	\$668,977	\$826,593	\$2,542,994	
						Total	\$24,181,445	\$15,444,377	\$19,083,196	\$58,709,019

Source: CPA, Goldthwaite Wind Energy LLC
¹Tax Rate per \$100 Valuation

Attachment 1 includes schedules A, B, C, and D provided by the applicant in the application. Schedule A shows proposed investment. Schedule B is the projected market value of the qualified property. Schedule C contains employment information, and Schedule D contains tax expenditures and other tax abatement information.

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. "Table 5" in this attachment shows the estimated 15 year M&O tax levy without the value limitation agreement would be \$22,552,868. The estimated gross 15 year M&O tax benefit, or levy loss, is \$15,963,823.

Attachment 3 is an economic overview of Mills County.

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.



TEXAS EDUCATION AGENCY

1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Robert Wood
Comptroller

March 29, 2012

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Goldthwaite Wind Energy LLC project on the number and size of school facilities in Goldthwaite Independent School District (GISD). Based on the analysis prepared by Moak, Casey and Associates for the school district and a conversation with the GISD superintendent, Mr. Ronny Wright, the TEA has found that the Goldthwaite Wind Energy LLC project would not have a significant impact on the number or size of school facilities in GISD.

Please feel free to contact Al McKenzie, manager of forecasting, facilities, and transportation, by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information regarding this issue.

Sincerely,

A handwritten signature in black ink that reads "Belinda Dyer". The signature is fluid and cursive.

Belinda Dyer
Division Manager
Office of School Finance

BD/bd



TEXAS EDUCATION AGENCY

1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Robert Scott
Executive Director

March 29, 2012

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

The Texas Education Agency has analyzed the revenue gains that would be realized by the proposed Goldthwaite Wind Energy LLC project for the Goldthwaite Independent School District (GISD). Projections prepared by our Office of School Finance confirm the analysis that was prepared by Moak, Casey and Associates and provided to us by your division. We believe their assumptions regarding the potential revenue gain are valid, and their estimates of the impact of the Goldthwaite Wind Energy LLC project on GISD are correct.

Please feel free to contact Al McKenzie, manager of forecasting, facilities, and transportation, by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information regarding this issue.

Sincerely,

A handwritten signature in black ink that reads "Belinda Dyer". The signature is fluid and cursive.

Belinda Dyer
Division Manager
Office of School Finance

BD/bd

Mills County

Population

- Total county population in 2010 for Mills County: 5,085 , up 1.6 percent from 2009. State population increased 1.8 percent in the same time period.
- Mills County was the state's 199st largest county in population in 2010 and the 61st fastest growing county from 2009 to 2010.
- Mills County's population in 2009 was 82.1 percent Anglo (above the state average of 46.7 percent), 1.4 percent African-American (below the state average of 11.3 percent) and 15.5 percent Hispanic (below the state average of 35.9 percent).
- 2009 population of the largest cities and places in Mills County:

Goldthwaite:	1,721	Mullin:	169
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Economy and Income

Employment

- September 2011 total employment in Mills County: 2,182 , down 4.0 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Mills County unemployment rate: 7.1 percent, up from 5.9 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Mills County's ranking in per capita personal income in 2009: 166th with an average per capita income of \$30,552, down 2.1 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Mills County averaged \$35.34 million annually from 2007 to 2010. County total agricultural values in 2010 were up 26.2 percent from 2009. Major agriculture related commodities in Mills County during 2010 included:
 - Sheep • Hay • Goats • Hunting • Other Beef
- 2011 oil and gas production in Mills County: barrels of oil and 5,089.0 Mcf of gas. In September 2011, there were 0 producing oil wells and 3 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011). Quarterly (September 2010 through December 2010)

- Taxable sales in Mills County during the fourth quarter 2010: \$5.63 million, up 9.4 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Goldthwaite:	\$3.49 million, up 1.3 percent from the same quarter in 2009.
Mullin:	\$77,347.00, up 45.0 percent from the same quarter in 2009.

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Mills County through the fourth quarter of 2010: \$19.87 million, up 1.5 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Goldthwaite:	\$12.80 million, down 0.4 percent from the same period in 2009.
Mullin:	\$306,684.00, up 17.9 percent from the same period in 2009.

Annual (2010)

- Taxable sales in Mills County during 2010: \$19.87 million, up 1.5 percent from 2009.
- Mills County sent an estimated \$1.24 million (or 0.01 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Goldthwaite: \$12.80 million, down 0.4 percent from 2009.
 Mullin: \$306,684.00, up 17.9 percent from 2009.

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of September 2011 is currently scheduled for November 9, 2011.)

Monthly

- Statewide payments based on the sales activity month of August 2011: \$505.22 million, up 13.9 percent from August 2010.
- Payments to all cities in Mills County based on the sales activity month of August 2011: \$26,023.78, up 34.9 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:
 - Goldthwaite: \$25,366.09, up 33.3 percent from August 2010.
 - Mullin: \$657.69, up 147.0 percent from August 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2010 through August 2011: \$6.08 billion, up 8.0 percent from the same period in 2010.
- Payments to all cities in Mills County based on sales activity months from September 2010 through August 2011: \$313,453.91, up 13.5 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:
 - Goldthwaite: \$308,731.85, up 13.5 percent from fiscal 2010.
 - Mullin: \$4,722.06, up 17.2 percent from fiscal 2010.

January 2011 through August 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through August 2011: \$3.99 billion, up 8.3 percent from the same period in 2010.
- Payments to all cities in Mills County based on sales activity months through August 2011: \$212,727.32, up 20.9 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:
 - Goldthwaite: \$209,432.40, up 20.9 percent from the same period in 2010.
 - Mullin: \$3,294.92, up 22.4 percent from the same period in 2010.

12 months ending in August 2011

- Statewide payments based on sales activity in the 12 months ending in August 2011: \$6.08 billion, up 8.0 percent from the previous 12-month period.
- Payments to all cities in Mills County based on sales activity in the 12 months ending in August 2011: \$313,453.91, up 13.5 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:
 - Goldthwaite: \$308,731.85, up 13.5 percent from the previous 12-month period.
 - Mullin: \$4,722.06, up 17.2 percent from the previous 12-month period.

■ **City Calendar Year-To-Date (RJ 2011)**

- Payment to the cities from January 2011 through October 2011:
 - Goldthwaite: \$260,759.52, up 16.5 percent from the same period in 2010.
 - Mullin: \$4,077.06, up 20.0 percent from the same period in 2010.

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Mills County based on sales activity months in 2010: \$276,638.97, up 2.7 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:
 - Goldthwaite: \$272,518.97, up 2.7 percent from 2009.
 - Mullin: \$4,120.00, up 4.5 percent from 2009.

Property Tax

- As of January 2009, property values in Mills County: \$1.19 billion, down 6.7 percent from January 2008 values. The property tax base per person in Mills County is \$237,419, above the statewide average of \$85,809. A negligible 0.0 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Mills County's ranking in state expenditures by county in fiscal year 2010: 186th. State expenditures in the county for FY2010:

\$27.10 million, up 0.1 percent from FY2009.

- In Mills County, 6 state agencies provide a total of 21 jobs and \$218,027.00 in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):
 - Department of Transportation
 - Department of Public Safety
 - AgriLife Extension Service
 - Health & Human Services Commission
 - Department of State Health Services

Higher Education

- Community colleges in Mills County fall 2010 enrollment:
 - None.

- Mills County is in the service area of the following:
 - Central Texas College with a fall 2010 enrollment of 12,737. Counties in the service area include:
 - Bell County
 - Burnet County
 - Coryell County
 - Hamilton County
 - Lampasas County
 - Llano County
 - Mason County
 - McCulloch County
 - Mills County
 - San Saba County
 - Williamson County

- Institutions of higher education in Mills County fall 2010 enrollment:
 - None.

School Districts

- Mills County had 4 school districts with 7 schools and 869 students in the 2009-10 school year.
(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)
 - Goldthwaite ISD had 576 students in the 2009-10 school year. The average teacher salary was \$40,378. The percentage of students meeting the 2010 TAKS passing standard for all tests was 83 percent.
 - Mullin ISD had 109 students in the 2009-10 school year. The average teacher salary was \$41,467. The percentage of students meeting the 2010 TAKS passing standard for all tests was 47 percent.
 - Priddy ISD had 107 students in the 2009-10 school year. The average teacher salary was \$39,146. The percentage of students meeting the 2010 TAKS passing standard for all tests was 70 percent.
 - Star ISD had 77 students in the 2009-10 school year. The average teacher salary was \$36,386. The percentage of students meeting the 2010 TAKS passing standard for all tests was 78 percent.

Attachment E

Summary of Financial Impact

**SUMMARY OF FINANCIAL IMPACT OF THE PROPOSED
GOLDTHWAITE WIND ENERGY, LLC PROJECT ON THE
FINANCES OF THE GOLDTHWAITE INDEPENDENT SCHOOL
DISTRICT UNDER A REQUESTED CHAPTER 313 PROPERTY
VALUE LIMITATION**

February 1, 2012

Final Report

PREPARED BY



Estimated Impact of the Proposed Goldthwaite Wind Energy, LLC Project on the Finances of the Goldthwaite Independent School District under a Requested Chapter 313 Property Value Limitation

Introduction

Goldthwaite Wind Energy, LLC (Goldthwaite Wind Energy) has requested that the Goldthwaite Independent School District (GISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to GISD on December 8, 2011, Goldthwaite Wind Energy proposes to invest \$218 million to construct a new wind energy project in GISD.

The Goldthwaite Wind Energy project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, GISD may offer a minimum value limitation of \$10 million. The provisions of Chapter 313 call for the project to be fully taxable in the 2013-14 and 2014-15 school years, unless the District and the Company agree to an extension of the start of the two-year qualifying time period. For the purpose of this analysis, it is assumed that the qualifying time period will be the 2013-14 and 2014-15 school years. Beginning in 2015-16, the project would go on the local tax roll at \$10 million and remain at that level of taxable value for eight years for maintenance and operations taxes.

The full taxable value of the project could be assessed for debt service taxes on voter-approved bond issues throughout the limitation period, with GISD currently levying a \$0.0751 I&S tax rate. The full value of the investment is expected to reach \$210 million in 2015-16, with depreciation expected to reduce the taxable value of the project over the course of the value limitation agreement.

In the case of the Goldthwaite Wind Energy project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. GISD would experience a revenue loss as a result of the implementation of the value limitation in the 2015-16 school year (approximately \$343,000).

Under the assumptions outlined below, the potential tax benefits under a Chapter 313 agreement could reach an estimated \$15.6 million over the course of the agreement. This amount is net of any anticipated revenue losses for the District.

School Finance Mechanics

Under the current school finance system, the property values established by the Comptroller's Office that are used to calculate state aid and recapture lag by one year, a practical consequence of the fact that the Comptroller's Office needs this time to conduct its property value study and now the planned audits of appraisal district operations in alternating years. A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 3-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter). The school funding formulas use the Comptroller's property values that reflect a reduction due to the property value limitation in years 4-11 as a result of the one-year lag in property values.

The third year is often problematical financially for a school district that approves a Chapter 313 value limitation. The implementation of the value limitation often results in a revenue loss to the school district in the third year of the agreement that would not be reimbursed by the state, but require some type of compensation from the applicant under the revenue protection provisions of the agreement. In years 4-10, smaller revenue losses would be anticipated when the state property values are aligned at the minimum value established by the Board on both the local tax roll and the corresponding state property value study, assuming a similar deduction is made in the state property values.

Under the HB 1 system adopted in 2006, most school districts received additional state aid for tax reduction (ASATR) that was used to maintain their target revenue amounts established at the revenue levels under old law for the 2005-06 or 2006-07 school years, whichever was highest. In terms of new Chapter 313 property value limitation agreements, adjustments to ASATR funding often moderated the impact of the reduced M&O collections as a result of the limitation, in contrast with the earlier formula-driven finance system.

House Bill 3646 as enacted in 2009 created more "formula" school districts that were less dependent on ASATR state aid than had been the case previously. The formula reductions enacted under Senate Bill 1 (SB 1) as approved in the First Called Session in 2011 are designed to make \$4 billion in reductions to the existing school funding formulas for the 2011-12 and 2012-13 school years. For the 2011-12 school year, across-the-board reductions were made that reduced each district's WADA count and resulted in an estimated 797 school districts still receiving ASATR to maintain their target revenue funding levels, while an estimated 227 districts operating directly on the state formulas.

For the 2012-13 school year, the SB 1 changes called for smaller across-the-board reductions and funding ASATR-receiving target revenue districts at 92.35 percent of the level provided for under the existing funding formula. For the 2013-14 school year and beyond, the ASATR reduction percentage will be set in the Appropriations Bill. The recent legislative session also saw the adoption of a statement of legislative intent to no longer fund target revenue (through ASATR) by the 2017-18 school year. It is likely that ASATR state funding will be reduced in future years and eliminated by the 2017-18 school year, based on current state policy.

One key element in any analysis of the school finance implications is the provision for revenue protection in the agreement between the school district and the applicant. In the case of the Goldthwaite Wind Energy project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. This meets the statutory requirement under Section

313.027(f)(1) of the Tax Code to provide school district revenue protection language in the agreement.

Underlying Assumptions

There are several approaches that can be used to analyze the future revenue stream of a school district under a value limitation. Whatever method is used, a reasonable analysis requires the use of a multi-year forecasting model that covers the years in which the agreement is in effect. The Chapter 313 application now requires 15 years of data and analysis on the project being considered for a property value limitation.

The general approach used here is to maintain static enrollment and property values in order to isolate the effects of the value limitation under the school finance system. The current SB 1 reductions are reflected in the underlying models. With regard to ASATR funding the 92.35 percent reduction enacted for the 2012-13 school year and thereafter, until the 2017-18 school year. A statement of legislative intent was adopted in 2011 to no longer fund target revenue by the 2017-18 school year, so that change is reflected in the estimates presented below. The projected taxable values of the Goldthwaite Wind Energy project are factored into the base model used here. The impact of the limitation value for the proposed Goldthwaite Wind Energy project is isolated separately and the focus of this analysis.

Student enrollment counts are held constant at 569 students in average daily attendance (ADA) in analyzing the effects of the Goldthwaite Wind Energy project on the finances of GISD. The District's local tax base reached \$153.8 million for the 2011 tax year and is maintained for the forecast period in order to isolate the effects of the property value limitation. An M&O tax rate of \$1.04 is used throughout this analysis. GISD has estimated state property wealth per weighted ADA or WADA of approximately \$172,761 for the 2011-12 school year. The enrollment and property value assumptions for the 15 years that are the subject of this analysis are summarized in Table 1.

School Finance Impact

School finance models were prepared for GISD under the assumptions outlined above through the 2027-28 school year. Beyond the 2012-13 school year, no attempt was made to forecast the 88th percentile or Austin yield that influence future state funding beyond the projected level for that school year. In the analyses for other districts and applicants on earlier projects, these changes appeared to have little impact on the revenue associated with the implementation of the property value limitation, since the baseline and other models incorporate the same underlying assumptions.

Under the proposed agreement, a model is established to make a calculation of the "Baseline Revenue" by adding the value of the proposed Goldthwaite Wind Energy facility to the model, but without assuming that a value limitation is approved. The results of the model are shown in Table 2.

A second model is developed which adds the Goldthwaite Wind Energy value but imposes the proposed property value limitation effective in the third year, which in this case is the 2015-16 school year. The results of this model are identified as "Value Limitation Revenue Model" under the revenue protection provisions of the proposed agreement (see Table 3).

A summary of the differences between these models is shown in Table 4. The model results show approximately \$4.5 million in annual net General Fund revenue for most years, after recapture (if applicable) and other adjustments have been made, as needed.

Under these assumptions, GISD would experience a revenue loss as a result of the implementation of the value limitation in the 2015-16 school year (-\$343,031). The revenue reduction results from the lack of a sufficient state aid offset in the first year the limitation takes effect, although ASATR funds of \$1.6 million offset the bulk of the estimated \$1.9 million in tax savings in the initial limitation year.

As noted previously, no attempt was made to forecast further reductions in ASATR funding beyond the 92.35 percent adjustment adopted for the 2012-13 school year. It is assumed that ASATR will be eliminated beginning in the 2017-18 school year, based on the 2011 statement of legislative intent.

One risk factor under the estimates presented here relates to the implementation of the value limitation in the 2015-16 school year. The formula loss of \$343,031 cited above between the base and the limitation models is based on an assumption of \$1.9 million in M&O tax savings for Goldthwaite Wind Energy when the \$10 million limitation is implemented. Under the estimates presented here and as highlighted in Table 4, an increase in ASATR funding of \$1.6 million provides the major state funding offset for the decline in local M&O tax collections in the initial year of the limitation.

In general, the ASATR offset poses little financial risk to the District as a result of the adoption of the value limitation agreement, given that the tax savings in the first year could cover the loss of these funds in holding GISD harmless. But a significant reduction of ASATR funding prior to the assumed 2017-18 school year elimination of these funds could reduce the residual tax savings in the first year that the \$10 million value limitation takes effect.

The Comptroller's state property value study influences these calculations, as noted previously. At the school-district level, a taxpayer benefiting from a property value limitation has two property values assigned by the local appraisal district for their property covered by the limitation: (1) a reduced value for M&O taxes, and (2) the full taxable value for I&S taxes. This situation exists for the eight years that the value limitation is in effect. The Comptroller's Property Tax Assistance Division recently announced that beginning with the 2011 state property value study, two value determinations will be made for school districts granting Chapter 313 agreements, consistent with local practice. A consolidated single state property value had been provided previously.

Impact on the Taxpayer

Table 5 summarizes the impact of the proposed property value limitation in terms of the potential tax savings under the property value limitation agreement. The focus of this table is on the M&O tax rate only. As noted previously, the property is fully taxable in the first two years under the agreement. A \$1.04 per \$100 of taxable value M&O rate is assumed in 2012-13 and thereafter.

Under the assumptions used here, the potential tax savings from the value limitation total \$12.5 million over the life of the agreement. In addition, Goldthwaite Wind Energy would be eligible for a tax credit for M&O taxes paid on value in excess of the value limitation in each of the first two qualifying years. The credit amount is paid out slowly through years 4-10 due to statutory limits on the scale of these payments over these seven years, with catch-up payments permitted in

years 11-13. The tax credits are expected to total approximately \$3.4 million over the life of the agreement, with no unpaid tax credits anticipated. GISD is to be reimbursed by the Texas Education Agency for the cost of these credits.

The key GISD revenue losses are expected to total approximately -\$343,031 over the course of the agreement. In total, the potential net tax benefits (inclusive of tax credits but after hold-harmless payments are made) are estimated to total \$15.6 million. While legislative changes to ASATR funding could increase the hold-harmless amount owed in the initial year of the agreement, there would still be a substantial tax benefit to Goldthwaite Wind Energy under the value limitation agreement for the remaining years that the value limitation is in effect.

Facilities Funding Impact

The Goldthwaite Wind Energy project remains fully taxable for debt services taxes, with GISD currently levying a \$0.0751 I&S tax rate. The value of the Goldthwaite Wind Energy project is expected to depreciate over the life of the agreement and beyond, but full access to the additional value is expected to increase the District's projected wealth per ADA to \$622,346 in the peak year of I&S taxable project value. At its peak taxable value, the project should permit GISD to reduce its I&S tax rate by an estimated \$0.03 per \$100 (or three cents).

The Goldthwaite Wind Energy project is not expected to affect GISD in terms of enrollment. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Conclusion

The proposed Goldthwaite Wind Energy wind energy project enhances the tax base of GISD. It reflects continued capital investment in keeping with the goals of Chapter 313 of the Tax Code.

Under the assumptions outlined above, the potential tax savings for the applicant under a Chapter 313 agreement could reach an estimated \$15.6 million. (This amount is net of any anticipated revenue losses for the District.) The additional taxable value also enhances the tax base of GISD in meeting its future debt service obligations.

Table 1 – Base District Information with Goldthwaite Wind Energy, LLC Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
Pre-Year 1	2012-13	569.20	874.61	\$1.0400	\$0.0751	\$153,819,680	\$153,819,680	\$144,276,047	\$144,276,047	\$164,960	\$164,960
1	2013-14	569.20	875.25	\$1.0400	\$0.0451	\$294,531,680	\$294,531,680	\$144,276,047	\$144,276,047	\$164,840	\$164,840
2	2014-15	569.20	875.89	\$1.0400	\$0.0451	\$363,785,680	\$363,785,680	\$284,988,047	\$284,988,047	\$325,370	\$325,370
3	2015-16	569.20	876.53	\$1.0400	\$0.0451	\$351,187,680	\$163,819,680	\$354,242,047	\$354,242,047	\$404,142	\$404,142
4	2016-17	569.20	877.17	\$1.0400	\$0.0451	\$339,345,680	\$163,819,680	\$341,644,047	\$154,276,047	\$389,485	\$175,880
5	2017-18	569.20	890.80	\$1.0400	\$0.0451	\$328,213,680	\$163,819,680	\$329,802,047	\$154,276,047	\$370,231	\$173,188
6	2018-19	569.20	891.42	\$1.0400	\$0.0451	\$317,749,680	\$163,819,680	\$318,670,047	\$154,276,047	\$357,486	\$173,068
7	2019-20	569.20	892.04	\$1.0400	\$0.0451	\$307,913,680	\$163,819,680	\$308,206,047	\$154,276,047	\$345,509	\$172,948
8	2020-21	569.20	892.65	\$1.0400	\$0.0451	\$298,667,680	\$163,819,680	\$298,370,047	\$154,276,047	\$334,251	\$172,829
9	2021-22	569.20	893.27	\$1.0400	\$0.0451	\$289,976,680	\$163,819,680	\$289,124,047	\$154,276,047	\$323,669	\$172,709
10	2022-23	569.20	893.89	\$1.0400	\$0.0451	\$281,807,680	\$163,819,680	\$280,433,047	\$154,276,047	\$313,723	\$172,590
11	2023-24	569.20	894.67	\$1.0400	\$0.0451	\$274,128,680	\$274,128,680	\$272,264,047	\$154,276,047	\$304,318	\$172,439
12	2024-25	569.20	895.29	\$1.0400	\$0.0451	\$266,909,680	\$266,909,680	\$264,585,047	\$264,585,047	\$295,531	\$295,531
13	2025-26	569.20	895.90	\$1.0400	\$0.0451	\$260,124,680	\$260,124,680	\$257,366,047	\$257,366,047	\$287,270	\$287,270
14	2026-27	569.20	896.52	\$1.0400	\$0.0451	\$253,746,680	\$253,746,680	\$250,581,047	\$250,581,047	\$279,503	\$279,503
15	2027-28	569.20	897.14	\$1.0400	\$0.0451	\$247,750,680	\$247,750,680	\$244,203,047	\$244,203,047	\$272,202	\$272,202

*Tier II Yield: \$47.65; AISD Yield: \$59.97; Equalized Wealth: \$476,500 per WADA

Table 2-- "Baseline Revenue Model"--Project Value Added with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2012-13	\$1,255,813	\$2,510,036	\$0	\$0	\$0	\$247,272	\$378,948	\$0	\$4,392,068
1	2013-14	\$2,456,497	\$2,512,719	\$0	\$0	\$0	\$483,688	\$742,155	\$0	\$6,195,059
2	2014-15	\$3,046,217	\$1,292,741	\$0	\$0	\$0	\$599,805	\$177,351	-\$7,026	\$5,109,088
3	2015-16	\$2,965,600	\$693,672	\$83,367	\$0	\$0	\$583,932	\$99,090	-\$79,408	\$4,346,252
4	2016-17	\$2,864,761	\$805,822	\$74,775	\$0	\$0	\$564,076	\$106,767	-\$65,812	\$4,350,390
5	2017-18	\$2,769,969	\$965,954	\$0	\$0	\$0	\$545,412	\$118,551	-\$48,526	\$4,351,360
6	2018-19	\$2,680,865	\$1,065,270	\$0	\$0	\$0	\$527,867	\$125,427	-\$36,420	\$4,363,008
7	2019-20	\$2,597,108	\$1,158,781	\$0	\$0	\$0	\$511,375	\$131,937	-\$24,995	\$4,374,206
8	2020-21	\$2,518,375	\$1,246,838	\$0	\$0	\$0	\$495,872	\$138,104	-\$14,209	\$4,384,980
9	2021-22	\$2,444,369	\$1,329,769	\$0	\$0	\$0	\$481,300	\$143,946	-\$4,026	\$4,395,358
10	2022-23	\$2,374,807	\$1,407,875	\$0	\$0	\$0	\$467,604	\$155,072	\$0	\$4,405,358
11	2023-24	\$2,309,418	\$1,482,140	\$0	\$0	\$0	\$454,728	\$169,517	\$0	\$4,415,803
12	2024-25	\$2,247,946	\$1,551,457	\$0	\$0	\$0	\$442,624	\$183,071	\$0	\$4,425,098
13	2025-26	\$2,190,169	\$1,616,778	\$0	\$0	\$0	\$431,248	\$195,898	\$0	\$4,434,093
14	2026-27	\$2,135,859	\$1,678,328	\$0	\$0	\$0	\$420,554	\$208,034	\$0	\$4,442,775
15	2027-28	\$2,084,801	\$1,736,341	\$0	\$0	\$0	\$410,501	\$219,519	\$0	\$4,451,162

Table 3-- "Value Limitation Revenue Model"--Project Value Added with Value Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2012-13	\$1,255,813	\$2,505,993	\$0	\$0	\$0	\$247,272	\$378,304	\$0	\$4,387,382
1	2013-14	\$2,456,497	\$2,505,993	\$0	\$0	\$0	\$483,688	\$740,001	\$0	\$6,186,179
2	2014-15	\$3,046,217	\$1,283,332	\$0	\$0	\$0	\$599,805	\$176,387	-\$7,977	\$5,097,765
3	2015-16	\$1,343,443	\$681,577	\$1,705,638	\$0	\$0	\$264,526	\$44,446	-\$36,409	\$4,003,222
4	2016-17	\$1,343,443	\$2,419,102	\$0	\$0	\$0	\$264,526	\$361,323	\$0	\$4,388,394
5	2017-18	\$1,343,443	\$2,474,219	\$0	\$0	\$0	\$264,526	\$370,727	\$0	\$4,452,915
6	2018-19	\$1,343,443	\$2,474,219	\$0	\$0	\$0	\$264,526	\$370,727	\$0	\$4,452,915
7	2019-20	\$1,343,443	\$2,474,219	\$0	\$0	\$0	\$264,526	\$370,727	\$0	\$4,452,915
8	2020-21	\$1,343,443	\$2,474,219	\$0	\$0	\$0	\$264,526	\$370,727	\$0	\$4,452,915
9	2021-22	\$1,343,443	\$2,474,219	\$0	\$0	\$0	\$264,526	\$370,727	\$0	\$4,452,915
10	2022-23	\$1,343,443	\$2,474,219	\$0	\$0	\$0	\$264,526	\$370,727	\$0	\$4,452,915
11	2023-24	\$2,282,759	\$2,474,219	\$0	\$0	\$0	\$449,479	\$629,934	\$0	\$5,836,392
12	2024-25	\$2,221,287	\$1,515,733	\$0	\$0	\$0	\$437,375	\$175,068	\$0	\$4,349,463
13	2025-26	\$2,163,511	\$1,578,459	\$0	\$0	\$0	\$425,999	\$187,246	\$0	\$4,355,215
14	2026-27	\$2,109,200	\$1,637,415	\$0	\$0	\$0	\$415,305	\$198,734	\$0	\$4,360,654
15	2027-28	\$2,058,142	\$1,692,834	\$0	\$0	\$0	\$405,252	\$209,572	\$0	\$4,365,800

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2012-13	\$0	-\$4,042	\$0	\$0	\$0	\$0	-\$644	\$0	-\$4,686
1	2013-14	\$0	-\$6,726	\$0	\$0	\$0	\$0	-\$2,154	\$0	-\$8,880
2	2014-15	\$0	-\$9,409	\$0	\$0	\$0	\$0	-\$964	-\$951	-\$11,323
3	2015-16	-\$1,622,157	-\$12,094	\$1,622,271	\$0	\$0	-\$319,406	-\$54,644	\$42,999	-\$343,031
4	2016-17	-\$1,521,319	\$1,613,280	-\$74,775	\$0	\$0	-\$299,550	\$254,556	\$65,812	\$38,004
5	2017-18	-\$1,426,526	\$1,508,265	\$0	\$0	\$0	-\$280,885	\$252,176	\$48,526	\$101,555
6	2018-19	-\$1,337,422	\$1,408,949	\$0	\$0	\$0	-\$263,341	\$245,300	\$36,420	\$89,907
7	2019-20	-\$1,253,665	\$1,315,438	\$0	\$0	\$0	-\$246,849	\$238,790	\$24,995	\$78,709
8	2020-21	-\$1,174,933	\$1,227,381	\$0	\$0	\$0	-\$231,346	\$232,624	\$14,209	\$67,935
9	2021-22	-\$1,100,926	\$1,144,450	\$0	\$0	\$0	-\$216,774	\$226,781	\$4,026	\$57,557
10	2022-23	-\$1,031,364	\$1,066,344	\$0	\$0	\$0	-\$203,077	\$215,655	\$0	\$47,557
11	2023-24	-\$26,659	\$992,079	\$0	\$0	\$0	-\$5,249	\$460,418	\$0	\$1,420,589
12	2024-25	-\$26,659	-\$35,724	\$0	\$0	\$0	-\$5,249	-\$8,003	\$0	-\$75,636
13	2025-26	-\$26,659	-\$38,319	\$0	\$0	\$0	-\$5,249	-\$8,652	\$0	-\$78,879
14	2026-27	-\$26,659	-\$40,913	\$0	\$0	\$0	-\$5,249	-\$9,300	\$0	-\$82,121
15	2027-28	-\$26,659	-\$43,507	\$0	\$0	\$0	-\$5,249	-\$9,947	\$0	-\$85,362

Table 5 - Estimated Financial impact of the Goldthwaite Wind Energy, LLC Project Property Value Limitation Request Submitted to GISD at \$1.04 M&O Tax Rate

School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	Tax Credits for First Two Years Above Limit	Tax Benefit to Company Before Revenue Protection	School District Revenue Losses	Estimated Net Tax Benefits
2012-13	\$0	\$0	\$0	\$1.040	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2013-14	\$140,712,000	\$140,712,000	\$0	\$1.040	\$1,463,405	\$1,463,405	\$0	\$0	\$0	\$0	\$0
2014-15	\$209,966,000	\$209,966,000	\$0	\$1.040	\$2,183,646	\$2,183,646	\$0	\$0	\$0	\$0	\$0
2015-16	\$197,368,000	\$10,000,000	\$187,368,000	\$1.040	\$2,052,627	\$104,000	\$1,948,627	\$0	\$1,948,627	-\$343,031	\$1,605,597
2016-17	\$185,526,000	\$10,000,000	\$175,526,000	\$1.040	\$1,929,470	\$104,000	\$1,825,470	\$93,836	\$1,919,307	\$0	\$1,919,307
2017-18	\$174,394,000	\$10,000,000	\$164,394,000	\$1.040	\$1,813,698	\$104,000	\$1,709,698	\$91,326	\$1,801,023	\$0	\$1,801,023
2018-19	\$163,930,000	\$10,000,000	\$153,930,000	\$1.040	\$1,704,872	\$104,000	\$1,600,872	\$88,966	\$1,689,838	\$0	\$1,689,838
2019-20	\$154,094,000	\$10,000,000	\$144,094,000	\$1.040	\$1,602,578	\$104,000	\$1,498,578	\$86,748	\$1,585,326	\$0	\$1,585,326
2020-21	\$144,848,000	\$10,000,000	\$134,848,000	\$1.040	\$1,506,419	\$104,000	\$1,402,419	\$84,663	\$1,487,082	\$0	\$1,487,082
2021-22	\$136,157,000	\$10,000,000	\$126,157,000	\$1.040	\$1,416,033	\$104,000	\$1,312,033	\$82,703	\$1,394,736	\$0	\$1,394,736
2022-23	\$127,988,000	\$10,000,000	\$117,988,000	\$1.040	\$1,331,075	\$104,000	\$1,227,075	\$80,861	\$1,307,936	\$0	\$1,307,936
2023-24	\$120,309,000	\$120,309,000	\$0	\$1.040	\$1,251,214	\$1,251,214	\$0	\$1,305,473	\$1,305,473	\$0	\$1,305,473
2024-25	\$113,090,000	\$113,090,000	\$0	\$1.040	\$1,176,136	\$1,176,136	\$0	\$1,227,140	\$1,227,140	\$0	\$1,227,140
2025-26	\$106,305,000	\$106,305,000	\$0	\$1.040	\$1,105,572	\$1,105,572	\$0	\$297,334	\$297,334	\$0	\$297,334
2026-27	\$99,927,000	\$99,927,000	\$0	\$1.040	\$1,039,241	\$1,039,241	\$0	\$0	\$0	\$0	\$0
2027-28	\$93,931,000	\$93,931,000	\$0	\$1.040	\$976,882	\$976,882	\$0	\$0	\$0	\$0	\$0
Totals					\$22,552,868	\$10,028,096	\$12,524,772	\$3,439,051	\$15,963,823	-\$343,031	\$15,620,793
Tax Credit for Value Over Limit in First 2 Years							Year 1	Year 2	Max Credits		
							\$1,359,405	\$2,079,646	\$3,439,051		
							Credits Earned		\$3,439,051		
							Credits Paid		<u>\$3,439,051</u>		
							Excess Credits Unpaid		\$0		

***Note:** School District Revenue-Loss estimates are subject to change based on numerous factors, including legislative and Texas Education Agency administrative changes to school finance formulas, year-to-year appraisals of project values, and changes in school district tax rates. One of the most substantial changes to the school finance formulas related to Chapter 313 revenue-loss projections could be the treatment of Additional State Aid for Tax Reduction (ASATR). Legislative intent is to end ASATR in 2017-18 school year. Additional information on the assumptions used in preparing these estimates is provided in the narrative of this Report.

Attachment F

Taxable Value of Property

DATE: 01/23/2012
 TIME: 11:09:29

COMPTROLLER OF PUBLIC ACCOUNTS - PROPERTY TAX ASSISTANCE DIVISION
 2011 ISD SUMMARY WORKSHEET
 167/Mills
 167-901/Goldthwaite ISD

PAGE: 001
 REPT: PTS265
 VRSN: W

CATEGORY	LOCAL TAX ROLL VALUE	2011 WTD MEAN RATIO	2011 PTD VALUE ESTIMATE	2011 VALUE ASSIGNED
A. SINGLE-FAMILY RESIDENCES	58,236,000	.9167	63,527,872	58,236,000
B. MULTIFAMILY RESIDENCES	534,790	N/A	534,790	534,790
C. VACANT LOTS	789,170	N/A	789,170	789,170
D. RURAL REAL (TAXABLE)	73,995,580	1.0140	72,975,166	73,995,580
F1. COMMERCIAL REAL	14,823,530	.9158	16,186,427	14,823,530
F2. INDUSTRIAL REAL	1,398,820	N/A	1,398,820	1,398,820
G. OIL,GAS,MINERALS	0	N/A	0	0
J. UTILITIES	17,140,600	.5598	30,619,150	17,140,600
L1. COMMERCIAL PERSONAL	6,251,460	N/A	6,251,460	6,251,460
L2. INDUSTRIAL PERSONAL	268,670	N/A	268,670	268,670
M. MOBILE HOMES	780,810	N/A	780,810	780,810
N. INTANGIBLE PERS/UNCERT	0	N/A	0	0
O. RESIDENTIAL INVENTORY	54,000	N/A	54,000	54,000
S. SPECIAL INVENTORY	2,035,360	N/A	2,035,360	2,035,360
SUBTOTAL	176,308,790		195,421,695	176,308,790
LESS TOTAL DEDUCTIONS	25,980,009		28,594,924	25,980,009
TOTAL TAXABLE VALUE	150,328,781		166,826,771	150,328,781 T2

CATEGORY D DETAIL	LOCAL TAX ROLL	RATIO	PTD VALUE
MARKET VALUE NON-QUALIFIED ACRES & FARM/RANCH IMP	59,368,260	1.0468	56,714,043
PROD VALUE QUALIFIED ACRES	14,627,320	.8995	16,261,123
TAXABLE VALUE	73,995,580		72,975,166

THE TAXABLE VALUES SHOWN HERE WILL NOT MATCH THE VALUES REPORTED BY YOUR APPRAISAL DISTRICT
 SEE THE ISD DEDUCTION REPORT FOR A BREAKDOWN OF DEDUCTION VALUES

DATE: 01/23/2012
 TIME: 11:09:29

COMPTROLLER OF PUBLIC ACCOUNTS - PROPERTY TAX ASSISTANCE DIVISION
 2011 FINAL VALUES WORKSHEET
 167/Mills
 167-901/Goldthwaite ISD

PAGE: 002
 REPT: PTS265
 VRSN: W

GOVERNMENT CODE SUBSECTIONS 403.302 (J) AND (K) REQUIRE THE COMPTROLLER TO CERTIFY ALTERNATIVE MEASURES OF SCHOOL DISTRICT WEALTH. THESE MEASURES ARE REPORTED FOR TAXABLE VALUES FOR MAINTENANCE AND OPERATIONS (M&O) TAX PURPOSES AND FOR INTEREST AND SINKING FUND (I&S) TAX PURPOSES. FOR DISTRICTS THAT HAVE NOT ENTERED INTO VALUE LIMITATION AGREEMENTS, T1 THROUGH T6 WILL BE THE SAME AS T7 THROUGH T12.

VALUE TAXABLE FOR M&O PURPOSES

T1	T2	T3	T4	T5	T6
158,722,471	150,328,781	158,722,471	150,328,781	151,418,360	151,418,360

LOSS TO
 THE ADDITIONAL
 \$10,000 HOMESTEAD
 EXEMPTION

8,393,690

50% OF THE LOSS
 TO THE LOCAL OPTIONAL
 PERCENTAGE HOMESTEAD
 EXEMPTION

0

T1 = SCHOOL DISTRICT TAXABLE VALUE FOR M&O PURPOSES BEFORE THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION
 T2 = SCHOOL DISTRICT TAXABLE VALUE FOR M&O PURPOSES AFTER THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION
 AND THE TAX CEILING REDUCTION
 T3 = T1 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T4 = T2 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T5 = T3 BEFORE THE LOSS TO THE TAX CEILING REDUCTION
 T6 = T5 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION

VALUE TAXABLE FOR I&S PURPOSES

T7	T8	T9	T10	T11	T12
158,722,471	150,328,781	158,722,471	150,328,781	151,418,360	151,418,360

T7 = SCHOOL DISTRICT TAXABLE VALUE FOR I&S PURPOSES BEFORE THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION
 T8 = SCHOOL DISTRICT TAXABLE VALUE FOR I&S PURPOSES AFTER THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION
 AND THE TAX CEILING REDUCTION
 T9 = T7 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T10 = T8 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T11 = T9 BEFORE THE LOSS TO THE TAX CEILING REDUCTION
 T12 = T11 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

**** END OF REPORT ****

Attachment G

Participation Agreement

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

by and between

GOLDTHWAITE INDEPENDENT SCHOOL DISTRICT

and

GOLDTHWAITE WIND ENERGY LLC
(Texas Taxpayer ID # 32037772772)

Dated

June 18, 2012

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

STATE OF TEXAS §

COUNTY OF MILLS §

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 **GOLDTHWAITE 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 **GOLDTHWAITE WIND ENERGY LLC**, (*Texas Taxpayer ID # 32037772772*), 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." Certain capitalized and other terms used in this Agreement shall have the meanings ascribed to them in Section 1.3.

RECITALS

WHEREAS, on December 15, 2011, the Superintendent of Schools (hereinafter referred to as "Superintendent") of the Goldthwaite Independent School District, acting as agent of the Board of Trustees of the District (the "Board of Trustees"), received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code; and,

WHEREAS, on January 9, 2012, the Board of Trustees authorized the Superintendent to accept, on behalf of the District, the Application from Goldthwaite Wind Energy LLC, and on January 9, 2012, the Superintendent acknowledged receipt of the Application and the requisite application fee as established pursuant to Texas Tax Code §313.025(a)(1) and Local District Policy CCG (Local); and,

WHEREAS, on February 24, 2012 and March 5, 2012, the Superintendent, acting as agent of the Board of Trustees, received supplemental Application materials from the Applicant concerning the previously submitted Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code; and,

WHEREAS, the Application, together with the supplemental materials, were delivered to the office of the Comptroller for review pursuant to Texas Tax Code §313.025(d); and,

WHEREAS, the Comptroller, via letter, has established March 7, 2012 as the completed Application date; and,

WHEREAS, pursuant to 34 Texas Administrative Code §9.1054, the Application was delivered for review to the Mills County Appraisal District established in Mills County, Texas (the "Appraisal District"), pursuant to Texas Tax Code §6.01; and,

WHEREAS, the Comptroller reviewed the Application pursuant to Texas Tax Code §313.025(d), and on April 3, 2012 the Comptroller, via letter, recommended that the Application be approved; and,

WHEREAS, the Comptroller conducted an economic impact evaluation pursuant to Chapter 313 of the Texas Tax Code which was presented to the Board of Trustees at a public hearing held in connection with the Board of Trustees' consideration of the Application; and,

WHEREAS, the Board of Trustees has carefully reviewed the economic impact evaluation prepared pursuant to Texas Tax Code §313.026 and has carefully considered the Comptroller's positive recommendation for the project; and,

WHEREAS, on June 6, 2012, the District received written notification, pursuant to 34 Texas Administrative Code §9.1055(e)(2)(A), that the Comptroller reviewed this Agreement, and reaffirmed the recommendation previously made on April 3, 2012 that the Application be approved; and,

WHEREAS, on June 18, 2012, 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; and,

WHEREAS, on June 18, 2012, the Board of Trustees made factual findings pursuant to Texas Tax Code §313.025(f), including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) this Agreement is in the best interest of the District and the State of Texas; (iii) the Applicant is eligible for the limitation on appraised value of the Applicant's Qualified Property; and, (iv) each criterion referenced in Texas Tax Code §313.025(e) has been met; and,

WHEREAS, pursuant to Texas Tax Code to §313.051(b), in Schedule C of the Application, the Applicant has committed to create and maintain ten (10) New Jobs when the wind farm becomes fully operational, eighty percent (80%) of which will be Qualifying Jobs, until the Final Termination Date; and,

WHEREAS, on June 18, 2012, the Board of Trustees determined that the Tax Limitation Amount requested by the Applicant, and as defined in Sections 1.2 and 1.3, below, is consistent with the minimum values set out by Tax Code, §§313.022(b) and 313.052, as such Tax Limitation Amount was computed for the effective date of this Agreement; and,

WHEREAS, on June 18, 2012, 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 President and Secretary of the Board of Trustees to execute and deliver such Agreement to the Applicant;

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

ARTICLE I

AUTHORITY, TERM, DEFINITIONS, AND GENERAL PROVISIONS

Section 1.1. 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 Texas Tax Code §313.027.

Section 1.2. TERM OF THE AGREEMENT

This Agreement shall commence and first become effective on the Commencement Date, as defined in Section 1.3, below. In the event that the Applicant makes a Qualified Investment in the amount defined in Section 2.6 below, between the Commencement Date and the end of the Qualifying Time Period, Applicant will be entitled to the Tax Limitation Amount defined in Section 1.3 below, for the following Tax Years: 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022. The limitation on the local ad valorem property values for Maintenance and Operations purposes shall commence with the property valuations made as of January 1, 2015, the appraisal date for the third full Tax Year following the Commencement Date.

The period beginning with the Commencement Date of June 18, 2012 and ending on December 31, 2014 will be referred to herein as the “Qualifying Time Period,” as that term is defined in Texas Tax Code §313.021(4). Applicant shall not be entitled to a tax limitation during the Qualifying Time Period.

Unless sooner terminated as provided herein, the limitation on the local ad valorem property values shall terminate on December 31, 2022. Except as otherwise provided herein, this Agreement will terminate in full on the Final Termination Date. The termination of this Agreement shall not (i) release any obligations, liabilities, rights and remedies arising out of any breach of, or failure to comply with, this Agreement occurring prior to such termination, or (ii) affect the right of a Party to enforce the payment of any amount to which such Party was entitled before such termination or to which such Party became entitled as a result of an event that occurred before such termination, so long as the right to such payment survives said termination.

Except as otherwise provided herein, the Tax Years for which this Agreement is effective are as set forth below and set forth opposite each such Tax Year are the corresponding year in the term of this Agreement, the date of the Appraised Value determination for such Tax Year, and a summary description of certain provisions of this Agreement corresponding to such Tax Year (it being understood and agreed that such summary descriptions are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement):

Full Tax Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary Description of Provisions
Partial Year Commencing on date of Board approval (6/18/12)	January 1, 2012	2012-13	2012	Start of Qualifying Time Period beginning with Commencement Date (6/18/12). No limitation on value. First year for computation of Annual Limit.
1	January 1, 2013	2013-14	2013	Qualifying Time Period. No limitation on value. Possible Tax Credit in future years.
2	January 1, 2014	2014-15	2014	Qualifying Time Period. No limitation on value. Possible Tax Credit in future years.
3	January 1, 2015	2015-16	2015	\$ 10 million property value limitation.
4	January 1, 2016	2016-17	2016	\$ 10 million property value limitation. Possible Tax Credit due to Applicant.
5	January 1, 2017	2017-18	2017	\$ 10 million property value limitation. Possible Tax Credit due to Applicant.
6	January 1, 2018	2018-19	2018	\$ 10 million property value limitation. Possible Tax Credit due to Applicant.
7	January 1, 2019	2019-20	2019	\$10 million property value limitation. Possible Tax Credit due to Applicant.
8	January 1, 2020	2020-21	2020	\$ 10 million property value limitation. Possible Tax Credit due to Applicant.
9	January 1, 2021	2021-22	2021	\$10 million property value limitation. Possible Tax Credit due to Applicant.

Full Tax Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary Description of Provisions
10	January 1, 2022	2022-23	2022	\$10 million property value limitation. Possible Tax Credit due to Applicant.
11	January 1, 2023	2023-24	2023	No tax limitation. Possible Tax Credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.
12	January 1, 2024	2024-25	2024	No tax limitation. Possible Tax Credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.
13	January 1, 2025	2025-26	2025	No tax limitation. Possible Tax Credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.

Section 1.3. DEFINITIONS

Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning, to-wit:

“*Act*” means the Texas Economic Development Act set forth in Chapter 313 of the Texas Tax Code, as amended.

“*Affiliate*” of any specified person or entity means any other person or entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under direct or indirect common control with such specified person or entity. For purposes of this definition “control” when used with respect to any person or entity means (i) the ownership, directly or indirectly, or fifty percent (50%) or more of the voting securities of such person or entity, or (ii) the right to direct the management or operations of such person or entity, directly or indirectly, whether through the ownership (directly or indirectly) of securities, by contract or otherwise.

“*Affiliated Group*” means a group of one or more entities in which a controlling interest is owned by a common owner or owners, either corporate or non-corporate, or by one or more of the member entities.

“Aggregate Limit” means, for any Tax Year during the term of this Agreement, the cumulative total of the Annual Limit amount for such Tax Year and for all previous Tax Years during the course of this Agreement, less all amounts paid by the Applicant to or on behalf of the District under Article IV.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented from time to time in accordance with Section 8.3.

“Annual Limit” means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Texas Tax Code §313.027(i). For purposes of this Agreement, the amount of the Annual Limit shall be calculated, pursuant to Texas Education Code §42.005, by multiplying the District’s 2010-11 average daily attendance of 566.689, times \$100, or any larger amount allowed by Texas Tax Code §313.027(i), if such limit amount is increased for any future year of this Agreement. The Annual Limit shall first be computed for Tax Year 2012, which, by virtue of the Commencement Date is the first year of the Qualifying Time Period under this Agreement.

“Applicant” means Goldthwaite Wind Energy LLC, *Texas Taxpayer Identification Number 32037772772*, the company listed in the Preamble of this Agreement who, on December 15, 2011, filed the Original Application and on February 23, 2012 and March 5, 2012 filed supplemental Application materials with the District for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest.

“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 the District, and the Constitution and general laws of the State applicable to the independent 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 the Applicant’s ad valorem tax obligation to the District, either with or without the limitation of property values made pursuant to 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 December 15, 2011, and the supplemental Application materials filed by the Applicant on February 23, 2012 and March 5, 2012 which have been certified by the Comptroller’s office to constitute a complete final Application as of the date of March 7, 2012. 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 this Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

"Appraised Value" shall have the meaning assigned to such term in Section 1.04(8) of the Texas Tax Code.

"Appraisal District" means the Mills County Appraisal District.

"Board of Trustees" means the Board of Trustees of the Goldthwaite Independent School District.

"Commencement Date" means June 18, 2012, the date upon which this Agreement was approved by the District's Board of Trustees.

"Completed Application Date" means March 7, 2012, the date upon which the Comptroller determined to be the date of its receipt of a completed Application for Appraised Value Limitation on Qualified Property (Texas Tax Code, Chapter 313, Subchapter B or C), Comptroller Form 50-296, from the Applicant.

"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 at Title 34 of the Texas Administrative Code, Chapter 9, Subchapter D, together with any court or administrative decisions interpreting same.

"County" means Mills County, Texas.

"Determination of Breach and Notice of Contract Termination" shall have the meaning assigned to such term in Section 7.8 of the Agreement.

"District" or "School District" means the Goldthwaite Independent School District, being a duly authorized and operating independent 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 December 31, 2025. However, any payment obligations of any Party arising under this Agreement prior to the Final Termination Date will survive until paid by the Party owing same.

"Force Majeure" means a failure caused by (a) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over the Applicant, the Applicant's Qualified Property or the Applicant's Qualified Investment or any upstream, intermediate or downstream equipment or support facilities as are necessary to the operation of the Applicant's Qualified Property or the Applicant's Qualified Investment; (b) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or

otherwise; (c) the action, judgment or decree of any court; (d) floods, storms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this Agreement shall require the Applicant to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend franchises, licenses or permits, loss, interruption, curtailment or failure to obtain electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers to deliver equipment, parts or material, or inability of the Applicant to ship or failure of carriers to transport electricity from the Applicant's facilities; or (e) any other cause (except financial), whether similar or dissimilar, over which the Applicant has no reasonable control and which forbids or prevents performance.

"Land" shall have the meaning assigned to such term in Section 2.2.

"Maintain Viable Presence" means, after the development and construction of the project described in the Application and in the description of the Applicant's Qualified Investment and Qualified Property as set forth in Section 2.3 below, (i) the operation over the term of this Agreement of the facility or facilities for which the tax limitation is granted, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured, and/or reengineered; (ii) the maintenance of at least ten (10) New Jobs, from the time they are created until the Final Termination Date and (iii) the maintenance of at least eight (8) New Jobs as set forth in the Application from the time they are created until the Final Termination Date.

"M&O Amount" shall have the meaning assigned to such term in Section 3.2 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 Texas Education Code §45.002 and Article VII §3 of the Texas Constitution, plus (ii) 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 (iii) 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 (iv) 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.

"Market Value" shall have the meaning assigned to such term in Section 1.04(7) of the Texas Tax Code.

"Net Tax Benefit" means an amount equal to (but not less than zero): (i) the sum of (A) the amount of maintenance and operations ad valorem taxes which the Applicant would have

paid to the District for all Tax Years during the term of this Agreement if this Agreement had not been entered into by the Parties; plus (B) any Tax Credits received by Applicant under this Agreement; minus, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas, for all Tax Years during the term of this Agreement, plus (B) any and all payments due to the District under Article III of this Agreement.

"New Jobs" means 10 (ten) "new jobs," defined by 34 Texas Administrative Code §9.1051(14)(C), which the Applicant will create in connection with the project described in the Application and in the description of the Applicant's Qualified Investment and Qualified Property as set forth in Section 2.3 below. In accordance with the requirements of Texas Tax Code §313.024(d), eighty percent (80%), of all New Jobs shall also be Qualifying Jobs, as defined below.

"Qualified Investment" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules, as these provisions existed on the date of this Agreement, and applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"Qualifying Jobs" means the eight (8) New Jobs which meet the requirements of Texas Tax Code 313.021(3). At least eighty percent (80%) of all New Jobs must be Qualifying Jobs.

"Qualified Property" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules and the Texas Attorney General, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"Qualifying Time Period" means, after a deferral period as permitted by Texas Tax Code §313.027(h), the period that begins on the Commencement Date of June 18, 2012 and ends on December 31, 2014.

"State" means the State of Texas.

"Substantive Document" means a document or other information or data in electronic media determined by the Comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the agreement or implementation of an agreement for limitation of appraised value pursuant to Texas Tax Code, Chapter 313. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements, any economic impact evaluation made in connection with an application, any agreement between the Applicant and the school district and any subsequent amendments or assignments, any school district written finding or report filed with the comptroller as required under this subchapter, and any application requesting school Tax Credits under Texas Tax Code, §313.103.

"Tax Credit" means the Tax Credit, either to be paid by the District to the Applicant, or to be applied against any taxes that the District imposes on the Applicant's Qualified Property, as computed under the provisions of Subchapter D of the Act and rules adopted by the Comptroller and/or the Texas Education Agency, provided that the Applicant complies with the requirements imposed on the Applicant under such provisions, including the timely filing of a completed application under Texas Tax Code §313.103 and the duly adopted administrative rules relating thereto.

"Tax Limitation Amount" means the maximum amount which may be placed as the Appraised Value on Qualified Property/Qualified Investment for years three (3) through ten (10) of this Agreement pursuant to Texas Tax Code §313.054. That is, for each of the eight (8) Tax Years 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022, the Appraised Value of the Applicant's Qualified Investment for the District's maintenance and operations ad valorem tax purposes shall not exceed, and the Tax Limitation Amount shall be, the lesser of:

- (a) the Market Value of the Applicant's Qualified Investment; or
- (b) Ten Million Dollars (\$10,000,000.00).

The Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Texas Tax Code, §313.022(b) or §313.052, as applicable.

"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.

"Texas Education Agency Rules" means the applicable rules and regulations adopted by the Texas Commissioner of Education in relation to the administration of Chapter 313, Texas Tax Code, which are set forth at Title 19 – Part 2, Texas Administrative Code (including, but not limited to, §61.1019), together with any court or administrative decisions interpreting same.

ARTICLE II

PROPERTY DESCRIPTION

Section 2.1. LOCATION WITHIN A QUALIFIED REINVESTMENT OR ENTERPRISE ZONE

The Applicant's Qualified Property upon which the Applicant's Qualified Investment will be located is within an area designated as a reinvestment zone under Chapter 311 or 312 of the Texas Tax Code. The legal description of the reinvestment zone in which the Applicant's Qualified Property is located is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 2.2. LOCATION OF QUALIFIED PROPERTY

The location of the Qualified Property upon which the Applicant's Qualified Investment will be located (the "Applicant's Qualified Property") is described in the legal description which is attached to this Agreement as **EXHIBIT 2** and is incorporated herein by reference for all purposes ("Land"). The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** without the express authorization of each of the Parties.

Section 2.3. DESCRIPTION OF QUALIFIED INVESTMENT AND QUALIFIED PROPERTY

The Qualified Investment and/or Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 3**, which is attached hereto and incorporated herein by reference for all purposes (the "Applicant's Qualified Investment"). The Applicant's Qualified Investment shall be that property, described in **EXHIBIT 3** which is placed in service under the terms of the Application, during the Qualifying Time Period described in Section 1.2, above. The Applicant's Qualified Property shall be all property, described in **EXHIBIT 3**, including, but not limited to the Applicant's Qualified Investment, which (1) is owned by the Applicant; (2) is first placed in service after March 7, 2012, the Completed Application Date established by the Comptroller; and (3) is used in connection with the activities described in the Application. Property which is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Investment or the Applicant's Qualified Property for purposes of this Agreement, unless pursuant to Texas Tax Code §313.027(e) and Section 8.3 of this Agreement, the Board of Trustees, by official action, provides that such other property is a part of the Applicant's Qualified Investment for purposes of this Agreement.

Property owned by the Applicant which is not described on **EXHIBIT 3** may not be considered to be Qualified Property unless the Applicant:

- (a) submits to the District and the Comptroller a written request to add such property to this Agreement, which request shall include a specific description of the additional property to which the Applicant requests that the Tax Limitation Amount apply;
- (b) notifies the District and the Comptroller of any other changes to the information that was provided in the Application approved by the District; and,
- (c) provides any additional information reasonably requested by the District or the Comptroller that is necessary to re-evaluate the economic impact analysis for the new or changed conditions.

Notwithstanding the foregoing, any replacement property shall not be subject to the foregoing restrictions and shall be considered Qualified Property hereunder.

Section 2.4. APPLICANT'S OBLIGATIONS TO PROVIDE CURRENT INVENTORY OF QUALIFIED PROPERTY

At the end of the Qualifying Time Period; at any other time when there is a material change in the Applicant's Qualified Property located on the Land described in EXHIBIT 2; or upon a reasonable request by the District, the Comptroller, or the Appraisal District, the Applicant shall provide to the District, the Comptroller, and the Appraisal District a reasonably specific and detailed description of the material tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Applicant's Qualified Property to which the Tax Limitation Amount applies, including maps or surveys of sufficient detail and description to locate all such described property within the boundaries of the real property which is subject to this Agreement.

Section 2.5. QUALIFYING USE

The Parties agree that the Applicant's Qualified Investment described above in Section 2.3 qualifies for a Tax Limitation Agreement under Texas Tax Code §313.024(b)(5) as a renewable energy electric generation facility.

Section 2.6. LIMITATION ON APPRAISED VALUE

So long as the Applicant makes a Qualified Investment in the amount of Ten Million Dollars (\$10,000,000.00), or greater, during the Qualifying Time Period; and unless this Agreement has been terminated as provided herein before such Tax Year, for each of the eight (8) Tax Years 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022, the Appraised Value of the Applicant's Qualified Investment 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 Investment; or
- (b) Ten Million Dollars (\$10,000,000.00).

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Texas Tax Code, §313.022(b) or §313.052.

ARTICLE III

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 3.1. INTENT OF THE PARTIES

Subject to the limitations contained in this Agreement (including Section 5.1), 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 solely as a result of, or on account of, entering into this Agreement, after taking into account any payments to be made under this Agreement. Such

payments shall be independent of, and in addition to such other payments as set forth in Article IV. Subject to the limitations contained in this Agreement (including Section 5.1), it is the intent of the Parties that the risk of any negative financial consequence to the District in making the decision to enter into this Agreement will be borne by the Applicant and not by the District.

Section 3.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT

Subject to the provisions of Sections 5.1 and 5.2, 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 "M&O Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

The M&O 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 Applicant's Qualified Investment been subject to the ad valorem maintenance and operations tax.
- 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.

In making the calculations required by this Section 3.2:

- 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 3.2 results in a negative number, the negative number will be considered to be zero.

- iv. All calculations made for years three (3) through ten (10) of this Agreement under Section 3.2, Subsection ii, of this Agreement relating to the definition of “New M&O Revenue” will reflect the Tax Limitation Amount for such year.
- v. All calculations made under this Section 3.2 shall be made by a methodology which isolates only the 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.

Section 3.3. COMPENSATION FOR LOSS OF OTHER REVENUES

In addition to the amounts determined pursuant to Section 3.2 above, and to the extent provided in Section 6.3, 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 in paying or otherwise crediting to the account of the Applicant, any applicable Tax Credit to which the Applicant may be entitled pursuant to Chapter 313, Subchapter D of the Texas Tax Code, and for which the District does not receive reimbursement from the State pursuant to Texas Education Code §42.2515, or other similar or successor statute.
- (b) all non-reimbursed costs, certified by the District’s external auditor to have been incurred by the District for extraordinary education-related expenses related to the Applicant’s Qualified Investment 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 attributable to the Applicant’s Qualified Investment.
- (c) any other loss of the District’s revenues which directly result from, or are reasonably attributable to any payment made by the Applicant to or on behalf of any third party beneficiary of this Agreement.

Section 3.4. CALCULATIONS TO BE MADE BY THIRD PARTY

All calculations under this Agreement shall be made annually by an independent third party (the “Third Party”) jointly approved each year by the District and the Applicant. If the Parties cannot agree on the Third Party, then the Third Party shall be selected by the mediator provided in Section 7.9 of this Agreement.

Section 3.5. 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 roll 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 Third Party selected under Section 3.4. 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 Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 3.6. DELIVERY OF CALCULATIONS

On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 3.4 of this Agreement shall forward to the Parties a certification containing the calculations required under Sections 3.2 and/or 3.3, Article IV, and/or Section 5.1 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed, which fee shall be the sole responsibility of the District, subject to the limit of Section 3.7. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party 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 Third Party 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 the Third Party's costs resulting from an 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 3.7, if such fee is timely paid.

Section 3.7. 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 Third Party plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants 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. For no Tax Year during the term of this Agreement shall the Applicant be responsible for the payment of an aggregate amount of fees and expenses under this Section 3.7 and Section 3.6 which exceeds Ten Thousand Dollars (\$10,000.00).

Section 3.8. RESOLUTION OF DISPUTES

Pursuant to Section 3.4 and Section 3.6, should the Applicant disagree with the certification containing the calculations, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days following the later of (i) receipt of the certification, or (ii) the date the Applicant is granted access to the books, records and other information in accordance with Section 3.6 for purposes of auditing or reviewing the information in connection with the certification. Within fifteen (15) days of receipt of the Applicant's appeal, the Third Party 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. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the District's Board of Trustees within thirty (30) days of the final determination of certification containing the calculations, without limitation of Applicant's other rights and remedies available hereunder, at law or in equity.

Section 3.9. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT

If at the time the Third Party selected under Section 3.4 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/or the Applicant's Qualified Property and such appeal remains unresolved, the Third Party shall base its calculations upon the values placed upon the Applicant's Qualified Property and/or the Applicant's Qualified Property by the Appraisal District.

If as a result of an 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 Third Party 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 Third Party.

Section 3.10. EFFECT OF STATUTORY CHANGES

Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 5.1, 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 reasonably determines that it 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 5.1, that are necessary to offset any actual negative impact on the District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District. Such payment shall be made no later than thirty (30) days following notice from the District of such determination.

ARTICLE IV

SUPPLEMENTAL PAYMENTS

Section 4.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS

(a) Amounts Exclusive of Indemnity Amounts

In addition to undertaking the responsibility for the payment of all of the amounts set forth under Article III, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for the supplemental payments set forth in this Article IV, (the "Supplemental Payments"). The Applicant shall not be responsible 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, Texas Tax Code, unless it is explicitly set forth in this Agreement. It is the express intent of the Parties that the Applicant's obligation to make Supplemental Payments under this Article IV is separate and independent of the obligation of the Applicant to pay the amounts described in Article III; provided, however, that all payments under Articles III and IV are subject to the limitations contained in Section 5.1, and that all payments under this Article IV are subject to the separate limitations contained in Section 4.4.

(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 the District by the Applicant under this Article IV shall not exceed the limit imposed by the provisions of Texas Tax Code §313.027(i), as such limit is allowed to be increased by the Legislature for any future year of this Agreement.

Section 4.2. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO AGGREGATE LIMIT

During the term of this Agreement, the District shall not be entitled to receive Supplemental Payments that exceed the lesser of:

- (a) the "Applicant's Stipulated Supplemental Payment Amount," which is hereby defined as forty percent (40%) of the Applicant's Net Tax Benefit, as the term is defined in Section 1.3, above, as a result of this Agreement; or,
- (b) the Aggregate Limit, as the term is defined in Section 1.3, above.

Section 4.3. ANNUAL CALCULATION OF STIPULATED SUPPLEMENTAL PAYMENT AMOUNT

The Parties agree that for each Tax Year during the term of this Agreement, beginning with the third full Tax Year (Tax Year 2015) the Applicant's Stipulated Supplemental Payment Amount, described in Section 4.2 will annually be calculated based upon the then most current estimate of tax savings to the Applicant, which will be made, based upon assumptions of student counts, tax collections, and other applicable data, in accordance with the following formula:

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 the District's interest and sinking fund tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, 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 the District's maintenance and operations tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Multiplied by,

The District's maintenance and operations tax rate for such Tax Year, or the school tax rate of any other governmental entity, including the State of Texas, for such Tax Year;

Plus,

Any Tax Credit received by the Applicant with respect to such Tax Year;

Minus,

Any amounts previously paid to the District under Article III;

Multiplied by,

The number 0.4;

Minus,

Any amounts previously paid to the District under Sections 4.2 and 4.3 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 Third Party described in Section 3.4, above, shall adjust the Applicant's Stipulated Supplemental Payment Amount calculation to reflect such changes in the data.

Section 4.4. CALCULATION OF ANNUAL SUPPLEMENTAL PAYMENTS TO THE DISTRICT AND APPLICATION OF AGGREGATE LIMIT

For each Tax Year during the term of this Agreement, beginning with Tax Year three (Tax Year 2015) and continuing thereafter through Tax Year thirteen (Tax Year 2025), the District, or its successor beneficiary should one be designated under Section 4.6, below, shall not be entitled to receive Supplemental Payments, computed under Sections 4.2 and 4.3, above, that exceed the Aggregate Limit.

If, for any Tax Year during the term of this Agreement the amount of the Applicant's Stipulated Supplemental Payment Amount, calculated under sections 4.2 and 4.3 above for such Tax Year, exceeds the Aggregate Limit for such Tax Year, the difference between the Applicant's Stipulated Supplemental Payment Amount so calculated and the Aggregate Limit for such Tax Year, shall be carried forward from year-to-year into subsequent Tax Years during the term of this Agreement, and to the extent not limited by the Aggregate Limit in any subsequent Tax Year during the term of this Agreement, shall be paid to the District. If there are changes in Chapter 313 Tax Laws, higher or lower payments that first became due prior to the effective date of any statutory change will not be adjusted.

Any of the Applicant's Stipulated Supplemental Payment Amounts which cannot be paid to the District prior to the end of year thirteen (Tax Year 2025) because such payment would exceed the Aggregate Limit, will be deemed to have been cancelled by operation of law, and the Applicant shall have no further obligation with respect thereto.

Section 4.5. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

- (a) All calculations required by this Article IV, including but not limited to: the calculation of the Applicant's Stipulated Supplemental Payment Amount; the determination of both the Annual Limit and the Aggregate Limit; the effect, if any, of the Aggregate Limit upon the actual amount of Supplemental Payments eligible to be paid to the District by the Applicant; and the carry forward and accumulation of any of the Applicant's Stipulated Supplemental Payment Amounts unpaid by the Applicant due to the Aggregate Limit in previous years, shall be calculated by the Third Party selected pursuant to Section 3.4.
- (b) The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 3.6.
- (c) The payment of all amounts due under this Article IV shall be made at the time set forth in Section 3.7.

Section 4.6. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY

At any time during this Agreement, the Board of Trustees may, in its sole discretion, direct that the Applicant's payment under this Article IV be made to the District's educational foundation or to a similar entity. Such foundation or entity may only use such funds received under this Article IV to support the educational mission of the District and its students. Any designation of such foundation or entity must be made by recorded vote of the Board of Trustees at a properly posted public meeting of the Board of Trustees. Any such designation will become effective after such public vote and the delivery of notice of said vote in conformance with the provisions of Section 8.1, below. Such designation may be rescinded by the Board of Trustees, by Board action, at any time, and any such rescission will become effective after delivery of notice of such action to the Applicant in conformance with the provisions of Section 8.1.

Any designation of a successor beneficiary under this Section shall not alter the Aggregate Limitation on Supplemental payments described in Section 4.4, above.

Notwithstanding the foregoing, any payments made by Applicant shall be made in the manner and to the party designated in this Agreement unless Applicant receives unambiguous written notice from the District that such payments are to be made to a different party.

ARTICLE V

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

SECTION 5.1. ANNUAL LIMITATION AFTER FIRST THREE YEARS

Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year during the term of this Agreement after the 2015 Tax Year, 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 III and IV 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 Sections 3.4 and 3.6, 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 III and IV shall be reduced until such excess is eliminated.

Section 5.2. OPTION TO CANCEL AGREEMENT

In the event that any payment otherwise due from the Applicant to the District under Article III and/or Article IV with respect to a Tax Year is subject to reduction in accordance with

the provisions of Section 5.1 above, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to cancel this Agreement by notifying the District of its election in writing not later than the July 31 of the year next following the Tax Year with respect to which a reduction under Section 5.1 is applicable. Any cancellation of this Agreement under the foregoing provisions of this Section 5.2 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. In addition to the foregoing, in the event the Applicant determines that it will not commence or complete construction of the Applicant's Qualified Investment, the Applicant shall have the option, during the Qualifying Time 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 prior to the beginning of the Tax Year immediately following the Tax Year during which such notification is delivered to the District. Upon any termination this Agreement under this Section 5.2, this Agreement shall terminate and be of no further force or effect; provided, however, that 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.

ARTICLE VI

TAX CREDITS

Section 6.1. APPLICANT'S ENTITLEMENT TO TAX CREDITS

The Applicant shall be entitled to Tax Credits from the District under and in accordance with the provisions of Subchapter D of the Act and the Comptroller's Rules, provided that the Applicant complies with the requirements under such provisions, including the filing of a completed application under Section 313.103 of the Texas Tax Code and the Comptroller's Rules.

Section 6.2. DISTRICT'S OBLIGATIONS WITH RESPECT TO TAX CREDITS

The District shall timely comply and shall cause the District's collector of taxes to timely comply with its obligations under Subchapter D of the Act and the Comptroller's Rules, including, but not limited to, such obligations set forth in Section 313.104 of the Texas Tax Code and either the Comptroller's Rules and/or Texas Education Agency rules.

Section 6.3. COMPENSATION FOR LOSS OF TAX CREDIT PROTECTION REVENUES

If after the Applicant has actually received the benefit of a Tax Credit under Section 6.1, the District does not receive aid from the State pursuant to Texas Education Code §42.2515 or other similar or successor statute with respect to all or any portion of such Tax Credit for reasons other than the District's failure to comply with the requirements for obtaining such aid, then the District shall notify the Applicant in writing thereof and the circumstances surrounding the State's failure to provide such aid to the District. The Applicant shall pay to the District the

amount of such Tax Credit for which the District did not receive such aid within thirty (30) calendar days after receipt of such notice. If the District receives aid from the State for all or any portion of a Tax Credit with respect to which the Applicant has made a payment to the District under this Section 6.3, then the District shall pay to the Applicant the amount of such aid within thirty (30) calendar days after the District's receipt thereof.

ARTICLE VII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 7.1. DATA REQUESTS

During the term of this Agreement, and upon the written request of one Party or by the Comptroller (the "Requesting Party"), the other Party shall provide the Requesting Party with all information reasonably necessary for the Requesting Party to determine whether the other Party is in compliance with its obligations, including any employment obligations which may arise under this Agreement. The Applicant shall allow authorized employees of the District, the Comptroller, and/or the Appraisal District to have access to the Applicant's Qualified Property and/or business records, in accordance with Texas Tax Code Section 22.07, during the term of this Agreement, 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. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) 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. 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 private personnel data, proprietary, a trade secret or confidential in nature or is subject to a confidentiality agreement with any third party or any other information that is not necessary for the District to determine the Applicant's compliance with this Agreement.

Section 7.2. REPORTS TO OTHER GOVERNMENTAL AGENCIES

The Applicant shall timely make any and all reports that are or may be required under the provisions of law or administrative regulation as a result of this Agreement, including but not limited to the annual report or certifications that may be required to be submitted by the Applicant to the Comptroller under the provisions of Texas Tax Code §313.032 and the provisions of Title 34, Part 1, Chapter 9, Subchapter F of the Texas Administrative Code. The Applicant shall forward a copy of all such required reports or certifications to the District contemporaneously with the filing thereof. Currently, the Comptroller requires an Annual Eligibility Report and the Biennial Progress Reports, Form 50-772 and 50-773 respectively, and an Application for Tax Credit, Form 50-300. The obligation to make all such required filings shall be a material obligation under this Agreement. The Applicant shall not be in default of any

reporting obligation hereunder, unless the Applicant has received thirty (30) days prior notice of its reporting obligation from the District.

Section 7.3. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE

By entering into this Agreement, the Applicant warrants that:

- (a) it will abide by all of the terms of this Agreement;
- (b) if it does not cancel the Agreement prior to the end of the Qualifying Time Period under Section 5.2 of this Agreement, it will Maintain Viable Presence in the District through the Final Termination Date of this Agreement; provided, however, that notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of this Agreement, 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; and,
- (c) it will meet the applicable minimum eligibility requirements under Texas Tax Code, Chapter 313, throughout the period from and including the Tax Year 2015 through and including the last Tax Year during the term of this Agreement with respect to which the Applicant receives the benefit of a Tax Credit.

Section 7.4. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT

(a) In the event of a Material Breach (hereinafter defined), except as provided in Section 5.2, after the notice and cure period provided by Section 7.8, then the District shall be entitled, as its sole and exclusive remedy, to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of penalty and interest, as calculated in accordance with Section 7.5, on that recaptured ad valorem tax revenue. For purposes of this recapture calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Article III. The Applicant shall also be entitled to a credit for any amounts paid to the District pursuant to Article IV.

(b) Notwithstanding Section 7.4(a), in the event that the District determines that the Applicant has failed to Maintain Viable Presence and provides written notice of termination of this Agreement, then the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of such termination notice. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem maintenance and operations taxes for all of the Tax Years for which the Tax Limitation Amount was allowed pursuant to this Agreement that are prior to the Tax 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 7.5. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Article III. The Applicant shall also be entitled to a credit for any

amounts paid to the District pursuant to Article IV. 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. Notwithstanding the foregoing, penalties shall only be due to the extent it is determined that the breach of this Agreement by the Applicant was willful and without a good faith, reasonable belief by the Applicant that its action or omission constituting such breach was in compliance with this Agreement.

Section 7.5. CALCULATION OF PENALTY AND INTEREST

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 owed less all credits under Section 7.4 for each Tax Year during the term of this Agreement since the Commencement Date. The District shall calculate penalty or interest for each Tax Year during the term of this Agreement since the Commencement Date 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 7.4 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 Texas Tax Code §33.01(a), or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Texas Tax Code §33.01(c), or its successor statute.

Section 7.6. MATERIAL BREACH OF AGREEMENT

The Applicant shall be in Material Breach of this Agreement (herein so called) if it commits one or more of the following acts or omissions:

- (a.) Applicant is determined to have failed to meet its obligations to have made accurate material representations of fact in the submission of its Application as is required by Section 8.13, below.
- (b.) Subject to Section 5.2, Applicant fails to Maintain Viable Presence in the District, as required by Section 7.3 of this Agreement, through the Final Termination Date of this Agreement.
- (c.) Applicant fails to make any payment required under Articles III or IV of this Agreement on or before its due date.
- (d.) Subject to Section 5.2, Applicant fails to create and maintain at least ten (10) New Jobs.
- (e.) Subject to Section 5.2, Applicant fails to create and maintain at least Eighty Percent (80%) of all such New Jobs on the project as Qualifying Jobs.

- (f.) Applicant makes 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, in excess of the amounts set forth in Articles III and IV, above. Voluntary donations made by the Applicant to the District after the date of execution of this Agreement, and not mandated by this Agreement or made in recognition of or in consideration for this Agreement are not barred by this provision.
- (g.) Applicant fails to materially comply in any material respect with any other term of this Agreement, or the Applicant fails to meet its obligations under the applicable Comptroller's Rules, and under the Act.

Section 7.7. LIMITED STATUTORY CURE OF MATERIAL BREACH

In accordance with the provisions of Texas Tax Code §313.0275, for any full Tax Year which commences after the project has become operational, the Applicant may cure any Material Breaches of this Agreement described in Sections 7.6(d) and 7.6(e) or 7.6(f), above, without the termination of the remaining term of this Agreement. In order to cure any such non-compliance with Sections 7.6(d) and 7.6(e) or 7.6(f) for any such Tax Year, the Applicant may make the liquidated damages payment required by Texas Tax Code §313.0275(b), in accordance with the provisions of Texas Tax Code §313.0275(c).

Section 7.8. DETERMINATION OF MATERIAL BREACH AND TERMINATION OF AGREEMENT

Prior to making a determination under Section 7.4 or Section 7.6 that the Applicant is in Material Breach of this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the Material Breach, 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 a Material Breach has not occurred and/or that it has cured or undertaken to cure any such Material Breach.

If the Board of Trustees is not reasonably satisfied with such response and/or that such Material 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 Material Breach has occurred and, if so, whether such Material 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 whether or not a Material Breach has occurred, the date such Material Breach occurred, if any, and whether or not any such Material Breach has been cured. Except as otherwise provided in Section 7.7, in the event that the Board of Trustees determines that such a Material Breach has occurred and has not been cured, it shall also terminate this Agreement and determine the amount of recaptured taxes under Section 7.4 (net of all credits under Section 7.4), and the amount of any penalty and/or interest under Section 7.5 that are owed to the District.

After making its determination regarding any alleged Material 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").

Section 7.9. DISPUTE RESOLUTION

After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 7.8, 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's receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 7.8, 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 Mills 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.

In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such ninety (90) days, the District shall have the remedies for the collection of the amounts determined under Section 7.8 as are set forth in Texas Tax Code Chapter 33, Subchapters B and C, 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 reasonable attorney's fees and a tax lien on the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Texas Tax Code §33.07 to the attorneys representing the District pursuant to Texas Tax Code §6.30. In the event that the Applicant is a prevailing party in any such legal proceedings under this section, the District shall be responsible for the payment of the Applicant's reasonable attorney's fees.

In any event where a dispute between the District and the Applicant under this Agreement cannot be resolved by the Parties, after completing the procedures required above in this Section 7.9, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, 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 covenant, agreement or undertaking made by a Party pursuant to this Agreement.

Section 7.10. LIMITATION OF OTHER DAMAGES

Notwithstanding anything contained in this Agreement to the contrary, the District's damages for any default shall under no circumstances exceed the greater of either any amounts calculated under Sections 7.4 and 7.5 above, or the monetary sum of the difference between the payments and credits due and owing to the Applicant at the time of such default and the District taxes that would have been lawfully payable to the District had this Agreement not been executed. 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 7.10 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 7.11. BINDING ON SUCCESSORS

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.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.1. INFORMATION AND NOTICES

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 transmission, with "answer back" or other "advice 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 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.

Notices to the District shall be addressed as follows:

Ronnie Wright, Superintendent
GOLDTHWAITE INDEPENDENT SCHOOL DISTRICT
1509 Hannah Valley Road
Goldthwaite, Texas 76844
Fax: (325) 648-2456
E-mail: r.wright@goldisd.net

or at such other address or to such other facsimile transmission number and to the attention of such other person as the District may designate by written notice to the Applicant.

Notices to the Applicant shall be addressed as follows:

Bryan Schueler
Senior Vice President, Development
INVENERGY, LLC
ONE SOUTH WACKER DRIVE, SUITE 1900
Chicago, IL 60606
Fax: (312) 224-1444
E-mail: bschueler@invenergyllc.com

With a Copy to:

Joe Condo
General Counsel
INVENERGY, LLC
ONE SOUTH WACKER DRIVE, SUITE 1900
Chicago, Illinois 60606
Fax: (312) 224-1444
E-mail: jcondo@invenergyllc.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as the Applicant may designate by written notice to the District.

Section 8.2. EFFECTIVE DATE, TERMINATION OF AGREEMENT

- (a) This Agreement shall be and become effective on the date of final approval of this Agreement by the Board of Trustees,
- (b) Subject to Section 5.2, the obligation to Maintain Viable Presence under this Agreement shall remain in full force and effect through the Final Termination Date.
- (c) In the event that the Applicant fails to make a Qualified Investment in the amount of Ten Million Dollars (\$10,000,000.00), or greater, during the Qualifying Time Period, this Agreement shall become null and void on December 31, 2014.

Section 8.3. AMENDMENTS TO AGREEMENT; WAIVERS

This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties. 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. By official

action of the Board of Trustees, this Agreement may be amended to include, in the Applicant's Qualified Investment, additional or replacement Qualified Property or Qualified Investment not specified in **EXHIBIT 3**, provided that the Applicant reports to the District, the Comptroller, and the Appraisal District, in the same format, style, and presentation as the Application, all relevant investment, value, and employment information that is related to the additional or replacement property. Any amendment of this Agreement adding additional or replacement Qualified Property or Qualified Investment pursuant to this Section 8.3 shall, (1) require that all property added by amendment be eligible property as defined by Texas Tax Code, §313.024; (2) clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and (3) define minimum eligibility requirements for the recipient of limited value. This Agreement may not be amended to extend the value limitation time period beyond its eight-year statutory term.

Section 8.4. ASSIGNMENT

The Applicant may assign this Agreement, or a portion of this Agreement, to an Affiliate or a new owner or lessee of all or a portion of the Applicant's Qualified Property and/or the Applicant's Qualified Investment, provided that the Applicant shall provide written notice of such assignment to the District. Upon such assignment, the Applicant's assignee will be liable to the District for outstanding taxes or other obligations arising under this Agreement. A recipient of limited value under Texas Tax Code, Chapter 313 shall notify immediately the District, the Comptroller, and the Appraisal District in writing of any change in address or other contact information for the owner of the property subject to the limitation agreement for the purposes of Texas Tax Code §313.032. The assignee's or its reporting entity's Texas Taxpayer Identification Number shall be included in the notification.

Section 8.5. 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 8.6. MAINTENANCE OF COUNTY APPRAISAL DISTRICT RECORDS

When appraising the Applicant's Qualified Property and the Applicant's Qualified Investment subject to a limitation on Appraised Value under this Agreement, the Chief Appraiser of the Appraisal District shall determine the Market Value thereof and include both such Market Value and the appropriate value thereof under this Agreement in its appraisal records.

Section 8.7. 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 Mills County, Texas.

Section 8.8. 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 8.9. 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 a mutually acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 8.9, 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 8.10. PAYMENT OF EXPENSES

Except as otherwise expressly provided in this Agreement, or as covered by the application fee, (i) 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, and (ii) in the event of a dispute between the Parties in connection with this Agreement, the prevailing Party in the resolution of any such dispute, whether by litigation or otherwise, shall be entitled to full recovery of all attorneys' fees (including a reasonable hourly fee for in-house legal counsel), costs and expenses incurred in connection therewith, including costs of court, from the non-prevailing Party.

Section 8.11. INTERPRETATION

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. 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. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

Section 8.12. 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 8.13. ACCURACY OF REPRESENTATIONS CONTAINED IN APPLICATION

The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application. The Applicant warrants that to the best of Applicant’s knowledge all material representations, material information, and material facts contained in the Application are true and correct in all material respects. The parties further agree that the Application and all the attachments thereto are included by reference into this Agreement as if set forth herein in full; provided, however, to the extent of any differences or inconsistencies between the terms, conditions, representations, information, and facts contained in the Application and those contained in this Agreement, the terms, conditions, representations, information, and facts contained in this Agreement shall be controlling.

In the event that the Board of Trustees, after completing the procedures required by Sections 7.8 and 7.9 of this Agreement, makes a written determination that the Application was either incomplete or inaccurate as to any material representation, material information, or material fact, then the Board of Trustees shall notify Applicant in writing of such determination and the Applicant shall have the time periods permitted by Section 7.8 or any other section of this Agreement; if any such material representation, information or fact item remains uncured after the written notice and cure periods specified herein, this Agreement shall be invalid and void except for the enforcement of the provisions required by 34 Texas Administrative Code §9.1053(f)(2)(K).

Section 8.14. 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; the approved and executed copy of this Agreement or any amendment thereto; and each application requesting Tax Credits under Texas Tax Code §313.103, as follows:

- a. Within seven (7) days 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 8.14 does not require the publication of information that is confidential under Texas Tax Code §313.028.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 28th day of June 2012.

GOLDTHWAITE WIND ENERGY LLC

GOLDTHWAITE INDEPENDENT SCHOOL DISTRICT

By: 

Management Representative

By: 

RICH BROWN
President
Board of Trustees

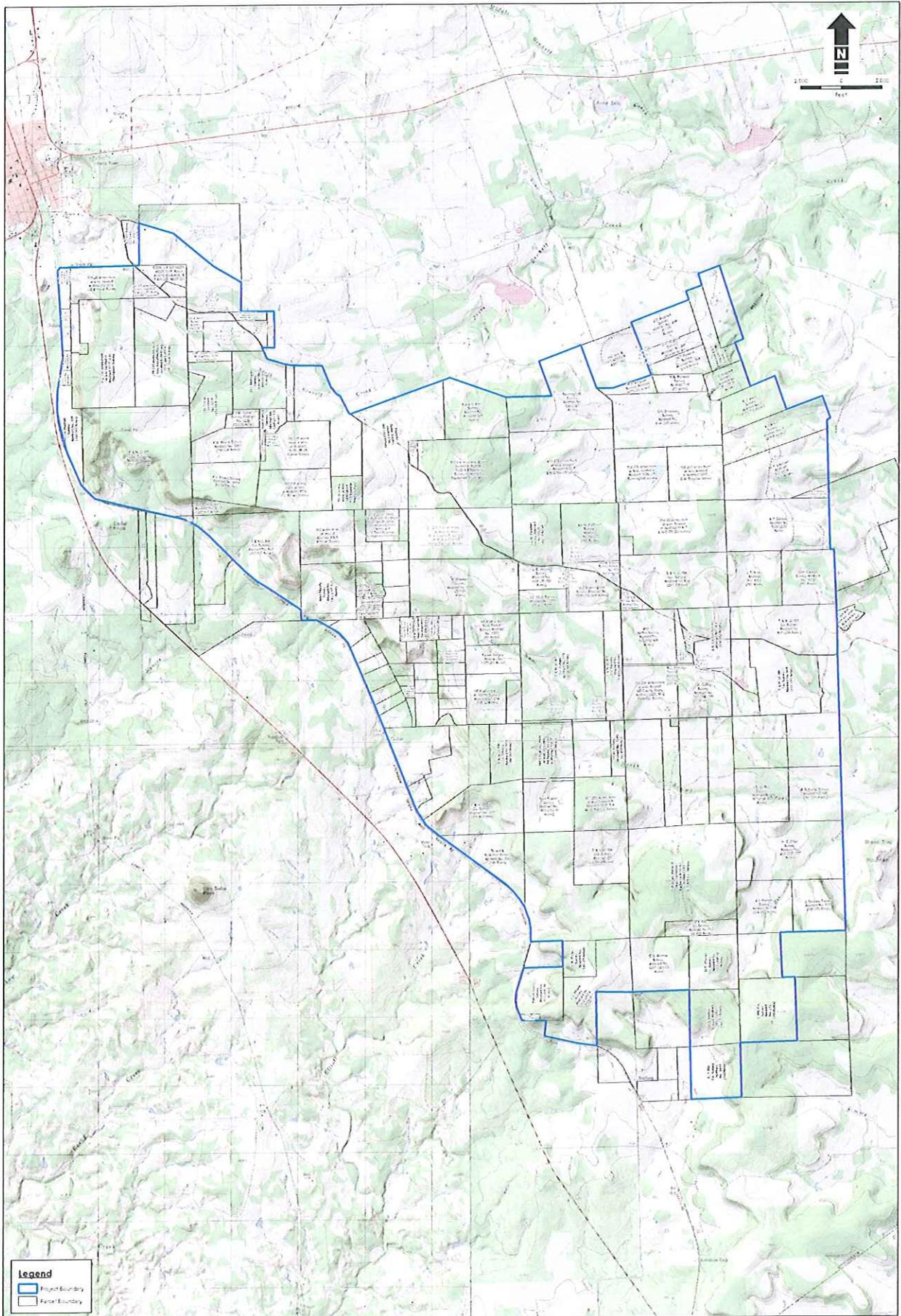
ATTEST:


~~CHIP PATTERSON~~ *Chip Patterson*
Secretary *VP*
Board of Trustees

EXHIBIT 1

DESCRIPTION OF QUALIFIED REINVESTMENT ZONE

The *Mills County Reinvestment Zone* was originally created on November 26, 2007 by action of the Mills County Commissioner's Court. As a result of the action of the Mills County Commissioner's Court, all real property within Mills County, Texas is located within the boundaries of the *Mills County Reinvestment Zone*. A map of the *Mills County Reinvestment Zone* is attached as the next page of this **EXHIBIT 1**.



Site Location

Goldthwaite Wind Energy Project, Mills County, Texas

Rev. 00
November 17, 2011

Invenergy

One South Wacker Drive, Suite 1900
Chicago, Illinois 60604
(312) 224-1400

EXHIBIT 2

LOCATION OF QUALIFIED INVESTMENT/QUALIFIED PROPERTY

All Qualified Property owned by the Applicant and located within the boundaries of both the Goldthwaite Independent School District and the *Mills County Reinvestment Zone* will be included in and subject to this Agreement. Specifically, all Qualified Property of the Applicant located in the following sections of land is included, to wit:

Beginning at the SE corner of the Richard Blevin Survey on the Colorado River,
Thence in a direct line to the SE corner of Survey No. 1 Sulphur Fork Ironworks,
Thence NE to South line of Yarbo, 1550 varas west of SE Corner,
Thence n 82' E to a point 9 ½ miles N. 60'E from the west line of Comanche County,
Thence S 30' E to a point ½ mile S, 30' E from the south line of Hamilton County,
Thence S 56' W to Colorado River,
Thence up said river with its meanders to the beginning, containing 700 square miles.

EXHIBIT 3

DESCRIPTION OF THE APPLICANT'S QUALIFIED INVESTMENT/QUALIFIED PROPERTY

The proposed project will consist of a facility designed to use wind power to generate electricity (commonly referred to as a wind farm). The total Qualified Property will include, but is not limited to, the following: up to 152 megawatt wind power turbine generators. The total project will consist of a wind turbine tower for each turbine generator; a reinforced concrete slab supporting the weight of each turbine generator and its tower; equipment and towers used to gather meteorological data; buried and overhead electrical conductor cables (including poles) used to transport electricity from each turbine tower to an electrical substation; the electrical substation and electrical conductor cables used to transport electricity off of the project site; one or more buildings used to operate the project and hold maintenance supplies, replacement parts, and related equipment; and various appurtenant equipment and personal property as is customarily used in the ownership, operation and maintenance of a wind power facility. All of the property for which the Applicant is seeking a limitation on appraised value will be owned by the Applicant or the Applicant's assignee pursuant to this Agreement.

DATE RUN: JUN 07, 2012
 TIME RUN: 12:22:14
 COUNTY: 094 DISTRICT: 902

SIX WEEK ATTENDANCE FOR FTES
 SCHERTZ-CIBOLO-UNIVERSAL CITY ISD
 ALL CAMPUSES
 FOR SIX WEEK REPORTING PERIODS

PGM: BAT0214
 PAGE: 1 OF 1
 CAMPUS: ALL
 TRACK: X

	1ST	2ND	3RD	4TH	5TH	6TH	AVERAGE
TOTAL REFINED ADA	12487.260	12430.580	12351.540	12350.230	12374.260	12357.900	12391.962
CAREER & TECHNOLOGY EDUCATION FTE	558.570	555.660	549.790	538.040	531.510	529.970	543.923
TOTAL SPECIAL EDUCATION FTE	217.472	217.974	219.295	220.329	222.138	222.883	220.015
00 SPEECH	22.270	22.680	22.784	22.365	21.937	21.522	22.260
01 HOMEBOUND	2.070	2.305	2.752	2.876	2.512	2.773	2.548
02 HOSPITAL CLASS	0.000	0.000	0.000	0.000	0.000	0.000	0.000
08 VOCATIONAL ADJUSTMENT CLASS	5.301	6.730	7.000	7.572	7.865	9.996	7.411
30 STATE SCHOOLS	0.000	0.000	0.000	0.000	0.000	0.000	0.000
41 RESOURCE ROOM/SERVICES < 21%	55.521	53.533	52.905	53.552	55.011	54.533	54.176
42 RESOURCE ROOM/SERVICES 21% & < 50%	33.122	33.677	34.028	35.772	34.024	32.216	33.807
43 SELF-CONTAINED,MILD/MOD/SEVERE 50% - 60%	25.052	23.891	25.449	24.801	26.301	26.002	25.249
44 SELF-CONTAINED,MILD/MOD/SEVERE > 60%	44.845	47.631	45.438	43.438	44.380	42.988	44.787
45 FULL-TIME EARLY CHILDHOOD	12.833	13.206	14.216	14.720	15.067	17.103	14.524
91 OFF HM CAMP - MAINSTREAM	0.000	0.000	0.000	0.000	0.000	0.000	0.000
92 OFF HM CAMP - RESOURCE ROOM < 21%	0.000	0.000	0.000	0.000	0.000	0.000	0.000
93 OFF HM CAMP - RESC ROOM 21% & < 50%	0.000	0.000	0.000	0.000	0.000	0.000	0.000
94 OFF HM CAMP - SLF-CON/MILD/MOD/SEV 50-60%	0.000	0.000	0.000	0.000	0.000	0.000	0.000
95 OFF HM CAMP - SLF-CON/MILD/MOD/SEV 61% & >	0.000	0.000	0.000	0.000	0.000	0.000	0.000
96 OFF HM CAMP - SEPARATE CAMPUS	2.493	0.228	0.000	0.000	0.000	0.000	0.000
97 OFF HM CAMP - COMMUNITY CLASS	12.603	12.750	12.561	12.042	12.042	12.042	12.340
98 OFF HM CAMP - F/T EC SPECIAL ED SETTING	0.000	0.000	0.000	0.000	0.000	0.000	0.000
81 RES CARE & TR - MAINSTREAM	0.489	0.464	0.467	0.667	0.598	0.606	0.549
82 RES CARE & TR - RESC ROOM < 21%	0.000	0.000	0.000	0.000	0.000	0.000	0.000
83 RES CARE & TR - RESC ROOM 21% & < 50%	0.000	0.000	0.000	0.000	0.000	0.000	0.000
84 RES CARE & TR - SLF-C/MILD/MOD/SEV 50-60%	0.000	0.000	0.000	0.000	0.000	0.000	0.000
85 RES CARE & TR - SLF-C/MILD/MOD/SEV 61% & >	0.885	0.884	0.886	0.884	0.885	0.917	0.890
86 RES CARE & TR - SEPARATE CAMPUS	0.000	0.000	0.000	0.000	0.000	0.000	0.000
87 RES CARE & TR - COMMUNITY CLASS	0.000	0.000	0.000	0.000	0.000	0.000	0.000
88 RES CARE & TR - VOCATIONAL ADJUSTMENT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
89 RES CARE & TR - F/T EC SPECIAL ED SETTING	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SPECIAL ED MAINSTREAM REFINED ADA	471.090	485.350	491.490	493.700	497.460	500.280	489.895
BILINGUAL/ESL REFINED ADA	306.660	332.720	333.700	339.590	350.000	347.240	334.985
PREGNANCY RELATED SERVICES FTE	1.660	1.330	1.130	1.010	0.530	0.510	1.028
GIFTED & TALENTED ENROLLMENT	650.000	659.000	665.000	680.000	683.000	680.000	669.500