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Mr. Robert Wood  
Director of Economic Development and Analysis  
Texas Comptroller of Public Accounts  
P.O. Box 13258  
Austin, TX 78711-3528

May 18, 2012

Re: Limitation of Value Agreement between Ganado Independent School District (ISD) and ETC Texas Pipeline, LTD.

Dear Mr. Wood,

This letter is in response to your letter dated May 15, 2012 providing a list of deficiencies with the Limitation of Value Agreement application between ETC Texas Pipeline, LTD and Ganado ISD. Duff and Phelps has been retained by ETC Texas Pipeline, LTD, to assist with the Limitation of Value application process. Attached you will find the revised application and below is a summary of the changes:

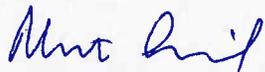
- Page 6 – Projected Timeline has been updated to reflect Phase I and Phase II of project
- Page 8 – Anticipated date of application approval and beginning of qualifying time period has been changed to September 15, 2012
- Page 8 – Estimated total qualified investment has been revised to \$299,000,000
- Page 8 – Estimated investment from the time of application submission to end of the limitation period has been changed to \$384,000,000
- Page 9 – Maximum number of qualifying jobs applicant commits to create increased to 19
- Attachment 4 – Description of Project updated to identify equipment already on site
- Attachment 6 – Description of Qualified Investment updated to identify equipment already on site
- Attachment 7 – Aerial photograph attached identifying equipment already on site
- Attachment 8 – Description of Qualified Property updated to identify equipment already on site
- Attachment 12 – Updated to include equipment already on site and how Jackson County Appraisal District will delineate between pre-application costs and post application costs
- Schedule A – Updated to reflect pre-application project costs

- Schedule B – Updated to reflect pre-application project costs
- Schedule C – Updated new and qualifying job information

If you should have any questions or require further information, please do not hesitate to contact me.

Best Regards,

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Daniel".

Robert Daniel  
Vice President  
Property Tax



# 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

<b>Authorized School District Representative</b>		Date application received by district <b>04/19/2012</b>	
First Name <b>Jeff</b>	Last Name <b>Black</b>		
Title <b>Superintendent</b>			
School District Name <b>Ganado Independent School District</b>			
Street Address <b>211 S. Sixth</b>			
Mailing Address <b>PO Box 1200</b>			
City <b>Ganado</b>	State <b>TX</b>	ZIP <b>77962</b>	
Phone Number <b>361-771-4201</b>	Fax Number <b>361-771-2280</b>		
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



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name George Last Name Grimes

Title Attorney

Firm Name Walsh, Anderson, Brown, Gallegos & Green, P.C.

Street Address 100 N.E. Loop 410, Suite 900

Mailing Address

City San Antonio State TX ZIP 78216

Phone Number 210-979-6633 Fax Number 210-979-7024

Mobile Number (Optional) E-mail Address ggrimes@wabsa.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 4-19-12

Has the district determined this application complete? Yes No

If yes, date determined complete. 04/19/2012

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

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

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



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (if Applicable)

First Name <b>Rick</b>	Last Name <b>Fine</b>	
Title <b>Managing Director</b>		
Firm Name <b>Duff and Phelps</b>		
Street Address <b>919 Congress Avenue, Suite 1450</b>		
Mailing Address		
City <b>Austin</b>	State <b>TX</b>	ZIP <b>78701</b>
Phone Number <b>512-671-5522</b>	Fax Number	
Business email Address <b>Rick.fine@duffandphelps.com</b>		

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)) <i>Megan McKawamagh</i>	Date <b>4-17-2012</b>
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GIVEN under my hand and seal of office this 17 day of April, 2012



(Notary Seal)

*Beverly M. Hernandez*  
Notary Public, State of Texas

My commission expires 9.3.2014

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.



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name	Last Name	
Title		
Firm Name		
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Business email Address		

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))	Date
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GIVEN under my hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_

(Notary Seal)

My commission expires \_\_\_\_\_

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)?

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)?

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

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

NAICS code

Is the applicant a party to any other Chapter 313 agreements?

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

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State?

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

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)?

2. Is the applicant current on all tax payments due to the State of Texas?

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas?



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)

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

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, Construction Complete, Purchase Machinery & Equipment, Begin Hiring New Employees, Fully Operational

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)?

When do you anticipate the new buildings or improvements will be placed in service?

\* Engineering and initial site preparation for Phase I began
\*\* Some long lead heavy equipment were ordered for Phase I and stored on site and have not been placed in service



**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.)

**THE PROPERTY**

Identify county or counties in which the proposed project will be located \_\_\_\_\_

Central Appraisal District (CAD) that will be responsible for appraising the property \_\_\_\_\_

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: \_\_\_\_\_ (Name and percent of project)      City: \_\_\_\_\_ (Name and percent of project)

Hospital District: \_\_\_\_\_ (Name and percent of project)      Water District: \_\_\_\_\_ (Name and percent of project)

Other (describe): \_\_\_\_\_ (Name and percent of project)      Other (describe): \_\_\_\_\_ (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.



This page revised 5-18-2012. See letter dated 5-18-2012.

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? \_\_\_\_\_

What is the amount of appraised value limitation for which you are applying? \_\_\_\_\_

What is your total estimated qualified investment? \_\_\_\_\_

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? \_\_\_\_\_

What is the anticipated date of the beginning of the qualifying time period? \_\_\_\_\_

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? \_\_\_\_\_

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)?

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

First Quarter Second Quarter Third Quarter Fourth Quarter of (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?

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.

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

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?

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 \_\_\_\_\_

110% of the county average weekly wage for manufacturing jobs in the county is \_\_\_\_\_

110% of the county average weekly wage for manufacturing jobs in the region is \_\_\_\_\_

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? \_\_\_\_\_

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? \_\_\_\_\_

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? \_\_\_\_\_

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.)

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	N/A
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	
11	A detailed map showing location of the land with vicinity map.	9 of 16	
12	A description of all existing (if any) improvements (Attachment)	9 of 16	
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	
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.

**ATTACHMENT 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)*

**ATTACHMENT 3**

**Documentation of Combined Group Membership**

# TEXAS FRANCHISE TAX AFFILIATE SCHEDULE

■ Tcode 13253 Annual

■ Reporting entity taxpayer number 10505324730	■ Report year 2011	Reporting entity taxpayer name ETC MARKETING, LTD.
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Reporting entity must be included on Affiliate Schedule.

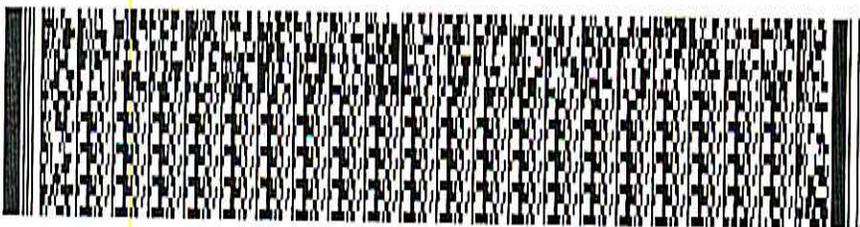
1. Legal name of affiliate ETC TEXAS PIPELINE, LTD		■ 2. Affiliate taxpayer number (if none, use FEI number) 10505324664		■ 3. Affiliate NAICS code 211112	
■ 4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		■ 5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>		■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 0	
■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 0		■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 509772829.0 0	
■ 10. Gross receipts in Texas (before eliminations) 502592135.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 450200726.0 0		Check box if this is a Corporation or Limited Liability Company <input type="checkbox"/> Check box if this is an Entity other than a Corporation or Limited Liability Company <input checked="" type="checkbox"/>	

1. Legal name of affiliate ETC KATY PIPELINE, LTD		■ 2. Affiliate taxpayer number (if none, use FEI number) 12005806695		■ 3. Affiliate NAICS code 486210	
■ 4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		■ 5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>		■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 0	
■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 0		■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 489588346.0 0	
■ 10. Gross receipts in Texas (before eliminations) 434151358.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 378102255.0 0		Check box if this is a Corporation or Limited Liability Company <input type="checkbox"/> Check box if this is an Entity other than a Corporation or Limited Liability Company <input checked="" type="checkbox"/>	

1. Legal name of affiliate ETC NEW MEXICO PIPELINE, LP		■ 2. Affiliate taxpayer number (if none, use FEI number) 208345958		■ 3. Affiliate NAICS code 211112	
■ 4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		■ 5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 0	
■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 0		■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 813724.0 0	
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		Check box if this is a Corporation or Limited Liability Company <input type="checkbox"/> Check box if this is an Entity other than a Corporation or Limited Liability Company <input checked="" type="checkbox"/>	

An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

### Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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1 0 6 2

This page revised 5-18-2012.  
See letter dated 5-18-2012.

## **ATTACHMENT 4**

### **Detailed Description of Project**

Energy Transfer's subsidiary, ETC Texas Pipeline, is proposing to build a new gas processing facility in Jackson County, within the Ganado Independent School District. The facility will be constructed on a parcel of land consisting of approximately 141 acres.

#### **Jackson County Gas Processing Plant**

The Jackson County Gas Processing Plant is a natural gas processing plant which will be built in stages with the initial phase consisting of three processing trains with a total of 600 million cubic feet of natural gas per day (MMCFD) of processing capacity. A fourth processing train is planned for 2013, which would bring the total processing capacity up to 800 MMCFD. The plant will process gas that has been collected by upstream gas gathering systems in the Eagle Ford shale region and transported to the Jackson County plant.

The first step in the plant process is to separate the pipeline condensate liquids from the pipeline gas. Once separated, the condensate liquids are processed in a condensate stabilizer system in order to sell the hydrocarbon condensates to the NGL sales pipeline. Gas from the inlet separators is then treated in the amine treating system for removal of CO<sub>2</sub> from the inlet gas. The removal is required to prevent CO<sub>2</sub> freezing in the cryogenic NGL recovery plant and to meet the sales gas pipeline's and NGL pipeline's specifications. The CO<sub>2</sub> removed by the amine system is routed to an incinerator system to destroy incidental hydrocarbon vapors contained in the CO<sub>2</sub> stream. From the amine system, the sweet gas is then processed in the cryogenic plant for natural gas liquid recovery. The gas is refrigerated by mechanical refrigeration and by expansion through a turbo expander. The NGL liquids condensed by the refrigeration system are fractionated in a demethanizer column and then pumped in a NGL sales pipeline. Gas from the cryogenic plant, now stripped of NGL liquids, is compressed and delivered to the sales gas pipeline.

The Jackson County processing plant consists of the following main processing units and utility systems which are classified as "Qualified Investment"

- Slug Catcher
- Stabilizer Plant
- (4) 200 MMCFD Cryogenic Gas Processing Units – each consisting of:
  - Inlet Facilities
  - Dehydration
  - Regeneration
  - Amine Treater and Thermal Oxidizer
  - Sulfur Guard unit
  - NGL Recovery Train
  - NGL Product Delivery Facilities

- Residue Recompression & Cooling
- Waste Heat Recovery
- Heat Medium
- Fuel Gas
- Drains & Flare
- Instrument & Utility Air
- Substation
- Control Building

Some of the components of one cryogenic processing unit are already stored at the site (listed in Attachment 12) and the \$16,008,000 cost of this equipment will not be included as Qualified Investment or Qualified Property.

### **Ability to Relocate**

Energy Transfer is a leading midstream energy company whose primary activities include gathering, treating, processing and transporting natural gas and natural gas liquids to a variety of markets and states. Energy Transfer currently operates over 17,500 miles of pipeline, 3 gas processing plants, 17 gas treating facilities and 10 gas conditioning plants. Locations for these operations included Arizona, New Mexico, Utah, Colorado, Kansas, Oklahoma, Texas, Arkansas and Louisiana.

Energy Transfer's pipeline footprint provides substantial flexibility in where future facilities or investments may be located. Capital investments are allocated to projects and locations based on expected economic return and property tax liabilities can make up a substantial ongoing cost of operation.

## **ATTACHMENT 6**

### **Description of Qualified Investment**

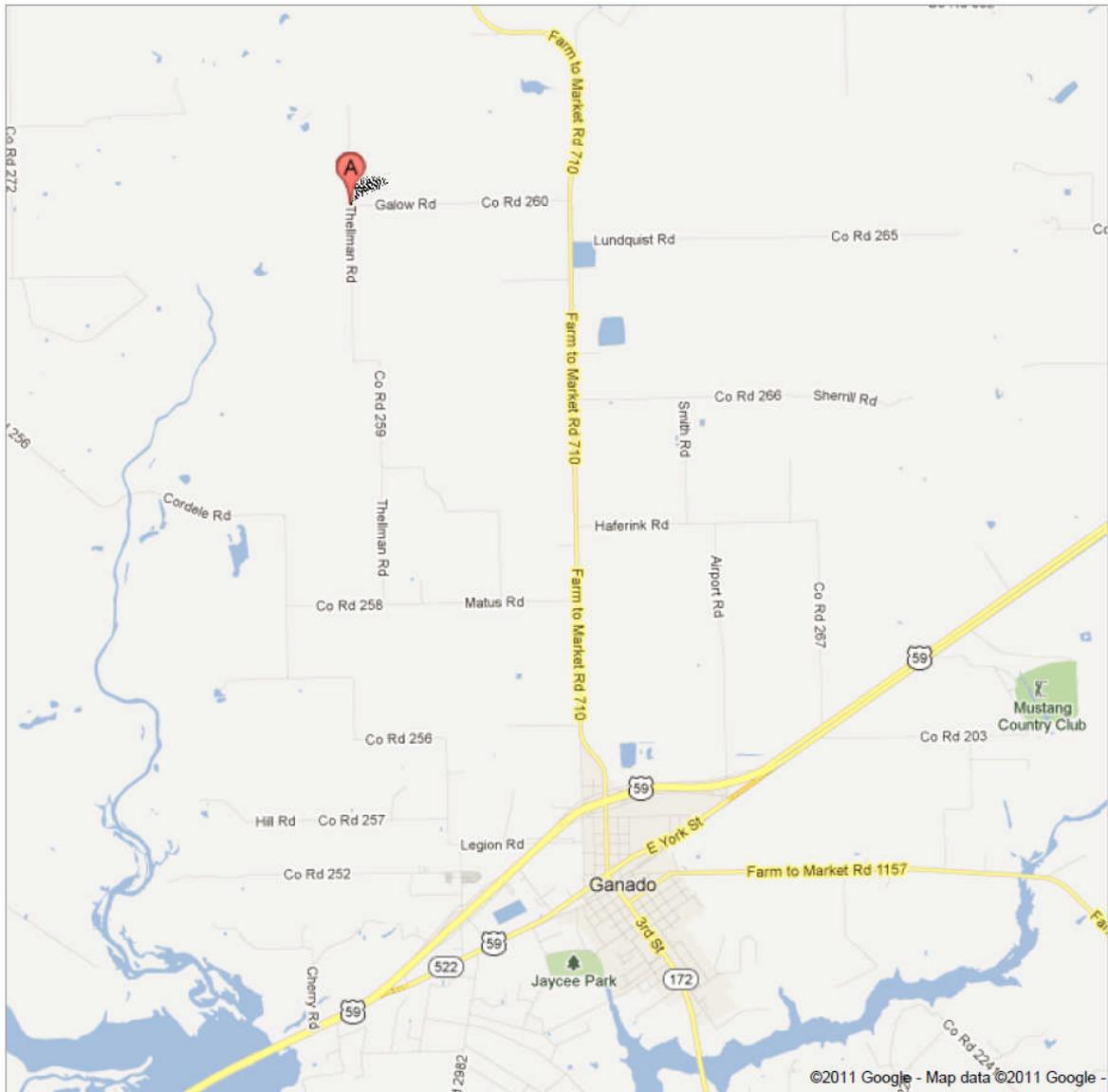
The Jackson County processing plant consists of the following main processing units and utility systems which are classified as “Qualified Investment”

- Slug Catcher
- Stabilizer Plant
- (4) 200 MMCFD Cryogenic Gas Processing Units – each consisting of:
  - Inlet Facilities
  - Dehydration
  - Regeneration
  - Amine Treater and Thermal Oxidizer
  - Sulfur Guard unit
  - NGL Recovery Train
  - NGL Product Delivery Facilities
  - Residue Recompression & Cooling
  - Waste Heat Recovery
  - Heat Medium
  - Fuel Gas
  - Drains & Flare
- Instrument & Utility Air
- Substation
- Control Building

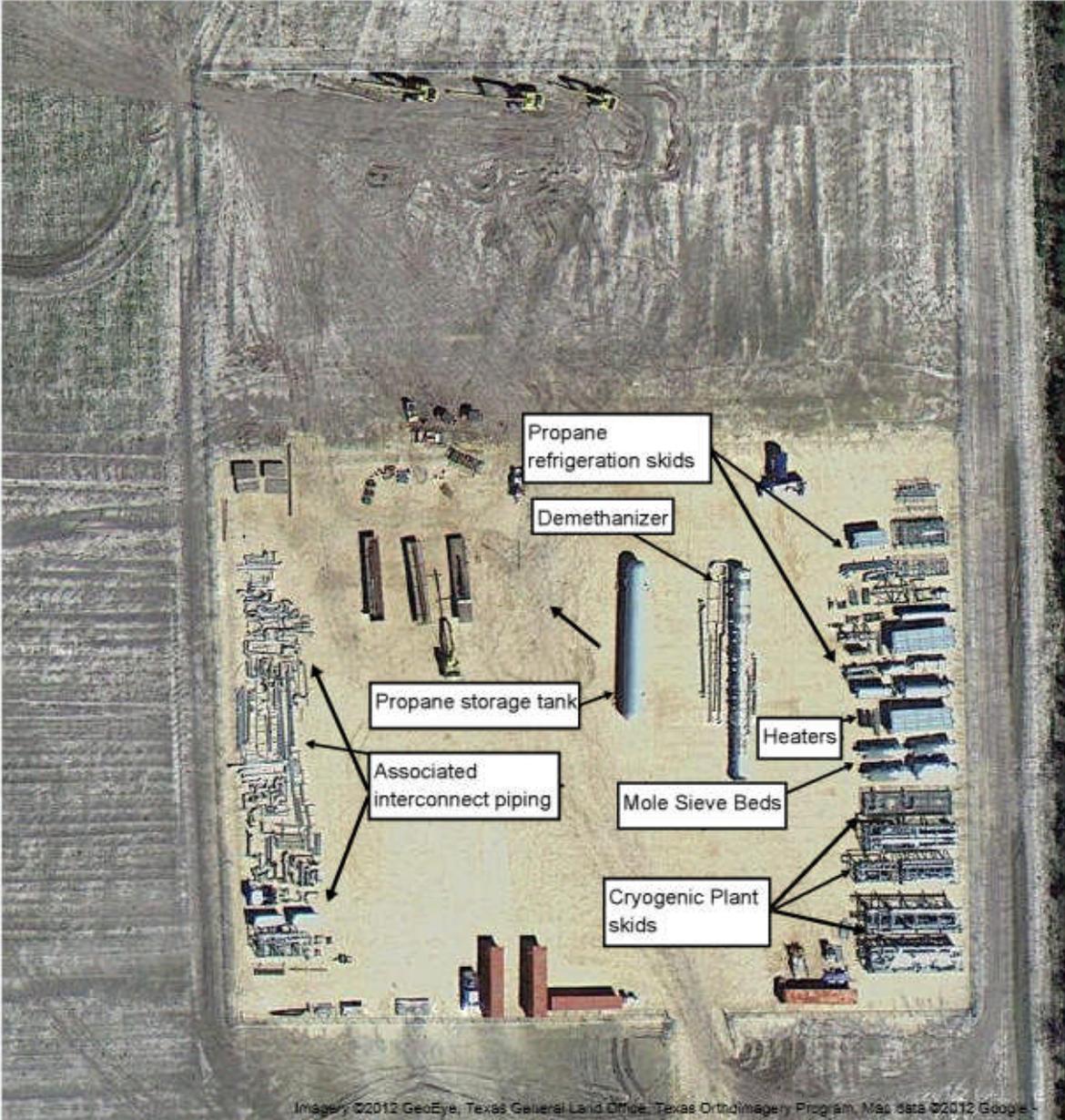
Some of the components of one cryogenic processing unit are already stored at the site (listed in Attachment 12) and the \$16,008,000 cost of this equipment will not be included as Qualified Investment or Qualified Property.



A = proposed site



Existing Improvements



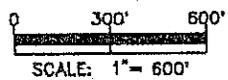
**LEGEND**

- BASELINE
- CENTERLINE
- PROPERTY LINE
- TEXAS
- RIGHT OF WAY
- HIGHWAY
- PROPERTY
- PERMANENT
- TEMPORARY WORKSPACE
- TEMPORARY
- CONCRETE
- MONUMENT
- FOUND
- AS PER SURVEY
- AS PER RECORD
- OFFICIAL RECORDS JACKSON COUNTY, TEXAS
- DEED RECORDS JACKSON COUNTY, TEXAS
- SET 5/8" IRON ROD WITH CAP "HMMD CORNER"
- SURFACE SITE 141.0462 ACRES

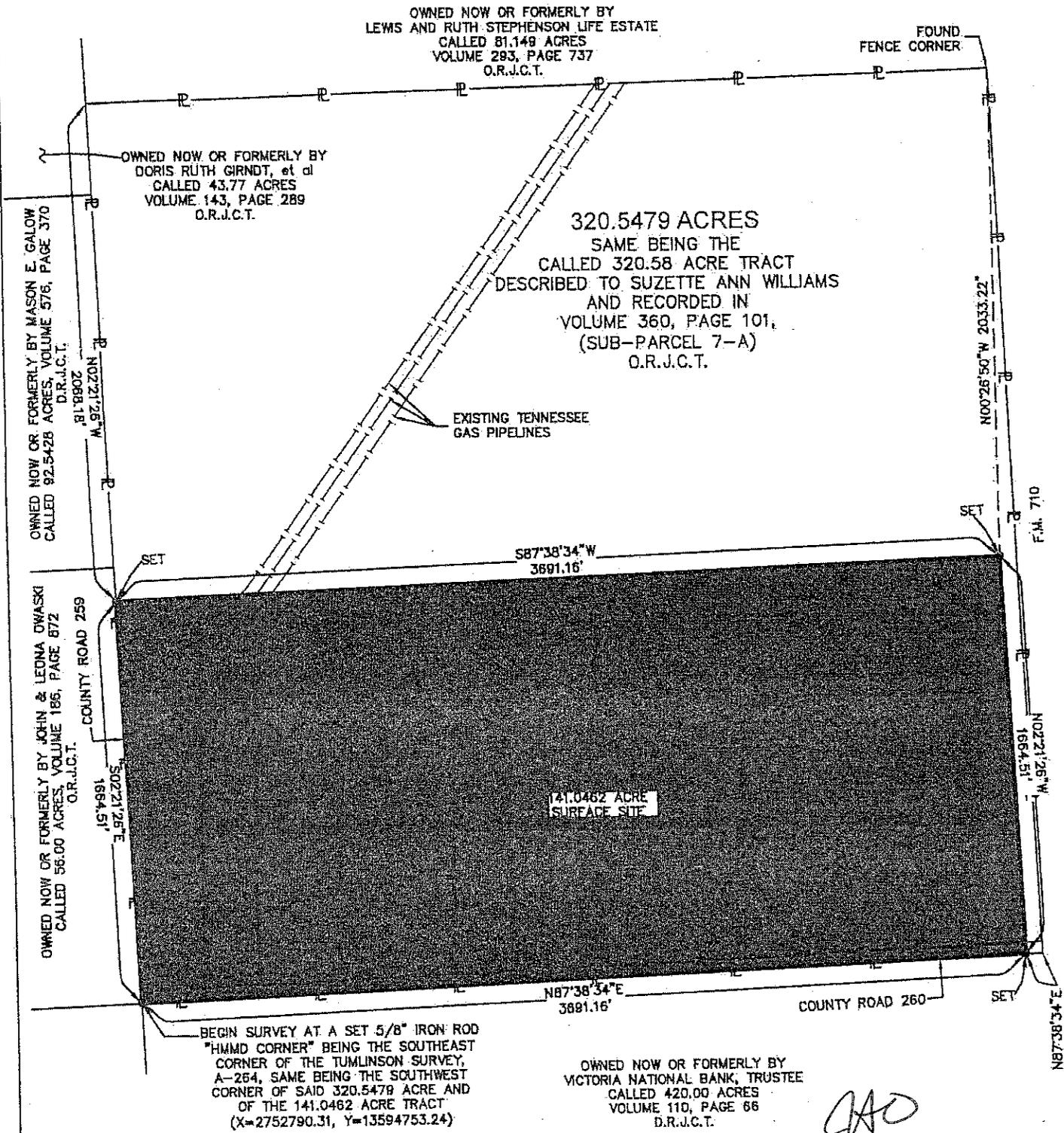
**EXHIBIT "B"**

LANDS LYING WITHIN AND BEING A PART OF

THEODORE PIERCE SURVEY, A-254  
JACKSON COUNTY, TEXAS



SHEET 2 OF 2

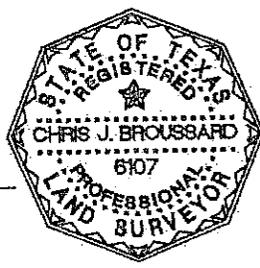


**NOTES:**

1. NORTH IS DERIVED FROM STATIC TIES TO EXISTING NGS MONUMENTS AND TRANSFORMED INTO THE TEXAS SOUTH CENTRAL STATE PLANE COORDINATE SYSTEM, NAD 83, U.S. SURVEY FOOT BY MEANS OF A GLOBAL POSITIONING SYSTEM (GPS) SURVEY PERFORMED BY HATCH MOTT MACDONALD.
2. INFORMATION DEPICTED HEREON IS BASED ON A SURVEY CONDUCTED FOR THE PURPOSE OF ESTABLISHING A BASELINE FOR MAPPING SELECTED TOPOGRAPHIC FEATURES AND LOCATING NECESSARY LINES FOR ENGINEERING DESIGN AND EASEMENT ACQUISITION ON DEEDS SUPPLIED BY CLIENT.
3. TITLE RESEARCH PERFORMED BY OTHERS.

I, CHRIS J. BROUSSARD, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS EASEMENT PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE DATE OF THE FIELD SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Chris J. Broussard* 4/18/11  
 CHRIS J. BROUSSARD DATE:  
 RPLS NO. 8107  
 PHONE: (832)736-9590  
 FAX: (832)736-9580



O.R. BOOK 394 PAGE 732

<b>Hatch Mott MacDonald</b> 2950 Cullen Pkwy, Suite 201, Pearland, TX 77584 T: (832) 736-9590 F: (832) 736-9580		RICH EAGLEFORD MAINLINE 30" PIPELINE PROJECT JACKSON COUNTY, TEXAS		ENERGY TRANSFER	
		DRAWN BY: RLG CHECKED BY: ACD APPROVED BY: CJB	DATE: 04/12/2011 DATE: 04/12/2011 DATE: 04/12/2011	APPROVED BY: CJB PROJECT NUMBER / PROJECT NUMBER	DATE: 04/12/2011
A 04/12/11 ISSUE FOR REVIEW		RLG ACD CJB	PROJ. NO. 45101510	SCALE AS NOTED	SURFACE SITE
NO. DATE REVISION	DESK CHG APPD				



## **ATTACHMENT 8**

### **Description of Qualified Property**

The Jackson County processing plant consists of the following main processing units and utility systems which are classified as “Qualified Investment”

- Slug Catcher
- Stabilizer Plant
- (4) 200 MMCFD Cryogenic Gas Processing Units – each consisting of:
  - Inlet Facilities
  - Dehydration
  - Regeneration
  - Amine Treater and Thermal Oxidizer
  - Sulfur Guard unit
  - NGL Recovery Train
  - NGL Product Delivery Facilities
  - Residue Recompression & Cooling
  - Waste Heat Recovery
  - Heat Medium
  - Fuel Gas
  - Drains & Flare
- Instrument & Utility Air
- Substation
- Control Building

Some of the components of one cryogenic processing unit are already stored at the site (listed in Attachment 12) and the \$16,008,000 cost of this equipment will not be included as Qualified Investment or Qualified Property.

**ATTACHMENT 9**

**Map of Qualified Property**

See Attachment 7

**ATTACHMENT 10**

**Description of Land**

EXHIBIT "A"

Written: April 12, 2011  
Field Notes for ETC Texas Pipeline, LTD  
Robert R. Ottis  
141.0462 Acres (6,143,972 Square Feet) of Land  
For A Surface Site

All of that certain tract containing 141.0462 acres (6,143,972 square feet) of land being out of and a part of a 320.5479 acre tract (call 320.58 acres) of which there is 3.2212 acres (call 3.23 acres) in the road along the south line and 3.2262 acres (call 3.26 acres) in the road along the west line, leaving a total remainder of 314.1005 acres (call 314.09 acres), said tract being a part of the Theodore Pierce Survey, Abstract Number 254, Jackson County, Texas, and being out of and a part of said called 320.58 acre tract described in that certain Warranty Deed dated August 4, 2009 from Joseph Ann Ottis, Trustee of the Trust for Suzette Ann Williams under Article XIV of the Will of Katherine S. Ottis, Deceased, filed for record on August 31, 2009, recorded in Volume 360, Page 101 (also known as Sub-parcel 7-A of said document), Official Public Records, Jackson County, Texas, said 141.0461 acre tract being more particularly described by metes and bounds as follows:

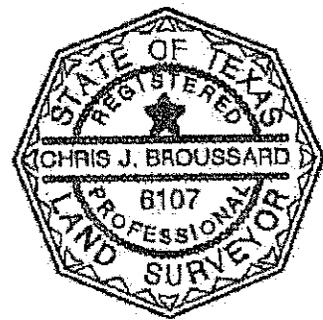
**BEGINNING** at a set 5/8" iron rod with cap "HMMD CORNER" being the southeast corner of a the Tumlinson Survey, Abstract No. 264, same being the southwest corner of said 320.5479 acre of the herein described tract, from which a found wooden fence corner bears N 02°06'00" W, a distance of 11.69 feet and the intersection of the centerlines of both County Road 259 and County Road 260 bears N 59°24'40" E, a distance of 36.43 feet;

**THENCE** N 87°38'34" E, (call N 89°30'00" E) along the south line of said 320.5479 acre tract, in common with the south line of the herein described tract, a distance of 3,691.16 feet to a set 5/8" iron rod with cap "HMMD CORNER", from which the southeast corner of said 320.5479 acre tract bears N 87°38'34" E, a distance of 67.77 feet;

**THENCE** N 02°21'26" W, leaving the south line, over and across said 320.5479 acre tract, also being parallel to the east line of said 320.5479 acre tract, a distance of 1,664.51 feet to a set 5/8" iron rod with cap "HMMD CORNER", from which a found fence corner, same being the northeast corner of said 320.5479 acre tract, bears N 00°26'50" W, a distance of 2,033.22 feet;

**THENCE** S 87°38'34" W, continuing over and across said 320.5479 acre tract, distance of 3,691.16 feet to a set 5/8" iron rod with cap "HMMD CORNER", said point lying in the west line of said 320.5479 acre tract, from which the northwest corner of said 320.5479 acre tract bears N 02°21'26" W, a distance of 2,068.18 feet;

**THENCE** S 02°21'26" E, (call S 00°30'00" W) along the west line of said 320.5479 acre tract, in common with the west line of the herein described tract, a distance of 1,664.51 to the **POINT OF BEGINNING** and containing 141.0462 acres of land.



*Chris J. Broussard*  
Chris J. Broussard, R.P.L.S. Texas No. 6107

*4/18/11*  
Date

*SAW R.R. AO*

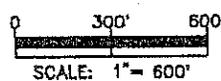
**LEGEND**

- BASELINE
- CENTERLINE
- PROPERTY LINE
- TEXAS
- RIGHT OF WAY
- HIGHWAY
- PROPERTY
- PERMANENT
- TEMPORARY WORKSPACE
- TEMPORARY
- CONCRETE
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- FOUND
- AS PER SURVEY
- AS PER RECORD
- OFFICIAL RECORDS JACKSON COUNTY, TEXAS
- DEED RECORDS JACKSON COUNTY, TEXAS
- SET 5/8" IRON ROD WITH CAP "HMMD CORNER"
- SURFACE SITE 141.0462 ACRES

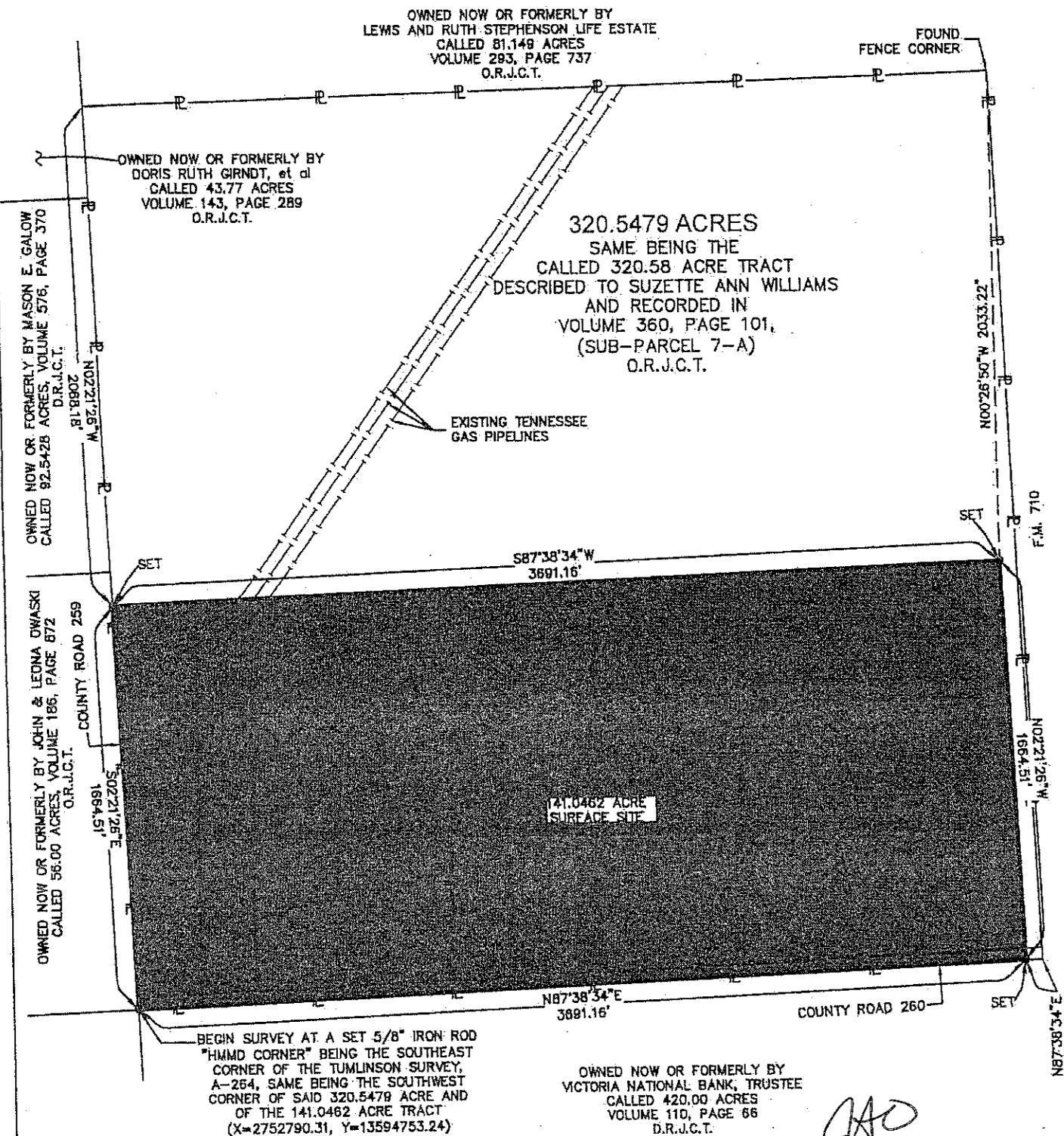
**EXHIBIT "B"**

LANDS LYING WITHIN AND BEING A PART OF

THEODORE PIERCE SURVEY, A-254  
JACKSON COUNTY, TEXAS



SHEET 2 OF 2



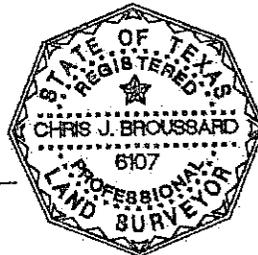
**NOTES:**

1. NORTH IS DERIVED FROM STATIC TIES TO EXISTING NGS MONUMENTS AND TRANSFORMED INTO THE TEXAS SOUTH CENTRAL STATE PLANE COORDINATE SYSTEM, NAD 83, U.S. SURVEY FOOT BY MEANS OF A GLOBAL POSITIONING SYSTEM (GPS) SURVEY PERFORMED BY HATCH MOTT MACDONALD.
2. INFORMATION DEPICTED HEREON IS BASED ON A SURVEY CONDUCTED FOR THE PURPOSE OF ESTABLISHING A BASELINE FOR MAPPING SELECTED TOPOGRAPHIC FEATURES AND LOCATING NECESSARY LINES FOR ENGINEERING DESIGN AND EASEMENT ACQUISITION ON DEEDS SUPPLIED BY CLIENT.
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I, CHRIS J. BROUSSARD, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS EASEMENT PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE DATE OF THE FIELD SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Chris J. Broussard* 4/18/11  
CHRIS J. BROUSSARD  
RPLS NO. 8107  
PHONE: (832)736-9590  
FAX: (832)736-9580

*GAD  
SAW  
Rey*



O.R. BOOK 394 PAGE 732

<p><b>Hatch Mott MacDonald</b> 2950 Cullen Pkwy, Suite 201, Pearland, TX 77584 T: (832) 736-9590 F: (832) 736-9580</p>		RICH EAGLEFORD MAINLINE 30" PIPELINE PROJECT JACKSON COUNTY, TEXAS		ENERGY TRANSFER	
		DRAWN BY: RLS CHECKED BY: ACD APPROVED BY: CJB DATE: 04/12/2011 DATE: 04/12/2011 DATE: 04/12/2011	DATE: 04/12/2011 DATE: 04/12/2011 DATE: 04/12/2011	APPROVED BY: CJB PROJECT NUMBER / PROJECT NUMBER	DATE: 04/12/2011
A 04/12/11 ISSUE FOR REVIEW NO. DATE REVISION		RLS ACD CJB PROJ. NO. 45101510 SCALE AS NOTED	SURFACE SITE		

**ATTACHMENT 11**

**Detailed Map Showing Location of the Land with Vicinity Map**

See Attachment 7

## **ATTACHMENT 12**

### **Description of All Existing Improvements**

Preliminary site preparation work has started including brush clearing, drainage improvement and installation of a chain link fence on three sides of the property. Additionally some of processing equipment has arrived and is being stored at the site until ready for installation (shown on the existing improvement photo in Attachment 7). The following process equipment is currently on site:

- Components of one Cryogenic unit including:
  - Demethanizer
  - Mole sieve bed
  - Hot oil heater and pump
  - Regeneration gas heater
  - Propane chiller
  - Exchanger and fin fan units
  - Propane refrigeration compressor and expander skid
  - Associated interconnect piping

The cost of current equipment on site is \$16,008,160.

Working with the Jackson County Appraisal District, separate appraisal accounts for the pre-application period costs and the post-application period costs of the processing plant will be set up. The value of the pre-application portion cost of the facility, which will not be part of the limitation of value agreement, will be tracked in future years as a percentage of the total project value.

## ATTACHMENT 14

### Calculation of Three Possible Wage Requirements

ALL INDUSTRIES:

### Quarterly Employment and Wages (QCEW)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Emp
2010	1st Qtr	Jackson County	Private	00	0	10	Total, All Industries	3,829
2011	1st Qtr	Jackson County	Private	00	0	10	Total, All Industries	4,038
2010	2nd Qtr	Jackson County	Private	00	0	10	Total, All Industries	3,909
2011	2nd Qtr	Jackson County	Private	00	0	10	Total, All Industries	4,249
2010	3rd Qtr	Jackson County	Private	00	0	10	Total, All Industries	4,081
2011	3rd Qtr	Jackson County	Private	00	0	10	Total, All Industries	4,421
2010	4th Qtr	Jackson County	Private	00	0	10	Total, All Industries	4,078

Year	Period	Avg Weekly Wages
2011	1st Qtr	\$ 678
2011	2nd Qtr	\$ 723
2011	3rd Qtr	\$ 722
2010	4th Qtr	\$ 737
	Average	\$ 715
	<b>110%</b>	<b>\$ 787</b>

**MANUFACTURING:**

**Quarterly Employment and Wages (QCEW)**

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Jackson County	Private	31	3	332	Fabricated Metal Product Manufacturing	\$402
2011	2nd Qtr	Jackson County	Private	31	3	332	Fabricated Metal Product Manufacturing	\$746
2010	3rd Qtr	Jackson County	Private	31	3	332	Fabricated Metal Product Manufacturing	\$484
2011	3rd Qtr	Jackson County	Private	31	3	332	Fabricated Metal Product Manufacturing	\$709
2010	4th Qtr	Jackson County	Private	31	3	332	Fabricated Metal Product Manufacturing	\$1,818

Year	Period	Avg Weekly Wages
2011	1st Qtr	\$ 402
2011	2nd Qtr	\$ 746
2011	3rd Qtr	\$ 484
2010	4th Qtr	\$ 1,818
	Average	\$ 919
	<b>110%</b>	<b>\$ 1,011</b>

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

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

ANNUAL \$41,738 x 110% = \$45,912

WEEKLY \$41,738 / 4 = \$802.65 x 110% = \$882.92

## **ATTACHMENT 15**

### **Description of Benefits**

**Energy Transfer offers its employees the following benefits:**

- 401K plan
- Medical
- Dental
- Vision
- RX Plan
- Flex Spending Account
- Life and AD&D insurance
- Paid Vacation, Sick, and Holidays
- Wellness Programs
- Employee Assistance Programs
- Extended Sick Leave
- Annual Merit & Bonus Eligibility

**ATTACHMENT 17 - 20**

**Schedules A - D**

Schedule A (Rev. May 2010): Investment

Form 50-296

Applicant Name ETC Texas Processing, LTD  
 ISD Name Ganado ISD

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 building 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)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)  Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)  Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)	2012-2013	2012	\$ 16,008,000	\$ -	\$ -	\$ 16,008,000
		2012-2013	2012	\$ 85,000,000	\$ -	\$ -	\$ 85,000,000
		2012-2013	2012	\$ 199,000,000	\$ -	\$ 199,000,000	\$ 199,000,000
		2013-2014	2013	\$ 75,000,000	\$ -	\$ 75,000,000	\$ 75,000,000
		2014-2015	2014	\$ 25,000,000	\$ -	\$ 25,000,000	\$ 25,000,000
		2015-2016	2015				
		2016-2017	2016				
		2017-2018	2017				
		2018-2019	2018				
		2019-2020	2019				
		2020-2021	2020				
		2021-2022	2021				
		2022-2023	2022				
		2023-2024	2023				
		2024-2025	2024				
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	2025-2026	2025				
		2026-2027	2026				
		2027-2028	2027				
Credit Settle-Up Period	Continue to Maintain Viable Presence	2025-2026	2025				
		2026-2027	2026				
Post-Settle-Up Period	Post-Settle-Up Period	2026-2027	2026				
		2027-2028	2027				

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: 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 C: 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. 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.

Column D: 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 current and future years. If original estimates have not changed, enter those amounts for future years.

Column E: 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).

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 current and future years. If original estimates have not changed, enter those amounts for future years.

*[Signature]*

18 May 2012

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

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

**Form 50-296**

Applicant Name ETC Texas Processing, LTD  
 ISD Name Ganado ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	Final taxable value for M&O--after all reductions
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"			
	pre-year 1	2012-2013	2012	400,450				400,450	400,450
Complete tax years of qualifying time period	1	2013-2014	2013	400,450	-	284,000,000	14,200,000	270,200,450	270,200,450
	2	2014-2015	2014	400,450	-	350,500,000	17,500,000	333,400,450	333,400,450
	3	2015-2016	2015	400,450	-	364,700,000	18,200,000	346,900,450	10,000,000
	4	2016-2017	2016	400,450	-	353,800,000	17,700,000	336,500,450	10,000,000
	5	2017-2018	2017	400,450	-	343,200,000	17,200,000	326,400,450	10,000,000
Value Limitation Period	6	2018-2019	2018	400,450	-	332,900,000	16,600,000	316,700,450	10,000,000
	7	2019-2020	2019	400,450	-	322,900,000	16,100,000	307,200,450	10,000,000
	8	2020-2021	2020	400,450	-	313,200,000	15,700,000	297,900,450	10,000,000
	9	2021-2022	2021	400,450	-	303,800,000	15,200,000	289,000,450	10,000,000
	10	2022-2023	2022	400,450	-	294,700,000	14,700,000	280,400,450	10,000,000
Credit Settle-Up Period	11	2023-2024	2023	400,450	-	285,900,000	14,300,000	272,000,450	272,000,450
	12	2024-2025	2024	400,450	-	277,300,000	13,900,000	263,800,450	263,800,450
	13	2025-2026	2025	400,450	-	269,000,000	13,500,000	255,900,450	255,900,450
Post-Settle-Up Period	14	2026-2027	2026	400,450	-	260,900,000	13,000,000	248,300,450	248,300,450
	15	2027-2028	2027	400,450	-	253,100,000	12,700,000	240,800,450	240,800,450

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.

*Murt*

18 May 2012

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

**Schedule C- Application: Employment Information**

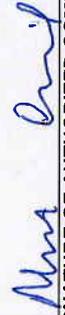
Form 50-296

**Applicant Name** ETC Texas Processing, LTD  
**ISD Name** Ganado ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTE's or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant 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	138 FTE	65,500				
	1	2013-2014	2013	103 FTE	65,500	17	60,100	14	65,500
	2	2014-2015	2014	13 FTE	65,500	23	60,100	19	65,500
	3	2015-2016	2015			23	60,100	19	65,500
	4	2016-2017	2016			23	60,100	19	65,500
	5	2017-2018	2017			23	60,100	19	65,500
	6	2018-2019	2018			23	60,100	19	65,500
	7	2019-2020	2019			23	60,100	19	65,500
	8	2020-2021	2020			23	60,100	19	65,500
	9	2021-2022	2021			23	60,100	19	65,500
	10	2022-2023	2022			23	60,100	19	65,500
	11	2023-2024	2023			23	60,100	19	65,500
	12	2024-2025	2024			23	60,100	19	65,500
	13	2025-2026	2025			23	60,100	19	65,500
	14	2026-2027	2026			23	60,100	19	65,500
	15	2027-2028	2027			23	60,100	19	65,500
Tax Credit Period (with 50% cap on credit)				Value Limitation Period					
Credit Settle-Up Period				Continue to Maintain Viable Presence					
Post- Settle-Up Period									
Post- Settle-Up Period									

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**

18 May 2012  
**DATE**

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

Applicant Name

ETC Texas Processing, LTD

ISD Name

Ganado ISD

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	Fill in percentage exemption requested or granted in each year of the Agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2012-2013	2012	19,880,000	264,120,000	-	50%		50%	
	1	2013-2014	2013	5,250,000	69,750,000	200,000	50%		50%	
	2	2014-2015	2014	2,000,000	23,500,000	400,000	50%		50%	
	3	2015-2016	2015	400,000	800,000	600,000	50%		50%	
	4	2016-2017	2016	400,000	800,000	750,000	50%		50%	
	5	2017-2018	2017	400,000	800,000	825,000				
	6	2018-2019	2018	400,000	800,000	850,000				
	7	2019-2020	2019	400,000	800,000	875,000				
	8	2020-2021	2020	400,000	800,000	900,000				
	9	2021-2022	2021	400,000	800,000	900,000				
	10	2022-2023	2022	400,000	800,000	900,000				
	11	2023-2024	2023	400,000	800,000	925,000				
	12	2024-2025	2024	400,000	800,000	950,000				
	13	2025-2026	2025	400,000	800,000	950,000				
	14	2026-2027	2026	400,000	800,000	975,000				
	15	2027-2028	2027	400,000	800,000	1,000,000				

\*For planning, construction and operation of the facility.

*[Signature]*

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

18 May 2012

DATE

**ATTACHMENT 21**

**Map of Reinvestment Zone**

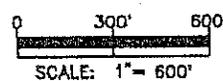
**LEGEND**

- BASELINE
- CENTERLINE
- PROPERTY LINE
- TEXAS
- RIGHT OF WAY
- HIGHWAY
- PROPERTY
- PERMANENT
- TEMPORARY WORKSPACE
- TEMPORARY
- CONCRETE
- MONUMENT
- FOUND
- AS PER SURVEY
- AS PER RECORD
- OFFICIAL RECORDS JACKSON COUNTY, TEXAS
- DEED RECORDS JACKSON COUNTY, TEXAS
- SET 5/8" IRON ROD WITH CAP "HMMD CORNER"
- SURFACE SITE 141.0462 ACRES

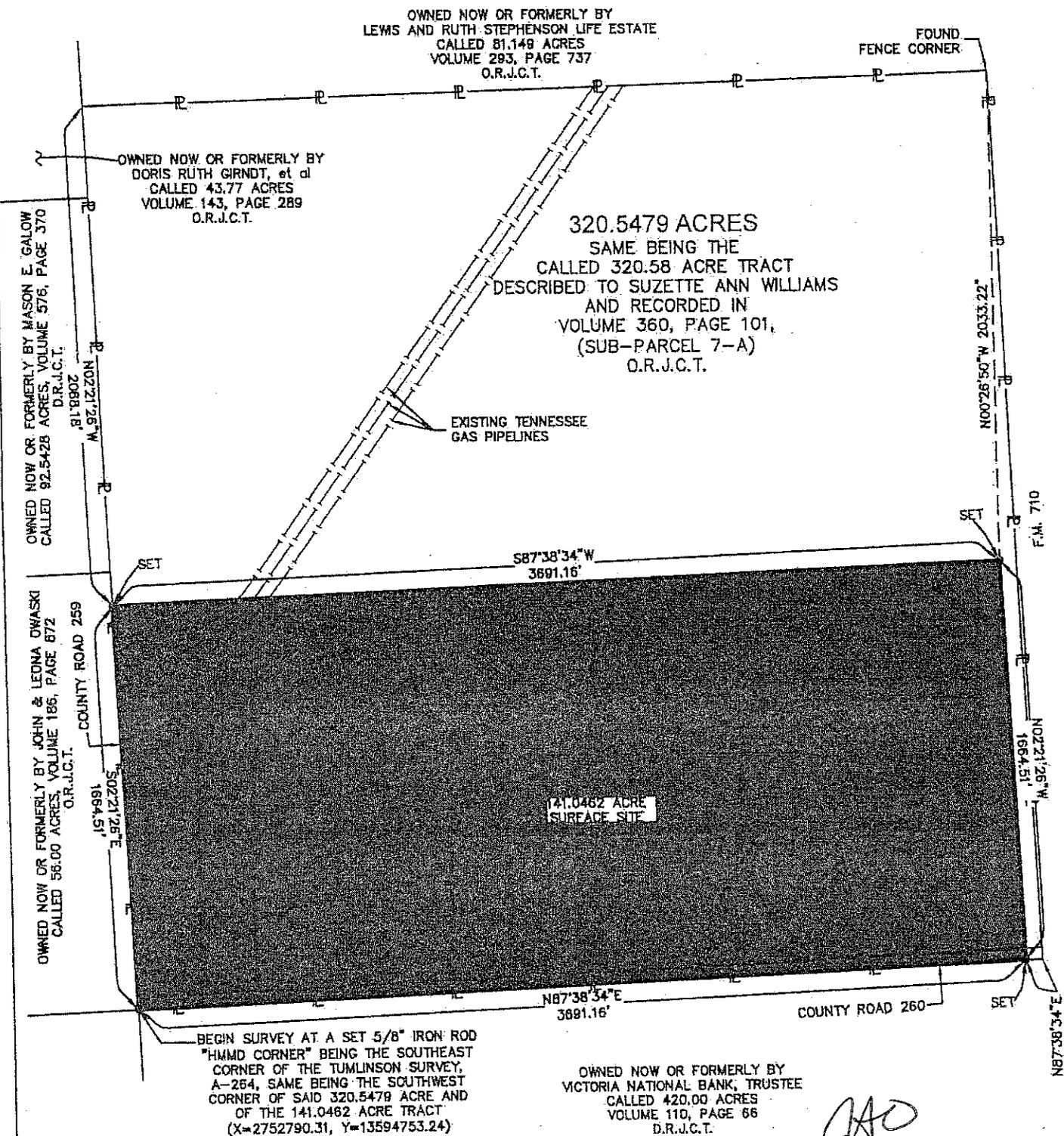
**EXHIBIT "B"**

LANDS LYING WITHIN AND BEING A PART OF

THEODORE PIERCE SURVEY, A-254  
JACKSON COUNTY, TEXAS



SHEET 2 OF 2



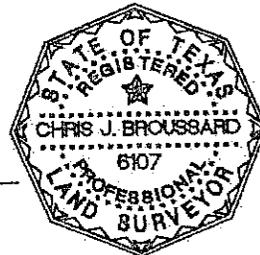
**NOTES:**

1. NORTH IS DERIVED FROM STATIC TIES TO EXISTING NGS MONUMENTS AND TRANSFORMED INTO THE TEXAS SOUTH CENTRAL STATE PLANE COORDINATE SYSTEM, NAD 83, U.S. SURVEY FOOT BY MEANS OF A GLOBAL POSITIONING SYSTEM (GPS) SURVEY PERFORMED BY HATCH MOTT MACDONALD.
2. INFORMATION DEPICTED HEREON IS BASED ON A SURVEY CONDUCTED FOR THE PURPOSE OF ESTABLISHING A BASELINE FOR MAPPING SELECTED TOPOGRAPHIC FEATURES AND LOCATING NECESSARY LINES FOR ENGINEERING DESIGN AND EASEMENT ACQUISITION ON DEEDS SUPPLIED BY CLIENT.
3. TITLE RESEARCH PERFORMED BY OTHERS.

I, CHRIS J. BROUSSARD, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS EASEMENT PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE DATE OF THE FIELD SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Chris J. Broussard* 4/18/11  
CHRIS J. BROUSSARD  
RPLS NO. 8107  
PHONE: (832)736-9590  
FAX: (832)736-9580

*GAD  
SAW  
Rey*



O.R. BOOK 394 PAGE 732

<p><b>Hatch Mott MacDonald</b> 2950 Cullen Pkwy, Suite 201, Pearland, TX 77584 T: (832) 736-9590 F: (832) 736-9580</p>		RICH EAGLEFORD MAINLINE 30" PIPELINE PROJECT JACKSON COUNTY, TEXAS		ENERGY TRANSFER	
		DRAWN BY: RLS CHECKED BY: ACD APPROVED BY: CJB DATE: 04/12/2011 DATE: 04/12/2011 DATE: 04/12/2011	DATE: 04/12/2011 DATE: 04/12/2011 DATE: 04/12/2011	APPROVED BY: CJB PROJECT NUMBER / PROJECT NUMBER	DATE: 04/12/2011
A 04/12/11 ISSUE FOR REVIEW NO. DATE REVISION		RLS ACD CJB PROJ. NO. 45101510 SCALE AS NOTED	SURFACE SITE		

**ATTACHMENT 22**

**Order, Resolution, or Ordinance Establishing the Zone**

## ORDER DESIGNATING ETC REINVESTMENT ZONE

NOW WHEREAS the Jackson County Commissioners Court is authorized by Texas Tax Code §312.401 to designate reinvestment zones; and

WHEREAS property owner ETC Texas Pipeline, Ltd. has applied for a tax abatement in an area of Jackson County which is described in Exhibit A (which is attached to this Order) and which does not include area in the taxing jurisdiction of a municipality; and

WHEREAS a reinvestment zone must be designated if an abatement is to be granted regarding the property described in Exhibit A; and

WHEREAS the Commissioners Court has held a public hearing on the designation and hereby finds that the designation of the ETC Reinvestment Zone:

would attract major investment into the Reinvestment Zone that would be a benefit to the property to be included in the zone; and

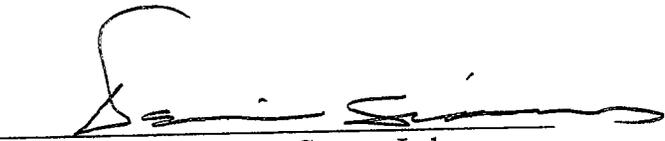
would contribute to the economic development of Jackson County; and

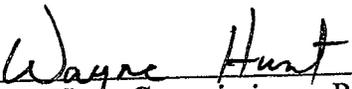
WHEREAS THE Commissioners Court has established guidelines and criteria governing its tax abatement agreements and a resolution stating that the Commissioners Court has elected to become eligible to participate in tax abatements;

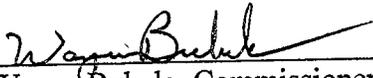
NOW THEREFORE BE IT ORDERED that the real property consisting of 141.0462 acres near Ganado (the legal description of which is attached to this Order as Exhibit A) is hereby designated as a reinvestment zone to be known as the 2011 Jackson County ETC Reinvestment Zone; and

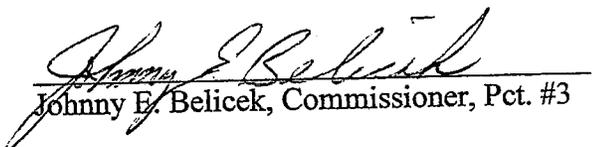
BE IT FURTHER RESOLVED that the designation of this reinvestment zone will expire five years after the date that this Order of designation is signed, unless it is renewed for one or more subsequent periods not to exceed five years each.

APPROVED BY MAJORITY VOTE OF THE JACKSON COUNTY COMMISSIONERS COURT AT ITS REGULARLY SCHEDULED PUBLIC MEETING ON THE 12<sup>th</sup> DAY OF December, 2011.

  
Dennis Simons, County Judge

  
Wayne Hunt, Commissioner, Pct. #1

  
Wayne Bubela, Commissioner, Pct. #2

  
Johnny E. Belicek, Commissioner, Pct. #3

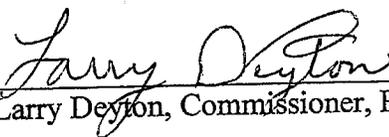
  
Larry Deyton, Commissioner, Pct. #4

EXHIBIT "A"

Written: April 12, 2011  
Field Notes for ETC Texas Pipeline, LTD  
Robert R. Ottis  
141.0462 Acres (6,143,972 Square Feet) of Land  
For A Surface Site

All of that certain tract containing 141.0462 acres (6,143,972 square feet) of land being out of and a part of a 320.5479 acre tract (call 320.58 acres) of which there is 3.2212 acres (call 3.23 acres) in the road along the south line and 3.2262 acres (call 3.26 acres) in the road along the west line, leaving a total remainder of 314.1005 acres (call 314.09 acres), said tract being a part of the Theodore Pierce Survey, Abstract Number 254, Jackson County, Texas, and being out of and a part of said called 320.58 acre tract described in that certain Warranty Deed dated August 4, 2009 from Joseph Ann Ottis, Trustee of the Trust for Suzette Ann Williams under Article XIV of the Will of Katherine S. Ottis, Deceased, filed for record on August 31, 2009, recorded in Volume 360, Page 101 (also known as Sub-parcel Z-A of said document), Official Public Records, Jackson County, Texas, said 141.0461 acre tract being more particularly described by metes and bounds as follows:

**BEGINNING** at a set 5/8" iron rod with cap "HMMD CORNER" being the southeast corner of a the Tumlinson Survey, Abstract No. 264, same being the southwest corner of said 320.5479 acre of the herein described tract, from which a found wooden fence corner bears N 02°06'00" W, a distance of 11.69 feet and the intersection of the centerlines of both County Road 259 and County Road 260 bears N 59°24'40" E, a distance of 36.43 feet;

**THENCE** N 87°38'34" E, (call N 89°30'00" E) along the south line of said 320.5479 acre tract, in common with the south line of the herein described tract, a distance of 3,691.16 feet to a set 5/8" iron rod with cap "HMMD CORNER", from which the southeast corner of said 320.5479 acre tract bears N 87°38'34" E, a distance of 67.77 feet;

**THENCE** N 02°21'26" W, leaving the south line, over and across said 320.5479 acre tract, also being parallel to the east line of said 320.5479 acre tract, a distance of 1,664.51 feet to a set 5/8" iron rod with cap "HMMD CORNER", from which a found fence corner, same being the northeast corner of said 320.5479 acre tract, bears N 00°26'50" W, a distance of 2,033.22 feet;

**THENCE** S 87°38'34" W, continuing over and across said 320.5479 acre tract, distance of 3,691.16 feet to a set 5/8" iron rod with cap "HMMD CORNER", said point lying in the west line of said 320.5479 acre tract, from which the northwest corner of said 320.5479 acre tract bears N 02°21'26" W, a distance of 2,068.18 feet;

**THENCE** S 02°21'26" E, (call S 00°30'00" W) along the west line of said 320.5479 acre tract, in common with the west line of the herein described tract, a distance of 1,664.51 to the POINT OF BEGINNING and containing 141.0462 acres of land.



Chris J. Broussard, R.P.L.S. Texas No. 6107

Date,

Sheet 1 of 2

**ATTACHMENT 23**

**Legal Description of Reinvestment Zone**

EXHIBIT "A"

Written: April 12, 2011  
Field Notes for ETC Texas Pipeline, LTD  
Robert R. Ottis  
141.0462 Acres (6,143,972 Square Feet) of Land  
For A Surface Site

All of that certain tract containing 141.0462 acres (6,143,972 square feet) of land being out of and a part of a 320.5479 acre tract (call 320.58 acres) of which there is 3.2212 acres (call 3.23 acres) in the road along the south line and 3.2262 acres (call 3.26 acres) in the road along the west line, leaving a total remainder of 314.1005 acres (call 314.09 acres), said tract being a part of the Theodore Pierce Survey, Abstract Number 254, Jackson County, Texas, and being out of and a part of said called 320.58 acre tract described in that certain Warranty Deed dated August 4, 2009 from Joseph Ann Ottis, Trustee of the Trust for Suzette Ann Williams under Article XIV of the Will of Katherine S. Ottis, Deceased, filed for record on August 31, 2009, recorded in Volume 360, Page 101 (also known as Sub-parcel 7-A of said document), Official Public Records, Jackson County, Texas, said 141.0461 acre tract being more particularly described by metes and bounds as follows:

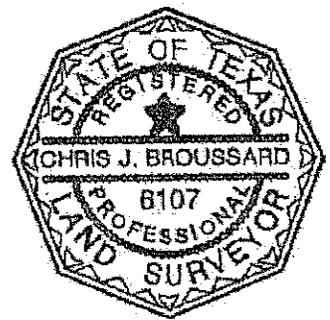
**BEGINNING** at a set 5/8" iron rod with cap "HMMD CORNER" being the southeast corner of a the Tumlinson Survey, Abstract No. 264, same being the southwest corner of said 320.5479 acre of the herein described tract, from which a found wooden fence corner bears N 02°06'00" W, a distance of 11.69 feet and the intersection of the centerlines of both County Road 259 and County Road 260 bears N 59°24'40" E, a distance of 36.43 feet;

**THENCE** N 87°38'34" E, (call N 89°30'00" E) along the south line of said 320.5479 acre tract, in common with the south line of the herein described tract, a distance of 3,691.16 feet to a set 5/8" iron rod with cap "HMMD CORNER", from which the southeast corner of said 320.5479 acre tract bears N 87°38'34" E, a distance of 67.77 feet;

**THENCE** N 02°21'26" W, leaving the south line, over and across said 320.5479 acre tract, also being parallel to the east line of said 320.5479 acre tract, a distance of 1,664.51 feet to a set 5/8" iron rod with cap "HMMD CORNER", from which a found fence corner, same being the northeast corner of said 320.5479 acre tract, bears N 00°26'50" W, a distance of 2,033.22 feet;

**THENCE** S 87°38'34" W, continuing over and across said 320.5479 acre tract, distance of 3,691.16 feet to a set 5/8" iron rod with cap "HMMD CORNER", said point lying in the west line of said 320.5479 acre tract, from which the northwest corner of said 320.5479 acre tract bears N 02°21'26" W, a distance of 2,068.18 feet;

**THENCE** S 02°21'26" E, (call S 00°30'00" W) along the west line of said 320.5479 acre tract, in common with the west line of the herein described tract, a distance of 1,664.51 to the **POINT OF BEGINNING** and containing 141.0462 acres of land.



*Chris J. Broussard*  
Chris J. Broussard, R.P.L.S. Texas No. 6107

*4/18/11*  
Date

*SAW RRO*  
*AO*

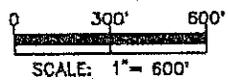
**LEGEND**

- BASELINE
- CENTERLINE
- PROPERTY LINE
- TEXAS
- RIGHT OF WAY
- HIGHWAY
- PROPERTY
- PERMANENT
- TEMPORARY WORKSPACE
- TEMPORARY
- CONCRETE
- MONUMENT
- FOUND
- AS PER SURVEY
- AS PER RECORD
- OFFICIAL RECORDS JACKSON COUNTY, TEXAS
- DEED RECORDS JACKSON COUNTY, TEXAS
- SET 5/8" IRON ROD WITH CAP "HMMD CORNER"
- SURFACE SITE 141.0462 ACRES

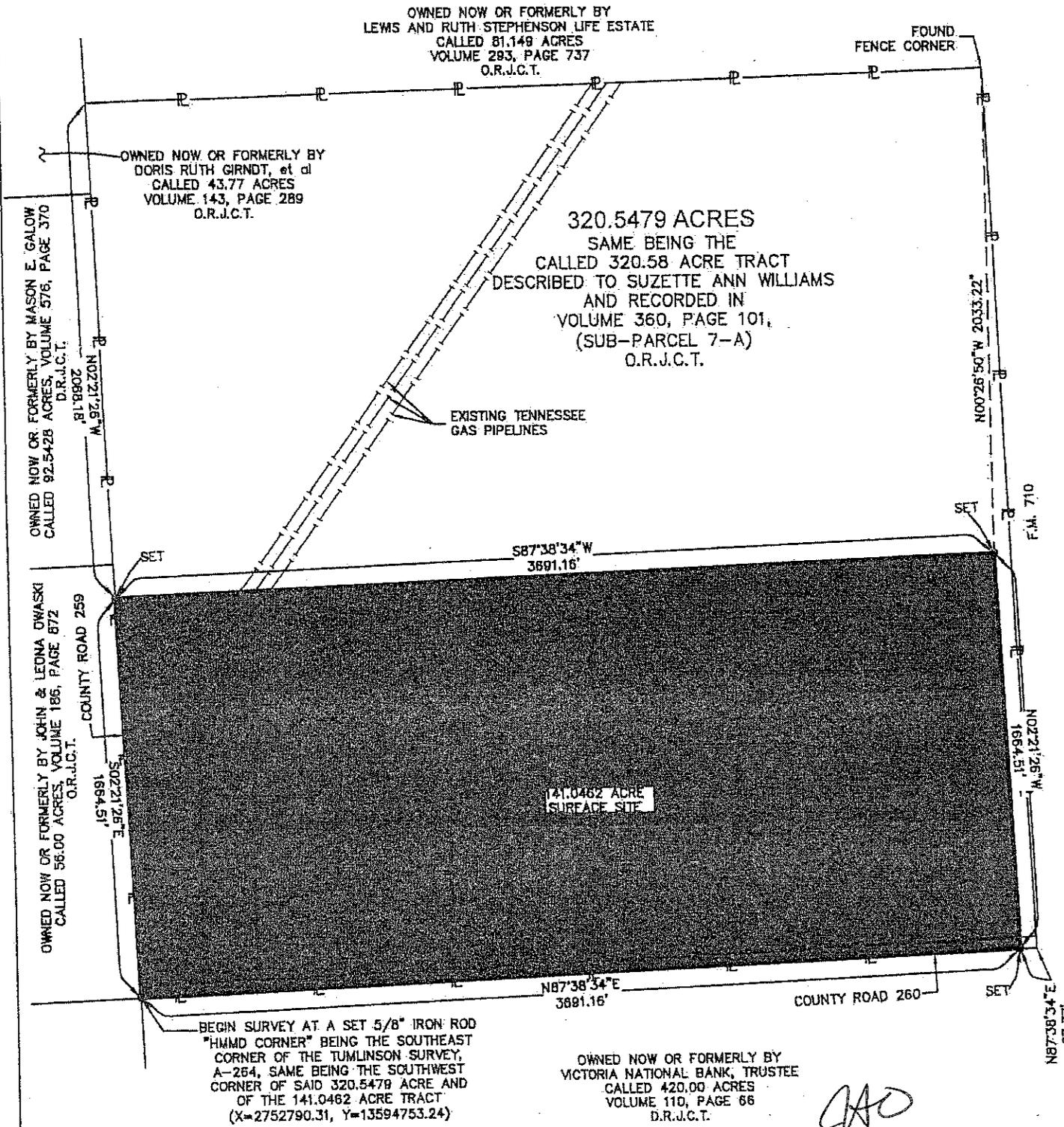
**EXHIBIT "B"**

LANDS LYING WITHIN AND BEING A PART OF

THEODORE PIERCE SURVEY, A-254  
JACKSON COUNTY, TEXAS



SHEET 2 OF 2

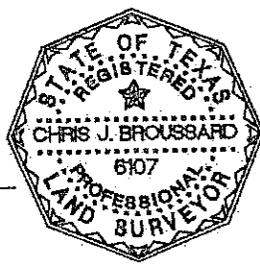


**NOTES:**

1. NORTH IS DERIVED FROM STATIC TIES TO EXISTING NGS MONUMENTS AND TRANSFORMED INTO THE TEXAS SOUTH CENTRAL STATE PLANE COORDINATE SYSTEM, NAD 83, U.S. SURVEY FOOT BY MEANS OF A GLOBAL POSITIONING SYSTEM (GPS) SURVEY PERFORMED BY HATCH MOTT MACDONALD.
2. INFORMATION DEPICTED HEREON IS BASED ON A SURVEY CONDUCTED FOR THE PURPOSE OF ESTABLISHING A BASELINE FOR MAPPING SELECTED TOPOGRAPHIC FEATURES AND LOCATING NECESSARY LINES FOR ENGINEERING DESIGN AND EASEMENT ACQUISITION ON DEEDS SUPPLIED BY CLIENT.
3. TITLE RESEARCH PERFORMED BY OTHERS.

I, CHRIS J. BROUSSARD, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS EASEMENT PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE DATE OF THE FIELD SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Chris J. Broussard* 4/18/11  
 CHRIS J. BROUSSARD DATE:  
 RPLS NO. 8107  
 PHONE: (832)736-9590  
 FAX: (832)736-9580



O.R. BOOK 394 PAGE 732

<b>Hatch Mott MacDonald</b> 2950 Cullen Pkwy, Suite 201, Pearland, TX 77584 T: (832) 736-9590 F: (832) 736-9580		RICH EAGLEFORD MAINLINE 30" PIPELINE PROJECT JACKSON COUNTY, TEXAS		ENERGY TRANSFER	
		DRAWN BY: RLG CHECKED BY: ACD APPROVED BY: CJB	DATE: 04/12/2011 DATE: 04/12/2011 DATE: 04/12/2011	APPROVED BY: CJB PROJECT NUMBER / PROJECT NUMBER:	DATE: 04/12/2011
A 04/12/11 ISSUE FOR REVIEW	RLG ACD CJB	PROJ. NO. 45101510	SCALE AS NOTED	SURFACE SITE	
NO. DATE REVISION	DESK CHG APPD	45101510	AS NOTED	SURFACE SITE	

**ATTACHMENT 24**

**Guidelines and Criteria for Reinvestment Zone**

EXHIBIT "D"

**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN JACKSON COUNTY, TEXAS**

**SECTION I**

**BACKGROUND**

- (A) Pursuant to the Texas Tax Code (hereinafter the "Code"), Jackson County, Texas (hereinafter "the County"), is authorized to designate Reinvestment Zones in areas of the County that do not include areas in the taxing jurisdiction of a municipality, to enter into tax abatement agreements with regard to properties located in Reinvestment Zones, and to enter into tax abatement agreements with regard to properties for which a municipality has given tax abatement incentives by agreement.
- (B) The Code requires that the County establish guidelines and criteria governing tax abatement agreements. These guidelines and criteria are for the purpose of promoting the efficient and reasonably consistent administration of tax abatement incentives. These guidelines are effective for two (2) years from the date adopted by the Jackson County Commissioners Court (the "Commissioners Court"). A three-quarter (3/4) vote by the Commissioners Court is required to amend or repeal these guidelines.
- (C) These guidelines and criteria, and the procedures established herein, are in compliance with the requirements of the Code.
- (D) **NOTHING HEREIN SHALL IMPLY OR SUGGEST THAT THE COUNTY IS UNDER ANY OBLIGATION TO PROVIDE ANY TAX ABATEMENT, OR PROVIDE ANY LENGTH, LEVEL OR VALUE OF TAX ABATEMENT, TO ANY APPLICANT.**

**SECTION II**

**DEFINITIONS**

- (A) "Abatement" means the full or partial exemption from County ad valorem taxation of the increased values of eligible properties in a Reinvestment Zone designated as such in accordance with state law, or the full or partial exemption from County ad valorem taxation of the increased values of eligible properties located within a municipality's taxing jurisdiction where

the municipality has granted full or partial exemption to those properties from municipal ad valorem taxation.

- (B) "*Agreement*" means a contractual agreement between a property owner and a taxing jurisdiction for the purpose of tax abatement.
- (C) "*Base Year Value*" means the market value of any property eligible for abatement under these guidelines and criteria on January 1 of the year of the execution of the agreement. In addition, Base Year Value may include a guaranteed minimum agreed upon value of any property improvements or additions eligible for abatement under these guidelines and criteria made after such January 1 but before execution of such agreement.
- (D) "*Economic Life*" means the number of the years a property improvement is expected to be in service in a facility.
- (E) "*Expansion*" means the addition of buildings, structures, machinery, or equipment for the purpose of increasing production capacity.
- (F) "*Facility*" means property improvements completed or in the process of construction which together comprise an integral whole.
- (G) "*Lease*" means a relationship whereby the person applying for a tax abatement has a contract for exclusive possession of the real property on which improvements are to be made and/or personal property to be used for the operation of the business for a defined period of time.
- (H) "*Modernization*" means the replacement and upgrading of existing facilities which increase the productive input or output, updates the technology, or substantially lowers the unit cost of operation, and extends the economic life of the facility. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment. Modernization shall not include reconditioning, refurbishing, repairing, or completion of deferred maintenance.
- (I) "*New facility*" means a Facility on property previously undeveloped and which is placed into service by means other than expansion or a modernization.
- (J) "*Personal Property*" means machinery, equipment and/or tools used, or bought or leased for use, in the operations of the person applying for tax abatement, other than that which was located on the real property at any time before execution of the tax abatement agreement. "Personal Property" shall not include inventory, supplies, office furniture, office equipment, motor vehicles, vessels, aircraft, housing, hotel accommodations, or deferred maintenance investments.

(K) "Real Property" means the area of land defined by legal description as being owned or leased by the person applying for a tax abatement, including any improvements thereto, which is to be improved and valued for property tax purposes, and which is to be included in the Reinvestment Zone.

(L) "Reinvestment Zone" is an area designated as such for the purpose of a tax abatement as authorized by the County in accordance with the Code.

### SECTION III

#### REINVESTMENT ZONE DESIGNATION

(A) A Reinvestment Zone may only be designated in accordance with the Code.

(B) A Reinvestment Zone may only be designated by the Commissioners Court in an area of the County that does not include an area within the taxing jurisdiction of a municipality.

(C) An area may be designated as a Reinvestment Zone if the Commissioners Court, after a public hearing on the proposed designation, finds that the designation would attract major investment into the Reinvestment Zone that would be a benefit to the property to be included in the Reinvestment Zone and would contribute to the economic development of the County.

(D) A public hearing on a proposed Reinvestment Zone designation must be held prior to the findings and action of the Commissioners Court on the proposal. The public hearing shall be conducted in accordance with all applicable provisions of the Code. Notice of the hearing shall be given in accordance with the Code. The public hearing must also be posted as an agenda item in accordance with Chapter 551 of the Texas Government Code (the "Texas Open Meetings Act").

(E) Property may be located both in a Reinvestment Zone designated by the County and in a Reinvestment Zone designated by a municipality.

(F) If the Commissioners Court finds that designation of an area as a Reinvestment Zone is proper, such proposed designation shall be put to a vote of the Commissioners Court, and will pass if a majority of the members of the Commissioners Court in attendance vote to approve the designation. The order of the Commissioners Court designating the area as a Reinvestment Zone shall contain a sufficient description of the boundaries of the Reinvestment Zone.

(G) The designation of a Reinvestment Zone shall be for a period of five (5) years. No designation of a Reinvestment Zone shall exceed five (5) years, and a designation of a Reinvestment Zone shall automatically expire five (5) years after the date of designation unless renewed by the Commissioners Court for one or more subsequent periods not to exceed five (5) years each. The expiration of a designation of a Reinvestment Zone does not affect any existing tax abatement agreement relating to property in such Reinvestment Zone.

(H) Tax abatement agreements entered into by the County shall be in compliance with all applicable requirements set forth in the Code.

#### SECTION IV

#### ABATEMENT AUTHORIZED

- (A) Abatement is authorized, subject to approval of the Commissioners Court and execution of a tax abatement agreement, for properties located within a Reinvestment Zone designated by the Commissioners Court.
- (B) Abatement is also authorized for properties located within a municipal Reinvestment Zone when the municipality has entered into a tax abatement agreement with regard to property located within the Reinvestment Zone if the County enters into a tax abatement agreement with regard to that property. Such an agreement must be in compliance with all applicable requirements set forth in the Code.
- (C) Authorized Facilities: Tax abatement may be granted for New Facilities or for the Expansion or Modernization of existing Facilities. The economic life of a Facility or improvements thereto must exceed the life of the tax abatement agreement.
- (D) Eligible Property: Tax abatement may be granted for improvements to owned real property or real property subject to a Lease and for Personal Property located on such real property to the extent allowed by state law.
- (E) Value of Abatement: Authorized Facilities may be granted abatement on all or a portion of the increased taxable value of eligible property over the base year value for a period not to exceed ten (10) years. Such abatement, if granted as to real property, is not with regard to the entire value of the real property, but only to the extent that the value of the real property exceeds the value for the year in which the abatement is granted (i.e., the Base Year Value). Ad valorem taxes on

tangible Personal Property may be abated to the extent of additions, but cannot be abated as to personal property located on the real property at any time before the tax abatement agreement is executed, and cannot be abated for inventory, supplies, office furniture, office equipment, motor vehicles, vessels, aircraft, housing, hotel accommodations, or deferred maintenance investments.

## SECTION V

### PROJECT IMPACT DATA

#### (A) Introduction

The information required in this Section V will be used by the Commissioners Court to determine whether or not it is in the best interest of the County to offer tax abatement to a particular applicant. The County may request that the applicant describe the methodologies used to respond to the questions below and to supply supporting documentation.

#### (B) Proposed Investment

The applicant must submit information providing answers to the following inquiries:

- (1) Identify and describe the type and location of the proposed real property improvements and/or personal property additions to the property and describe the planned development schedule for the proposed improvements and/or additions.
- (2) To what extent, if any, will material, additional public improvements be needed? Describe the plans, if any, in existence for the provision of such improvements.
- (3) What material governmental approvals or permits will be required for the improvements?
- (4) Is the financial capital required to complete the project already available (financing commitments, reserved funds, etc.)? Explain in reasonable detail.

#### (C) Fiscal Impact

The applicant must submit information providing answers to the following inquiries:

- (1) What is the estimated cost of the proposed real property improvements and/or personal property additions?
- (2) What is the proposed depreciation schedule for the real and personal property to be abated?

(D) Community Impact

The applicant must submit information providing answers to the following inquiries:

- (1) Provide a copy of an economic impact study prepared with respect to the proposed project. An economic impact evaluation prepared in connection with an application for appraised value limitation under Chapter 313 of the Code will satisfy this requirement.
- (2) What support services or products, if any, does the applicant anticipate will be procured from the local community in the construction of improvements or additions of personal property, and with regard to its operations?

(E) A legal description of the subject real property must be supplied to the County by the applicant:

(F) Pursuant to the Code, information submitted in the application process is confidential; and is not subject to public disclosure, unless and until a tax abatement agreement is executed. If an application for abatement is granted, the information submitted in the application process will be considered public once the abatement agreement has been signed by representatives for both parties.

**SECTION VI**

**GUIDELINES**

(A) Economic Qualification

To be eligible for designation of a Reinvestment Zone and to receive tax abatement, the proposed project must be reasonably shown to have an estimated cost upon completion of at least \$5,000,000.00

(B) Eligibility

The Commissioners Court shall determine eligibility for abatement on a case-by-case basis.

(C) Rate and Duration of Tax Abatement

When a determination has been made to offer tax abatement, the County will determine the percent of value abated and the length of abatement on a case-by-case basis.

**SECTION VII**

**PROCEDURE**

(A) Any person or entity desiring that the County consider tax abatement for a proposed project must comply with the following procedural guidelines.

(B) Application Process

The applicant shall submit a letter of application for tax abatement to the County Judge for submission to the Commissioners Court. The application must:

- (1) give a reasonably detailed explanation of the proposed project (improvements to owned or leased real property, and/or addition of owned or leased Personal Property);
- (2) address all criteria questions and inquiries outlined in Section V above;
- (3) provide a current survey of the real property and information showing the proposed location of the proposed improvements and additions on such real property, together with a legal description of such real property;
- (4) identify the name, address, telephone number, fax number, and e-mail address of the applicant's contact person for purposes of the application;
- (5) identify the form of organization of the applicant (e.g., sole proprietorship, partnership, corporation, limited liability company, etc.) and any assumed or trade names under which the applicant operates; and
- (6) identify how the project will comply with or fit within the criteria and guidelines set forth in the preceding sections.

All applications will be reviewed by the Commissioners Court's designee or designees for accuracy and completeness. If requested by the Commissioners Court or its designee, the applicant shall verify any information submitted to the Commissioners Court. In addition, the applicant shall provide any additional information requested by the Commissioners Court or its designee. Upon completion of the application process, the

application will be placed on the agenda for a meeting of the Commissioners Court for consideration.

- (C) The application shall be considered at a meeting of the Commissioners Court held in compliance with the Texas Open Meetings Act. If the abatement would involve the designation of a Reinvestment Zone, a public hearing regarding such designation must first be held in accordance with the procedures and notice requirements in the Code. No applicant has a legal right or expectation to a favorable determination by the Commissioners Court with respect to its application.
- (D) The abatement, if granted, must be made pursuant to a tax abatement agreement which meets all of the requirements of law and is acceptable to the Commissioners Court. Any such tax abatement agreement shall provide that in filling any new employment positions created as a result of the project, the applicant will use commercially reasonable efforts to hire qualified applicants located in the County and willing to perform the work required by such positions. A tax abatement agreement must be approved by the Commissioners Court for execution by the County Judge before it can be effective.
- (E) Any abatement is for County ad valorem taxes only, and does not provide abatement from taxation by other taxing jurisdictions in which the property may be located unless otherwise provided by state law. Property owned or leased by a member of the Commissioners Court is not eligible for tax abatement.

## SECTION VIII

### ADMINISTRATION

- (A) The tax abatement agreement shall stipulate that employees of the County and/or designated representatives of the County will have access to the Reinvestment Zone during the term of the abatement to inspect the Facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after giving forty-eight (48) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the company and in accordance with the safety standards for the Facility.
- (B) The employees and/or designated representatives of the County who conduct an inspection of the Facility shall within ten days of the inspection submit a written report to the Jackson County Commissioners Court regarding the property owner's compliance with the terms and conditions of the agreement.

- (C) Violations of the terms of the tax abatement agreement by the tax abatement recipient may result in the full or partial loss of the abatement and give rise to a right of the County to recoup taxes abated and terminate the agreement, all as may be more fully provided for in the agreement.

## SECTION IX

### ASSIGNMENT

A tax abatement agreement may be assigned to a new owner or lessee of the Facility with the prior written consent of the Commissioners Court, which consent shall not be unreasonably withheld, delayed or conditioned. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee are indebted to the County for delinquent ad valorem taxes or other obligations.

## SECTION X

### SUNSET PROVISION

These Guidelines and Criteria are effective September 27, 2010, and will remain in force until September 27, 2012, at which time all tax abatement agreements created pursuant to these provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed, or eliminated.