TAB 1

Pages 1 through 9 of Application

See attached

Application for Appraised Value Limitation on Qualified Property
(Tax Code, Chapter 313, Subchapter B or C)

Form 50-296-A

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 hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, 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 website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value 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 not later than the 150th 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 issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

September 8, 2014
Date Application Received by District

Dr. Rodney — First Name
Cavness — Last Name

Superintendent
Title

Port Neches-Groves ISD
School District Name

620 Avenue C
Street Address

620 Avenue C
Mailing Address

Port Neches — City
Texas — State
77651 — ZIP

(409) 722-4244 — Phone Number
(409) 724-7864 — Fax Number

Mobile Number *(optional)*
rcavness@pngisd.org — Email Address

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

SECTION 1: School District Information *(continued)*

3. Authorized School District Consultant *(If Applicable)*

Sara H. — First Name

Leon — Last Name

Partner — Title

Powell & Leon, LLP — Firm Name

(512) 494-1177 — Phone Number

(512) 494-1188 — Fax Number

Mobile Number *(optional)*

sleon@powell-leon.com — Email Address

4. On what date did the district determine this application complete? .... September 18, 2014

5. Has the district determined that the electronic copy and hard copy are identical? .... ☑ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

William C. (Chris) — First Name

Miller — Last Name

Manager - Federal Audits — Title

Total Petrochemicals and Refining USA, Inc. — Organization

1201 Louisiana Street — Street Address

P.O. Box 674411 — Mailing Address

Houston — City

Texas — State

77002 — ZIP

713-483-5761 — Phone Number

713-483-5139 — Fax Number

Mobile Number *(optional)*

chris.miller@total.com — Business Email Address

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

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

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

Business Email Address

3. Does the applicant authorize the consultant to provide and obtain information related to this application? .... ☑ Yes ☐ No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant *(If Applicable)*

Stephen A.	Kuntz
First Name	Last Name

Partner
Title

Fulbright & Jaworski LLP
Firm Name

713-651-5241	713-651-5246
Phone Number	Fax Number

stephen.kuntz@nortonrosefulbright.com
Business Email Address

SECTION 3: Fees and Payments

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

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

   1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Total Petrochemicals & Refining USA, Inc. and TOTAL PAR LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 *(11 digits)* 1-75-0990403-7 and 3-20-3326197-8
3. List the NAICS code 325110
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☑ Yes ☐ No

   4a. If yes, please list application number, name of school district and year of agreement

   Application #2, Port Neches-Groves ISD, 2002; Application #136, Port-Neches Groves ISD, 2008

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant *(corporation, limited liability corporation, etc)* Corporation and Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☑ Yes ☐ No

   2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☑ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☑ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. *(If necessary, attach explanation in **Tab 3**)*

SECTION 6: Eligibility Under Tax Code Chapter 313.024

	Yes	No
1. Are you an entity subject to the tax under Tax Code, Chapter 171?	✓	
2. The property will be used for 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)		✓
(9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051		✓
3. Are you requesting that any of the land be classified as qualified investment?		✓
4. Will any of the proposed qualified investment be leased under a capitalized lease?		✓
5. Will any of the proposed qualified investment be leased under an operating lease?		✓
6. Are you including property that is owned by a person other than the applicant?		✓
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?		✓

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

2. Check the project characteristics that apply to the proposed project:

- [ ] Land has no existing improvements
- [x] Land has existing improvements *(complete Section 13)*
- [ ] Expansion of existing operation on the land *(complete Section 13)*
- [ ] Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

1. Application approval by school board .... December, 2014
2. Commencement of construction .... Third Quarter 2016
3. Beginning of qualifying time period .... January 2, 2017
4. First year of limitation 2020
5. Begin hiring new employees .... Second Quarter 2018
6. Commencement of commercial operations .... First Quarter 2019
7. 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)*? .... ☑ Yes ☐ No

   Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? .... First Quarter 2019

SECTION 10: The Property

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

   County: Jefferson County, $0.3650%, 100% *(Name, tax rate and percent of project)*

   City: N/A *(Name, tax rate and percent of project)*

   Hospital District: N/A *(Name, tax rate and percent of project)*

   Water District: N/A *(Name, tax rate and percent of project)*

   Other *(describe)*: Drainage District # 7, .149917, 100% *(Name, tax rate and percent of project)*

   Other *(describe)*: Sabine Neches Nav. Dist., $0.029374, 100% *(Name, tax rate and percent of project)*
5. Is the project located entirely within the ISD listed in Section 1? .... ☑ Yes ☐ No

   5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? .... ☐ Yes ☑ No

   6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: 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 Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at **www.texasahead.org/tax_programs/chapter313/**.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00

   Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? .... ☑ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
   a. 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 (**Tab 7**);
   b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
   c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? .... ☑ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
   1a. 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 (**Tab 8**);
   1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
   1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? .... ☐ Yes ☑ No
   2a. If yes, attach complete documentation including:
      a. legal description of the land (**Tab 9**);
      b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
      c. owner (**Tab 9**);
      d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
      e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new 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
   3a. If yes, attach the applicable supporting documentation:
      a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
      b. legal description of reinvestment zone (**Tab 16**);
      c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
      d. guidelines and criteria for creating the zone (**Tab 16**); and
      e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
   3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? .... October 31, 2014

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In **Tab 10**, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In **Tab 10**, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in **Tab 10**:
   a. maps and/or detailed site plan;
   b. surveys;
   c. appraisal district values and parcel numbers;
   d. inventory lists;
   e. existing and proposed property lists;
   f. model and serial numbers of existing property; or
   g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): .... $ 0.00 *
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property *(that property described in response to question 2)*: .... $ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property <u>cannot</u> become qualified property on Schedule B.

*See information in Tab 10.

SECTION 14: Wage and Employment Information

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

2. What is the last complete calendar quarter before application review start date:

   ☐ First Quarter ☑ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2014 *(year)*

3. 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 Texas Workforce Commission (TWC)? 1,351

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

4. What is the number of new qualifying jobs you are committing to create? 10

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

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

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information 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(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 978.25

   b. 110% of the average weekly wage for manufacturing jobs in the county is 1,951.40

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,279.83

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? . . . . . ☐ §313.021(5)(A) or ☑ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 66,551.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 66,551.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? . . . . . ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17. NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

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

print here ➧ Dr. Rodney Cavness — Superintendent

Print Name *(Authorized School District Representative)* — Title

sign here ➧ [signature] — 9/16/2014

Signature *(Authorized School District Representative)* — Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here ➧ Willliam C. Miller — Manager - Federal Audits

Print Name *(Authorized Company Representative (Applicant))* — Title

sign here ➧ [signature] — September 5, 2014

Signature *(Authorized Company Representative (Applicant))* — Date

GIVEN under my hand and seal of office this, the

5th day of September, 2014

Rebecca A Hubbell

Notary Public in and for the State of Texas

REBECCA A HUBBELL
Notary Public, State of Texas
Commission Expires
FEBRUARY 22, 2018

(Notary Seal)

My Commission expires: 2-22-18

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS	
TAB	**ATTACHMENT**
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation *(if applicable)*
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor *(if applicable)*
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property *(if applicable)*
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of tangible personal propertry to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size **Note:** Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information *(if applicable)*
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact *(if applicable)*
15	Economic Impact Analysis, other payments made in the state or other economic information *(if applicable)*
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* *** To be submitted with application or before date of final application approval by school board**
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative *(applicant)*

TAB 2

Proof of Payment of Application Fee

See attached

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)

Port Neches-Groves Independent School District
620 Avenue C
Port Neches, Texas 77651-3092

INVOICE

Invoice Number: 01-2014-15

Invoice Date: September 3, 2014

Vendor: TOTAL Petrochemicals USA Inc.
1201 Louisiana St.
Houston, TX 77002-5600

Chapter 313 Application Fee

INVOICE TOTAL **$100,000.00**

Payment Due Date: Upon Receipt

Make check payable to: Port Neches-Groves ISD

Mail check to the attention of: Cheryl Hernandez, Business Manager
Port Neches-Groves ISD
620 Avenue C
Port Neches, Texas 77651

TAB 3

Documentation of Combined Group Membership under Texas Tax Code 171.0001(7), History of Tax Default, Delinquencies and/or Material Litigation *(if applicable)*

See Attached Copy of Texas Comptroller Tax Form No. 05-166, Texas Franchise Tax Affiliate Schedule

Documentation of combined group received by the Texas Comptroller of Public Accounts

TAB 4

Detailed Description of the Project

See attached

*In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.*

In General

Total Petrochemicals & Refining USA, Inc. and its wholly-owned subsidiary, TOTAL PAR LLC (collectively, the "Applicants"), propose to design and construct an ethylene plant on land currently owned by the Applicants and located in Jefferson County, Texas (the "Project"). The Project would be designed to produce at least 750 kilotons per annum (KTA) of polymer grade ethylene.

The Applicants own and operate the Port Arthur Refinery located on Highway 366 in Jefferson County, Texas and the extraterritorial jurisdiction of the City of Port Arthur, Texas (the "Port Arthur Refinery"). The Project would be sited next to the Port Arthur Refinery, but would be a separate facility.

The Applicants currently estimate that a capital investment of approximately $1.603 billion would be required for the construction of the Project using state-of-the-art equipment and technology.

The Applicants are committed to employing at least 10 new full-time employees at the Project. In addition, the Applicants would create many direct and indirect jobs during the estimated 36-month construction period for the Project. The Project is expected to operate for at least 30 years.

Project Description Overview

The new facilities associated with the Project would process ethane to produce polymer grade ethylene. The ethane recovered from the process would be recycled to the feed stream. The proposed project would contain typical process equipment, including fired heaters, vessels, drums, exchangers, rotating equipment, pipe and piping components, process control instrumentation, analyzers, and chemical injection facilities. Figure 2-1 included as the last page behind Tab 4 depicts the basic process flow of the Project. In addition, a new cooling tower, a new ground flare, and a thermal oxidizer would be constructed as part of the Project.

Detailed Project Description

Ethane Cracking Heaters and Recovery Equipment

The Project includes construction of new ethane cracking heaters and recovery equipment. The major pieces of recovery equipment for the Project include a quench tower, caustic wash and spent caustic degassing and pretreatment facilities, charge gas compression and acid gas removal, a chiller train, acetylene conversion, a deethanizer, a hydrogen compression and purification section, a demethanizer, an ethylene fractionator, a propylene refrigeration system and a binary refrigeration system. Feedstock and product streams would be conveyed through new and existing pipelines.

Heaters Section

The unit would operate by continuously firing four ethane cracking heaters, with a fifth heater on standby. The heaters are equipped with ultra-low NOX burners and selective catalytic reduction (SCR) systems to control NOX emissions. The heaters would crack fresh ethane that is combined with recycled ethane. Steam is introduced as part of the process. The heater outlet stream is cooled by quench water.

The heaters would fire purchased natural gas or blended fuel gas that consists of purchased natural gas and tail gas. Tail gas is a recycle stream resulting from an initial separation of methane and hydrogen during the chilling step within the Demethanizer System. The composition of blended fuel gas would depend on current hydrogen production and disposition.

Heater Decoking

In the cracking operation, coke (molecular carbon) gradually builds on the inside walls of the furnace tubes. This layer of coke impedes heat transfer and must be removed while the heater is not cracking ethane through a periodic steam/air decoke operation. The coke is removed from the walls of the heater tubes through oxidation and spalling. The spalled coke fines are disengaged from the heater effluent mixture of fines, vapor, and water in the decoke drum. The coke particles are routed back to the firebox of another operating heater to be combusted.

Ground Flare

A new ground flare system would be designed to provide safe control of gases vented from normal operations, and startup and shutdown of the new ethane side cracker. This system would be equipped with a totalizing flow meter and an on-line analyzer to speciate the hydrocarbons in the flare gases.

Thermal Oxidizer)

A thermal oxidizer would be designed to control low pressure vent gases from process storage tanks and vessels containing VOC material.

Cooling Tower

A new cooling tower would be constructed to accomplish process heat removal and supply cooling water to the Project. This cooling tower would be a multi-cell, induced draft, counter-flow type cooling tower.

Storage Tanks

Several new storage tanks would be constructed for the Project. These tanks store materials such as slop oil, diesel fuel, wastewater, ammonia, compressor wash oil, lube oil, caustic, spent caustic, sulfuric acid, methanol, various additives, and bleach. Tanks storing VOC material with vapor pressure greater than 0.5 psia will be routed to the thermal oxidizer for control.

Additional Information

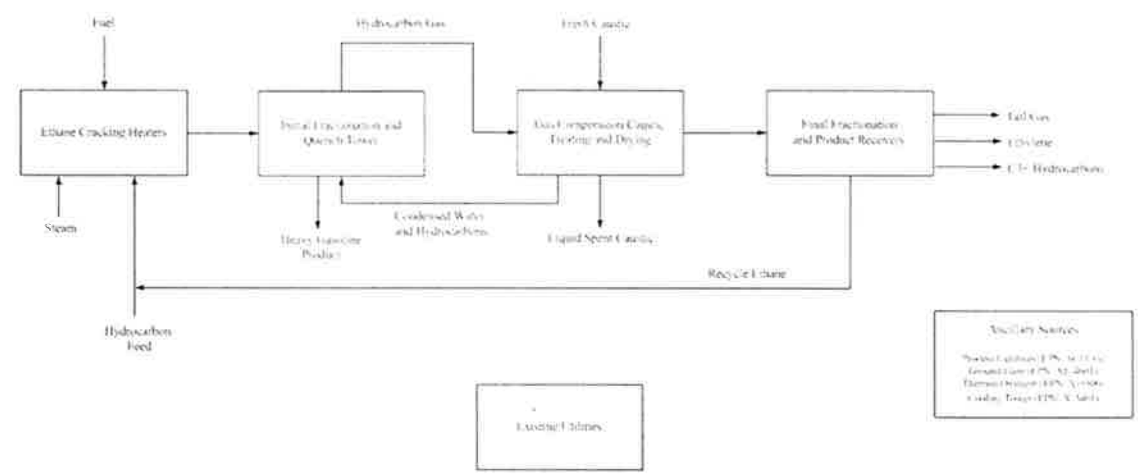
Additional information and detail concerning the Project is included behind **Tab 7**.

Timeline for Construction

The Applicants currently estimate that construction of the Project would commence in the third quarter of 2016 and would take approximately 2 and ½ years to complete, with commercial operations currently estimated to begin in the first quarter of 2019.

Figure 2-1, Simplified Process Flow Diagram, follows on the next page.

Figure 2-1. Simplified Process Flow Diagram



TAB 5

Documentation to Assist in Determining if Limitation is a Determining Factor

See attached

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

The Applicants are wholly-owned indirect subsidiaries of Total S.A., one of the largest integrated international oil and gas companies in the world with operations in more than 130 countries. As such, the Applicants compete with other members of the Total S.A. group for approval of a portion of the group's capital investment budget to fund the capital investment necessary to construct the Project. Moreover, the Total S.A. group has the ability to invest, locate and develop new projects, such as the one that is the subject of this application, in numerous locations throughout the world.

The Applicants own and operate the Port Arthur Refinery where the Project would be sited if the Port Arthur Refinery location were chosen as the site for the Project.

One of the Applicants, Total Petrochemicals & Refining USA, Inc. ("TPRI"), also owns and operates the Carville Styrenics Complex located in Iberville Parish, Louisiana. This facility is one of the largest styrene and polystyrene complex in the world. At the same time that the Applicants are evaluating the Port Arthur Refinery location as the site for the Project, TPRI is also evaluating the Carville Styrenics Complex location as the site for the Project.

In connection with TPRI's evaluation of the Carville Styrenics Complex location, Louisiana Economic Development ("LED"), a Department of the State of Louisiana, has submitted a proposal to TPRI (the "LED Carville Proposal") outlining in detail, among other things, the State of Louisiana's incentive package offered to TPRI if the Project is located at the Carville Styrenics Complex location. Those incentives include a 100% property tax exemption for 10 years.

The property tax incentives available for the Project if located at each of the Port Arthur Refinery location and the Carville Styrenics Complex location are a critical factor in the Applicants' site selection evaluation and decision, as well as in obtaining approval for the Project internally within the Total S.A. group. For the tax year 2013, Port Neches-Groves ISD's maintenance and operations (M&O) tax rate represents over 50% of the total property tax burden imposed on taxable property located at the Port Arthur Refinery location. Consequently, a limitation on appraised value under Chapter 313 of the Texas Tax Code is a determining factor in the Applicant's decision to invest capital and construct the Project in the State of Texas.

The LED Carville Proposal will be provided to the Texas Comptroller of Public Accounts under separate cover.

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor *(if applicable)*

Section 10, Questions 5 and 6

No information or documentation is required by the responses to these questions.

TAB 7

Description of Qualified Investment

See attached

This application covers all qualified property within the Port Neches-Groves Independent School District for the commercial operations of the Project described in **Tab 4** and includes, but is not limited, to real estate, site preparation, roads and paving, office, warehouse and manufacturing buildings, storage facilities, pumps, piping, tanks, heaters, production equipment, control rooms, shops and all related and necessary facilities and equipment for the manufacture of polymer grade ethylene, including, but not limited to:

Major Process Equipment:

- Feed Systems
- Cracking Heaters
- Quench Water System
- Charge Gas Compression
- Acid Gas Removal
- Charge Gas Drying and Regeneration Facilities
- Caustic Wash and Spent Caustic Degassing and Pretreatment Facilities
- Hydrogen Compression
- Hydrogen Purification
- Charge Gas Chilling
- Deethanizer
- Acetylene Converters
- Demethanizer
- Ethylene Fractionation
- Propylene Refrigeration System
- Binary Refrigeration System

Supporting Facilities:

- Raw Water Treatment
- Demineralization of Water
- Boiler Feedwater
- Cooling Water System
- Steam and Condensate Systems
- Power Supply
- Fuel Gas
- Plant and Instrument Air
- Nitrogen
- Fuel Gas/Natural Gas Systems
- Ground Flare
- Waste Water Treatment
- Sanitary System
- Firewater
- Chemical Storage

In addition, the Project will have related process facilities, auxiliaries and equipment, including, but not limited to, air compressors, electrical sub-stations, road improvements, utilities (including steam lines), tankage, pipe connections, process control systems, cooling towers, control buildings, and infrastructure additions related to the proposed project, and tools, vehicles, furnishings and moveable personal property. Feedstock and product streams will be conveyed through new and existing pipelines.

The Project will also include:

- Process streams tie-ins to the BASF Total Petrochemicals steam cracker;
- Utilities, including electricity, steam and cooling water supply;
- Safety systems, including flares;
- Water treatment systems; and
- Infrastructure improvements and new piping.

Additional information and detail concerning the qualified investment is included behind **Tab 4**.

The maps behind **Tab 11** show the proposed project site where the Project will be located. The exact placement of the improvements and tangible personal property at the proposed project site is subject to ongoing design and engineering and will be determined before construction begins.

TAB 8

Description of Qualified Property

See Tab 7

TAB 9

Description of Land

The land is a part of two larger parcels identified on the appraisal records of the Jefferson County Appraisal District ("JCAD") by the following accounts:

1. **Property ID No. 000329593 and Geographic ID No. 064710-000-000100-00000-0 and containing approximately 1001.636 acres.**

2. **Property ID No. 000076099 and Geographic ID No. 049402-000-000565-00000-3 and containing approximately 174.4650 acres.**

See attached JCAD map

The land will not be qualified property for purposes of this Application.