UNDERWOOD
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September 16, 2015

Jenny Hicks
John Villarreal
Stephanie Jones
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

RECEIVED
SEP 17 2015
Data Analysis &
Transparency Division

Re: 313 Application – Santa Rita Wind Energy, LLC

Dear Jenny, John and Stephanie:

Enclosed please find an application for appraised value limitation on qualified property submitted to Reagan County ISD by Santa Rita Wind Energy, LLC, on August 27, 2015, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The Reagan County ISD Board elected to accept the application on August 27, 2015. The application was determined to be complete on September 16, 2015. We ask that the Comptroller's Office prepare the economic impact report for this development.

A copy of the application will also be submitted to the Reagan County Appraisal District in accordance with 34 Tex. Admin. Code §9.1054. Please feel free to contact me if you have any questions or concerns.

Sincerely,

Audie Sciumbato, PhD

Encl.
JLOPW7570D2GIR
cc: Chief Appraiser, Reagan County Appraisal District
Evan Horn, Ryan, LLC

Application for Chapter 313 Appraised Value Limitation

by Santa Rita Wind Energy LLC to Reagan County ISD

CHECKLIST ITEM #1

Application

See attached.

Economic Development and Analysis

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

August 27, 2015
Date Application Received by District

Steve
First Name

Long
Last Name

Principal/Superintendent
Title

Reagan ISD
School District Name

1111 12th Street
Street Address

Mailing Address

Big Lake
City

TX
State

76932
ZIP

(325) 884-3021
Phone Number

(325) 884-3021
Fax Number

Mobile Number *(optional)*

steve.long@reagancountyisd.net
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)*

First Name: Fred
Last Name: Stormer
Title: Attorney
Firm Name: Underwood Law Firm, P.C
Phone Number: (806) 379-0306
Fax Number:
Mobile Number *(optional)*:
Email Address: Fred.Stormer@uwlaw.com

4. On what date did the district determine this application complete? September 16, 2016

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)*

First Name: Bryan
Last Name: Schueler
Title: Senior Vice President, Development
Organization: Invenergy LLC
Street Address: One South Wacker Drive, Suite 1900
Mailing Address: One South Wacker Drive, Suite 1900
City: Chicago
State: IL
ZIP: 60606
Phone Number: (312) 582-1421
Fax Number:
Mobile Number *(optional)*:
Business Email Address: Bschueler@invenergyllc.com

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)***

Evan	Horn
First Name	Last Name
Agent	
Title	
Ryan, LLC	
Firm Name	
(512) 476-0022	(512) 476-0033
Phone Number	Fax Number
Evan.Horn@ryan.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? Santa Rita Wind Energy LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 *(11 digits)* 32057805403
3. List the NAICS code 221119
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

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant *(corporation, limited liability corporation, etc)* Limited Liability Corporation
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:

- [x] Land has no existing improvements
- [ ] 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 .... Dec 2015
2. Commencement of construction .... 1st Qtr 2016
3. Beginning of qualifying time period .... Dec 2015
4. First year of limitation 2017
5. Begin hiring new employees .... 2nd Qtr 2016
6. Commencement of commercial operations .... 4th Qtr 2016
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? .... 4th Qtr 2016

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located: Reagan County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property: Reagan County
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:	(Reagan County, .187366, 100%) *(Name, tax rate and percent of project)*	City:	N/A *(Name, tax rate and percent of project)*
Hospital District:	(Hospital District, .228123, 100%) *(Name, tax rate and percent of project)*	Water District:	(Reagan Water Supply, .011124, 100%) *(Name, tax rate and percent of project)*
Other *(describe)*:	(FM & LR, .023469, 100%) *(Name, tax rate and percent of project)*	Other *(describe)*:	N/A *(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? 20,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 25,000,000.00

   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? 9/14/2015

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.

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 2015 *(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)? 0

   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? 8

5. What is the number of new non-qualifying jobs you are estimating you will create? 1

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 1,083.75

   b. 110% of the average weekly wage for manufacturing jobs in the county is .... N/A

   c. 110% of the average weekly wage for manufacturing jobs in the region is 822.59

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? 42,774.60

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 42,774.60

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 Steve Long
Print Name *(Authorized School District Representative)*

Superintendent
Title

sign here [signature]
Signature *(Authorized School District Representative)*

8-27-2015
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 Bryan Schueler
Print Name *(Authorized Company Representative (Applicant))*

Vice President
Title

sign here [signature]
Signature *(Authorized Company Representative (Applicant))*

August 26, 2015
Date

OFFICIAL SEAL
DINA O WAGNER
Notary Public - State of Illinois
My Commission Expires May 10, 2017

(Notary Seal)

GIVEN under my hand and seal of office this, the

26th day of August, 2015

Dina O. Wagner
Notary Public in and for the State of ~~Texas~~ Illinois

My Commission expires: May 10, 2017

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.

Proof of payment of filing fee received by the Comptroller of Public Accounts per TAC Rule §9.1054 (b)(5)

(Page Inserted by Office of Texas Comptroller of Public Accounts)

CHECKLIST ITEM #3

Combined Group Membership Documentation

The entity, Santa Rita Wind Energy LLC, was formed on 7/15/2015 after the latest combined group franchise tax filing was completed. Attached to this application is the aforementioned filing, of which Santa Rita Wind Energy LLC will be included in future years.

See Attached.

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

CHECKLIST ITEM #4

Detailed Description of Project

Santa Rita Wind Energy LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 200 megawatts. The exact number of wind turbines and the size of each turbine will vary depending upon the wind turbines selected and the megawatt generating capacity of the project completed. Presently our plans are to install a variation of GE 1.85 and 2.0 megawatt turbines on the property within the reinvestment zone in Reagan County, Texas. Santa Rita Wind Energy LLC estimates that 87 turbines are planned to be installed in Reagan County ISD. The remaining turbines of the project will be installed in Irion County ISD.

The additional improvements for the Santa Rita Wind Project will include but are not limited to, wind turbines, towers, foundations, roadways, buildings and offices, anemometer towers, computer equipment, furniture, company vehicles, electrical transmission cables and towers and electrical substations, and any other tangible personal property located at the operations and maintenance building.

Confidential

September 15, 2015

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Reagan County Independent School District from Santa Rita Wind Energy LLC

(First Qualifying Year 2016; First Year of Value Limitation 2017)

To the Local Government Assistance & Economic Analysis Division:

REQUEST FOR CONFIDENTIALITY

The Applicant has requested that the following portion of the Application be kept confidential:

- Checklist Item #5 (other locations being considered); and
- Checklist Item #6(other school district information); and
- Checklist Item #9 (description of land); and
- Checklist Item #11 (the maps of the proposed project layout and location).

In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110. The determination of whether specific material is protected as a trade secret is a question of fact. While not defined in the statute, Texas has long recognized the definition of trade secrets set forth in the Restatement of Torts. See, *Hyde v. Huffings*, 314 S.W. 2d 763, 776 (Tex. 1957), cert denied, 358 U.S. 898 (1958). The Texas Attorney General's office has consistently applied the Restatement of Torts in determining whether information submitted to Texas governmental agencies is exempt from disclosure in response to Open Records requests under the "trade secret" doctrine. See e.g., Open Records Decision No. 652, pp. 3-5 (1997); See also, OR2002-2871 (May 28, 2002). The Restatement of Torts lists six factors to be utilized in determining whether material is, in fact a trade secret. These factors will be discussed below.

1. Extent to which information is known outside of Santa Rita Wind Energy LLC;
2. Extent to which information is known by employees.
3. Security Measures.
4. Value of Information.
5. Effort Expended.
6. Ease of Duplication.

SANTA RITA WIND maintains security on the internal item specifications from which plans for site development are written, performance statistics, and other data from which the layout and location has been developed. This type of information is held to be a trade secret by SANTA RITA WIND In fact, the maintenance of confidentiality of this type of information is the industry standard among all of the companies engaged in this industry.

Project confidentiality is maintained inside the company and with the consultants engaged to prepare the application. SANTA RITA WIND requires confidentiality of all employees and contractual confidentiality provisions with its consultants. SANTA RITA WIND uses proprietary methods for the development of layout and locating decisions. SANTA RITA WIND feels that secure information cannot be duplicated without access to its proprietary processes. The release of any information regarding these proprietary processes would give competitors of SANTA RITA WIND an unfair competitive position.

Section 552.104

This Section of the Texas Government Code provides that information is excepted from disclosure if it would give advantage to a competitor. As for the same reasons stated above, maintaining the confidential status of the underlying data is critical to maintaining SANTA RITA WIND's competitive position in the market.

The public release of this information would reveal information which the company believes would cause the company to suffer substantial competitive harm and weaken its position in competitive siting decisions. In addition, the company views the proposed layout and location of the panels as a trade secret in which they have expended considerable resources. The public release of this information would reveal information which the company considers to be a trade secret.

A copy of the application will be submitted to the Reagan County Appraisal District.

Sincerely,

Courtney Timmons
Invenergy, LLC.
Manager, Business Development

Cc: Reagan County Appraisal District

Santa Rita Wind LLC

Reagan County Independent School District

Confidential

CHECKLIST ITEM #7

Description of Qualified Investment

See checklist item #4.

CHECKLIST ITEMS #8

Description of Qualified Property

See checklist item #4.

Confidential

CHECKLIST ITEM #10

Description of Property not Eligible to become Qualified Property

N/A

Confidential

CHECKLIST ITEM #12

Request for Waiver of Job Creation Requirement

See attached.

Invenergy
Santa Rita Wind Energy LLC
One South Wacker Drive, Suite 2020
Chicago, IL 60606

August 26, 2015

Re: Santa Rita Wind Employment Estimate

To Whom it May Concern,

Invenergy has developed 58 wind projects across the United States and in Canada and Europe, totaling over 5,800 MW. As one of the largest owner/operators of wind farms in the United States, Invenergy has significant experience staffing wind projects. Several factors determine the ultimate ratio of technicians to turbines; among these factors are site layout and turbine technology.

In Invenergy's experience, a ratio of 1 technician for every 10 – 15 turbines is typical for projects that are staffed by full-time employees. Invenergy's latest project under development, the Santa Rita Wind project will deploy GE 2.0 MW turbines. The GE 2.0 machine is the latest evolution of the GE fleet, of which Invenergy operates over 2,000 units.

We anticipate the technician to turbine ratio to be similar to that for the GE 1.X MW turbines. As a result, we anticipate requiring approximately 1 technician per 12 GE 2.0 MW machines.

For independent estimates of full-time employment at wind farms in Texas, please see the National Renewable Energy Laboratory's report *Economic Development Impact of 1,000 MW of Wind Energy in Texas* (http://www.nrel.gov/docs/fy11osti/50400.pdf). Section 3.2.2 states that 60 full-time jobs are created for 1,000 MW of wind capacity. Assuming a 1.5 MW unit, that is approximately 1 job per 11 wind turbines.

If you have any questions, please do not hesitate to contact me at (312) 582-1421.

Sincerely,

Bryan Schueler
Senior Vice President
Santa Rita Wind Energy LLC
Invenergy LLC

cc: Evan Horn

CHECKLIST ITEM #13

Calculation of three possible wage requirements with TWC documentation

Reagan County All Industries Average Weekly Wages

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages	
2015	1st Qtr	Reagan County	Total All	0	0	10	Total, All Industries	$	1,006.00
2014	4th Qtr	Reagan County	Total All	0	0	10	Total, All Industries	$	1,170.00
2014	3rd Qtr	Reagan County	Total All	0	0	10	Total, All Industries	$	1,043.00
2014	2nd Qtr	Reagan County	Total All	0	0	10	Total, All Industries	$	1,116.00
						4 Period Weekly Average		**$**	**1,083.75**
						110% of Average Weekly Wage		**$**	**1,192.13**
						110% of Annual Wages		**$**	**61,990.50**

Reagan County Average Manufacturing Weekly Wages

-Wages unavailable

COG Region Wage

Concho Valley Council of Governments		
2014 Average Manufacturing Wages	Hourly	Annual
	$18.70	$ 38,886.00
Avg Weekly Wage		**$ 747.81**
110% of Region Weekly Wage		**$ 822.59**
110% of Annual Wages		**$42,774.60**

CHECKLIST ITEM #14

Schedules A-D

See attached.

Date 8/26/2015

Applicant Name Santa Rita Wind Energy LLC

ISD Name Reagan County ISD

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS

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

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B: New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C: Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Column D: Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E: Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	–	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2015	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of last complete tax year of qualifying time period				-	-	-		
Complete tax years of qualifying time period	QTP1	2016-2017	2016	226,200,000.00	-	-		226,200,000.00
				-	-	-		
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				226,200,000.00	-			226,200,000.00
					Enter amounts from TOTAL row above in Schedule A2			
Total Qualified Investment (sum of green cells)				226,200,000.00				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other Investments)

Date 8/26/2015
Applicant Name Santa Rita Wind Energy LLC
ISD Name Reagan County ISD

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS

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

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B: New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C: Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D: Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E: Total Investment (A+B+C+D)
				Enter amounts from TOTAL row in Schedule A1 in the row below				
Total Investment from Schedule A1*	–	TOTALS FROM SCHEDULE A1						
Each year prior to start of value limitation period** Insert as many rows as necessary	Pre-Year	2015-2016	2015	-	-	-	-	-
	1	2016-2017	2016	226,200,000.00	-	-	-	226,200,000.00
Value limitation period***	1	2017-2018	2017	-	-	-	-	-
	2	2018-2019	2018			-	-	-
	3	2019-2020	2019			-	-	-
	4	2020-2021	2020			-	-	-
	5	2021-2022	2021			-	-	-
	6	2022-2023	2022			-	-	-
	7	2023-2024	2023			-	-	-
	8	2024-2025	2024			-	-	-
	9	2025-2026	2025			-	-	-
	10	2026-2027	2026			-	-	-
Total Investment made through limitation				226,200,000.00	-	-	-	226,200,000.00
Continue to maintain viable presence	11	2027-2028	2027					
	12	2028-2029	2028					
	13	2029-2030	2029					
	14	2030-2031	2030					
	15	2031-2032	2031					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032					
	17	2033-2034	2033					
	18	2034-2035	2034					
	19	2035-2036	2035					
	20	2036-2037	2036					
	21	2037-2038	2037					
	22	2038-2039	2038					
	23	2039-2040	2039					
	24	2040-2041	2040					
	25	2041-2042	2041					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row.**

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not captured on Schedule A1.**

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property, or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date 8/26/2015
Applicant Name **Santa Rita Wind Energy LLC**
ISD Name **Reagan County ISD**

Form 50-296A
Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property: Estimated Market Value of Land	Qualified Property: Estimated Total Market Value of new buildings or other new improvements	Qualified Property: Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Estimated Taxable Value: Market Value less any exemptions (such as pollution control) and before limitation	Estimated Taxable Value: Final taxable value for I&S after all reductions	Estimated Taxable Value: Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period	0	2015-2016	2015	-	-				
	1	2016-2017	2016	-	-				
Value Limitation Period	1	2017-2018	2017	-	-	226,200,000	226,200,000	226,200,000	25,000,000
	2	2018-2019	2018	-	-	210,366,000	210,366,000	210,366,000	25,000,000
	3	2019-2020	2019	-	-	195,640,380	195,640,380	195,640,380	25,000,000
	4	2020-2021	2020	-	-	181,945,553	181,945,553	181,945,553	25,000,000
	5	2021-2022	2021	-	-	169,209,365	169,209,365	169,209,365	25,000,000
	6	2022-2023	2022	-	-	157,364,709	157,364,709	157,364,709	25,000,000
	7	2023-2024	2023	-	-	146,349,179	146,349,179	146,349,179	25,000,000
	8	2024-2025	2024	-	-	136,104,737	136,104,737	136,104,737	25,000,000
	9	2025-2026	2025	-	-	126,577,405	126,577,405	126,577,405	25,000,000
	10	2026-2027	2026	-	-	117,716,987	117,716,987	117,716,987	25,000,000
Continue to maintain viable presence	11	2027-2028	2027	-	-	111,831,138	111,831,138	111,831,138	111,831,138
	12	2028-2029	2028	-	-	106,239,581	106,239,581	106,239,581	106,239,581
	13	2029-2030	2029	-	-	100,927,602	100,927,602	100,927,602	100,927,602
	14	2030-2031	2030	-	-	95,881,222	95,881,222	95,881,222	95,881,222
	15	2031-2032	2031	-	-	91,087,161	91,087,161	91,087,161	91,087,161
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032	-	-	88,354,546	88,354,546	88,354,546	88,354,546
	17	2033-2034	2033	-	-	85,703,909	85,703,909	85,703,909	85,703,909
	18	2034-2035	2034	-	-	83,132,792	83,132,792	83,132,792	83,132,792
	19	2035-2036	2035	-	-	80,638,808	80,638,808	80,638,808	80,638,808
	20	2036-2037	2036	-	-	78,219,644	78,219,644	78,219,644	78,219,644
	21	2037-2039	2037	-	-	75,873,055	75,873,055	75,873,055	75,873,055
	22	2038-2039	2038	-	-	73,596,863	73,596,863	73,596,863	73,596,863
	23	2039-2040	2039	-	-	71,388,957	71,388,957	71,388,957	71,388,957
	24	2040-2041	2040	-	-	69,247,288	69,247,288	69,247,288	69,247,288
	25	2041-2042	2041	-	-	67,169,870	67,169,870	67,169,870	67,169,870

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 8/26/2015
Applicant Name Santa Rita Wind Energy LLC
ISD Name Reagan County ISD

Form 50-296A
Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction: Column A — Number of Construction FTE's or man-hours (specify)	Construction: Column B — **Average** annual wage rates for construction workers	Non-Qualifying Jobs: Column C — Number of non-qualifying jobs applicant estimates it will create (cumulative)	Qualifying Jobs: Column D — Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Qualifying Jobs: Column E — **Average** annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2015-2016	2015					
	1	2016-2017	2016	300 FTEs	$ 50,000	1	8	$ 42,775
Value Limitation Period *The qualifying time period could overlap the value limitation period.*	1	2017-2018	2017			1	8	$ 42,775
	2	2018-2019	2018			1	8	$ 42,775
	3	2019-2020	2019			1	8	$ 42,775
	4	2020-2021	2020			1	8	$ 42,775
	5	2021-2022	2021			1	8	$ 42,775
	6	2022-2023	2022			1	8	$ 42,775
	7	2023-2024	2023			1	8	$ 42,775
	8	2024-2025	2024			1	8	$ 42,775
	9	2025-2026	2025			1	8	$ 42,775
	10	2026-2027	2026			1	8	$ 42,775
Years Following Value Limitation Period	11 through 25	2027-2042	2027-2042			1	8	$ 42,775

Notes: See TAC 9.1051 for definition of non-qualifying jobs
Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) ☒ Yes ☐ No
If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? ☒ Yes ☐ No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? ☐ Yes ☒ No

Schedule D: Other Incentives (Estimated)

Date 8/26/2015
Applicant Name Santa Rita Wind Energy LLC
ISD Name Reagan County ISD

Form 50-296A
Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)							
Incentive Description		**Taxing Entity (as applicable)**	**Beginning Year of Benefit**	**Duration of Benefit**	**Annual Tax Levy without Incentive**	**Annual Incentive**	**Annual Net Tax Levy**
Tax Code Chapter 311		County					
		City					
		Other					
Tax Code Chapter 312		County: Reagan	2017	10 Years	$ 476,907	$ 405,371	$ 71,536
		City					
		Other: Hospital District	2017	10 Years	$ 446,301	$ 379,356	$ 66,945
Local Government Code Chapters 380/381		County:					
		City					
		Other					
Freeport Exemptions							
Non-Annexation Agreements							
Enterprise Zone/Project							
Economic Development Corporation							
Texas Enterprise Fund							
Employee Recruitment							
Skills Development Fund							
Training Facility Space and Equipment							
Infrastructure Incentives							
Permitting Assistance							
Other:							
Other:							
Other:							
Other:							
				TOTAL	$ 923,207	$ 784,726	$ 138,481

Additional information on incentives for this project:

CHECKLIST ITEM #15

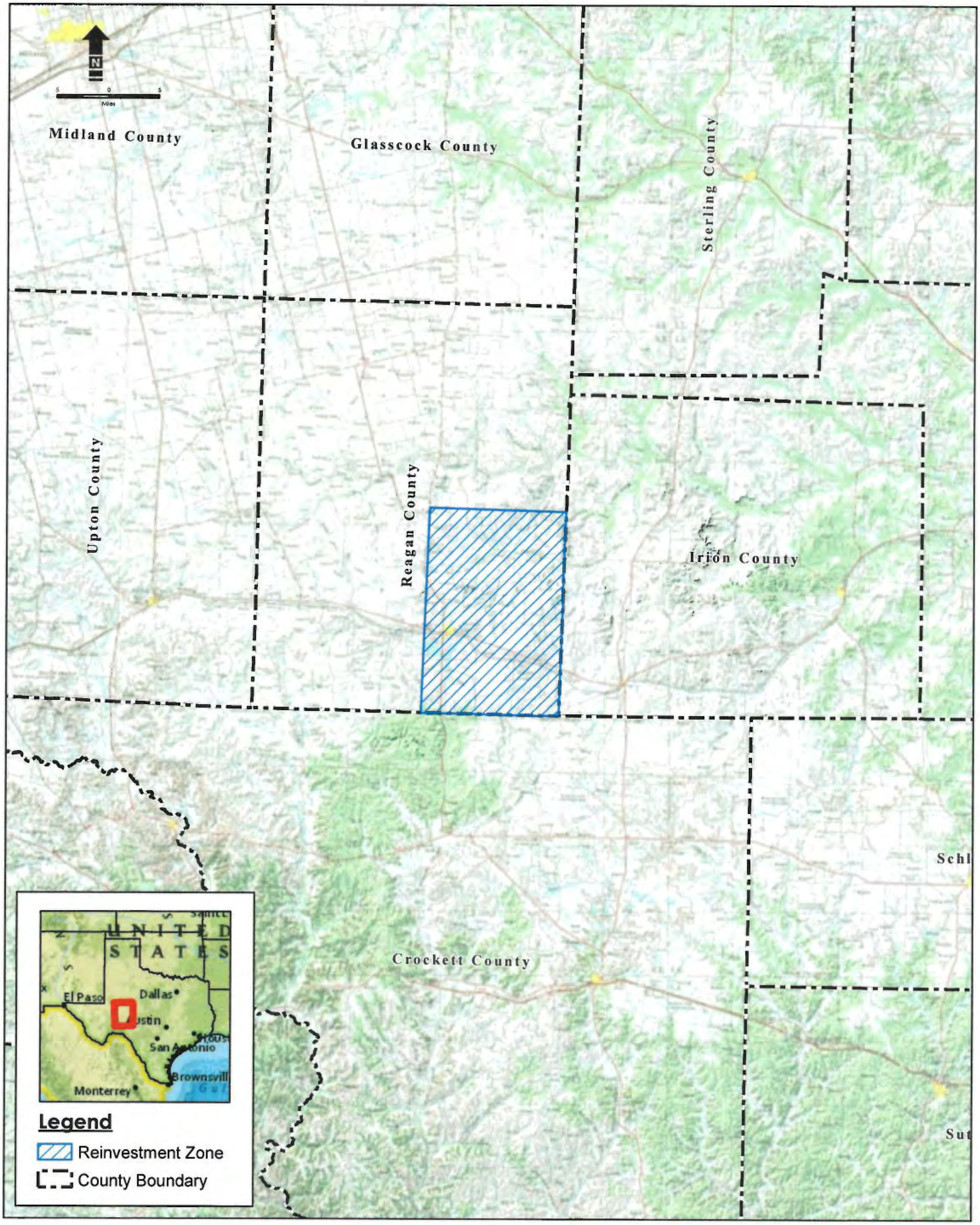
Economic Impact Analysis

TO BE PROVIDED BY COMPTROLLER'S OFFICE

CHECKLIST ITEM #16

Map and Description of Reinvestment Zone

See Attached.



Proposed Reinvestment Zone

Santa Rita Wind Project, Reagan County, Texas

Rev. 00
August 26, 2015

Invenergy

CHECKLIST ITEM #16 - Continued

Order Establishing the Reinvestment Zone

Will supplement once approved by County.

CHECKLIST ITEM #16 - Continued

Legal Description of Reinvestment Zone

Will supplement once approved by County.

CHECKLIST ITEM #16 - Continued

Guideline and Criteria – Reagan County

Will supplement once approved by County.

CHECKLIST ITEM #17

Signature and Certification Page

See attached.

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 Steve Long — Superintendent
Print Name *(Authorized School District Representative)* — Title

sign here [signature] — 8-27-2015
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 Bryan Schueler — Vice President
Print Name *(Authorized Company Representative (Applicant))* — Title

sign here [signature] — August 26, 2015
Signature *(Authorized Company Representative (Applicant))* — Date

OFFICIAL SEAL
DINA O WAGNER
Notary Public - State of Illinois
My Commission Expires May 10, 2017

(Notary Seal)

GIVEN under my hand and seal of office this, the

26th day of August, 2015

Dina O. Wagner
Notary Public in and for the State of ~~Texas~~ Illinois

My Commission expires: May 10, 2017

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.