



EDF Renewable Energy
15445 Innovation Drive
San Diego, CA 92128
T : 858.521.3323

July 18, 2016

Mr. Jay Lamb, Superintendent
Groom Consolidated Independent School District
304 W. 3rd St.
Groom, TX 79039

VIA EMAIL AND CERTIFIED MAIL DELIVERY

Re: Salt Fork Wind, LLC - Request for Amendment

Salt Fork Wind, LLC ("Salt Fork Wind") hereby requests an amendment to its Chapter 313 Appraised Value Limitation Agreements ("Agreements") with Clarendon ISD, Application No. 386, and Groom ISD, Application No. 387 to correct an error in each amended application. Specifically, Salt Fork Wind would like to amend its job creation requirement in Section 2.5(B) of the Agreements to four (4) jobs in the Clarendon ISD Agreement and three (3) jobs in the Groom ISD Agreement. Also, the number of turbines and corresponding megawatts has been finalized for construction and should be amended to reflect fifty-one (51) turbines (102 MW) for Groom ISD and sixty-three (63) turbines (126 MW) for Clarendon ISD.

The Salt Fork Wind project is a single two-hundred twenty-eight (228) MW wind farm that spans two (2) school districts, Clarendon ISD and Groom ISD. Chapter 313 Applications for Appraised Value Limitation ("Applications") were submitted and approved for both ISDs and the applicant / owner at the time of the Applications, Cielo Wind Services, Inc. ("Cielo"), attached a Request for Waiver of Job Creation Requirement ("Job Waiver Request") to both Applications. See attached. The Job Waiver Request in both Applications sought a reduction from the minimum of ten (10) new qualified jobs to seven (7) new qualified jobs for the Project, which was erroneously carried forward to seven (7) new qualified jobs for each of Clarendon ISD and Groom ISD. Based upon the error, each of the school districts approved a job creation waiver of seven (7) new qualified jobs.

The reference to a total of seven (7) new qualified jobs in the Job Waiver Request letter in each application was an aggregate total for the entire wind farm Project. Cielo made an error in requesting a waiver for seven (7) new qualified jobs in both Applications, which created a total jobs requirement for the Project of fourteen (14) new qualified jobs. The Job Waiver Request states that the industry standard is one full-time employee for every fifteen (15) to twenty (20) turbines. The project contemplates sixty-three (63) turbines in Clarendon ISD, equating to 3-4 jobs, and fifty-one (51) turbines in Groom ISD, equating to 3 jobs. Clearly, fourteen (14) new qualified jobs is not consistent with a one hundred fourteen (114) turbine wind farm project.



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Additionally, Salt Fork Wind has increased the number of turbines and megawatt capacity in Groom ISD by adding a Phase II which is expected to be constructed and have a commercial date of operation in 2017. Because of the error in the original Job Waiver Request and the modification of the number of turbines and layout in Groom ISD, Salt Fork Wind respectfully requests that the Groom ISD Agreement be amended to correct the error, which results in three (3) new qualified jobs in Groom ISD, and update the increased turbine and megawatt capacity.

If you have any questions, please contact me at 858.521.3323.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Pfaff", written in a cursive style.

EDF Renewable Development, Inc., Managing Member of
EDF-RE US Development, LLC, Manager of
Salt Fork Wind, LLC

Ryan Pfaff
Executive Vice President, Development

cc:

John Shultzabarger, EDF Renewable Energy, Inc.
Paula Lowrie, Donley County Appraisal District
Allen Espinosa, Merit Advisors
C.J. Evans, Jr., Merit Advisors
James Wester, Underwood Law Firm
Fred Stormer, Underwood Law Firm



SCHOOL DISTRICT INFORMATION – CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name Fred		Last Name Stormer	
Title Attorney At Law			
Firm Name Underwood Law Firm			
Street Address 500 S. Taylor, Suite 1200 LB 233			
Mailing Address			
City Amarillo	State Texas	ZIP 79105	
Phone Number 806-379-0304	Fax Number 806-379-0316		
Mobile Number (Optional)	Email Address Fred.stormer@uw.law.com		

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

Signature (Authorized School District Representative)

Date

7/22/2016

Has the district determined this application complete? ☒ Yes ☐ No

If yes, date determined complete August 1, 2016

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

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

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

APPLICANT INFORMATION – CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name Ryan		Last Name Pfaff	
Title Executive Vice President, Development			
Organization EDF Renewable Development, Inc.			
Street Address 15445 Innovation Drive			
Mailing Address			
City San Diego		State California	ZIP 92128
Phone Number 828-521-3323		Fax Number 828-521-3333	
Mobile Number (optional)		Business Email Address ryan.pfaff@edf-re.com	

Will a company official other than the authorized business representative be responsible for responding to future information requests?

☐ Yes ☒ No

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

First Name		Last Name	
Title			
Organization			
Street Address			
Mailing Address			
City		State	ZIP
Phone Number		Fax Number	
Mobile Number (optional)		Email Address	

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

Will consultant be primary contact? ☐ Yes ☒ No



APPLICANT INFORMATION – CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name C.J.	Last Name Evans, Jr.	
Title Principal		
Firm Name Merit Advisors		
Street Address 1410 N. Westshore Blvd., Suite 111		
Mailing Address		
City Tampa	State Florida	ZIP 33607
Phone Number 813-289-5600	Fax Number 813-289-1213	
Business Email Address cjevans@meritadvisor.com		

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

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

Signature (Authorized Business Representative (Applicant)) 	Date 7/13/16
---	-----------------

GIVEN under my hand and seal of office this _____ day of _____,

See Attached
Certificate

Notary Public, State of _____

(Notary Seal)

My commission expires _____

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

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

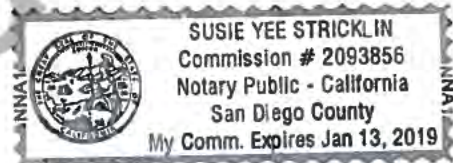
On July 13, 2016, before me, Susie Yee Stricklin, a Notary Public, personally appeared Ryan Pfaff, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary's Signature



[Notarial Seal]

FEES AND PAYMENTS

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

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

Please answer only either A OR B:

A. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code, 313.027(i)? ☐ Yes ☒ No

B. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☐ No

BUSINESS APPLICANT INFORMATION

Legal Name Under Which Application is Made

Salt Fork Wind, LLC

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

32035855454

NAICS Code

221115-2012 NAICS Code (221119-1997 NAICS Code)

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

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

APPLICANT BUSINESS STRUCTURE

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

Identify Business Organization of Applicant (corporation, limited liability corporation, etc.)

Limited Liability Company

1. Is the applicant a combined group, or composed of members of a combined group, as defined by Texas Tax Code Chapter 17 0001(7)? ☒ Yes ☐ No

If so, please attach documentation of the combined group membership and contact information.

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

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

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

**ELIGIBILITY UNDER TAX CODE CHAPTER 313.024**

Are you an entity to which Tax Code, Chapter 171 applies? ☒ Yes ☐ No

The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:

- (1) manufacturing ☐ Yes ☒ No
- (2) research and development ☐ Yes ☒ No
- (3) a clean coal project, as defined by Section 5.001, Water Code ☐ Yes ☒ No
- (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code ☐ Yes ☒ No
- (5) renewable energy electric generation ☒ Yes ☐ No
- (6) electric power generation using integrated gasification combined cycle technology ☐ Yes ☒ No
- (7) nuclear electric power generation ☐ Yes ☒ No
- (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) ☐ Yes ☒ No

Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☒ No

Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☒ No

Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☒ No

Are you including property that is owned by a person other than the applicant? ☐ Yes ☒ No

Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? ☐ Yes ☒ No

PROJECT DESCRIPTION

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. (Use attachments as necessary)

See Attachment #4: Project Description - Question 1

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

See Attachment #4: Project Description - Question 2

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

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

PROJECTED TIMELINE

Begin Construction December 2015 Begin Hiring New Employees December 2016

Construction Complete December 2017 Fully Operational December 2017

Purchase Machinery & Equipment December 2015

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.

When do you anticipate the new buildings or improvements will be placed in service? December 2016

**INVESTMENT**

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

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

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

What is your total estimated *qualified* investment? \$132,368,182

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

What is the anticipated date of application approval? October 2016

What is the anticipated date of the beginning of the qualifying time period? October 2016

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? \$132,368,182

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

Attach the following items to this application:

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

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

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

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

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

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

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

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

QUALIFIED PROPERTY

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

Attach the following items to this application:

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

Land

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

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

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

Will the project be on leased land? ☒ Yes ☐ No

QUALIFIED PROPERTY (CONTINUED)

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

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

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

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

Miscellaneous

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

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

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

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

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

WAGE AND EMPLOYMENT INFORMATION

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 3

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

☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☒ Fourth Quarter of 2015
(year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC? 3

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

Total number of new jobs that will have been created when fully operational 3

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

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

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

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

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

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at www.texasahead.org/tax_programs/chapter313/)

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

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

Tab 2

Proof of Payment of Application Fee

Proof of payment 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)*

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

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Sacramento
Suite 150N
2710 Gateway Oaks Drive
Sacramento, CA 95833
800-222-2122
916-641-5151 (Fax)

Matter# 19422

Order# 044983-15

Project Id :

Order Date 03/07/2014

Entity Name: CIELO SALT FORK WIND LP

Jurisdiction: DE - Secretary of State

Request for: Amendment/Correction/Restated/Designation Filing

File#: 5497225

File Date: 03/12/2014

Result: Filed

Ordered by JI NIN LOH at KING & SPALDING LLP

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Jerome Suarez
jsuarez@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CONVERSION OF A TEXAS LIMITED PARTNERSHIP UNDER THE NAME OF "CIELO SALT FORK WIND, LP" TO A DELAWARE LIMITED LIABILITY COMPANY, CHANGING ITS NAME FROM "CIELO SALT FORK WIND, LP" TO "SALT FORK WIND, LLC", FILED IN THIS OFFICE ON THE TWELFTH DAY OF MARCH, A.D. 2014, AT 5:12 O'CLOCK P.M.

Amended

5497225 8100V

140324343



Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1203147

DATE: 03-12-14

Delaware

PAGE 2

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF CERTIFICATE OF FORMATION OF "SALT FORK WIND, LLC" FILED IN THIS OFFICE ON THE TWELFTH DAY OF MARCH, A.D. 2014, AT 5:12 O'CLOCK P.M.

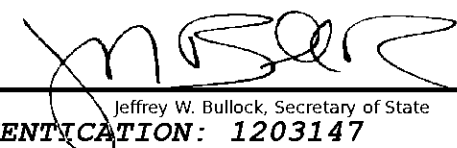
Amended

5497225 8100V

140324343



You may verify this certificate online
at corp.delaware.gov/authver.shtml

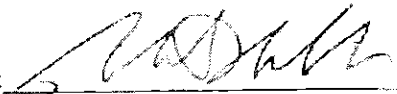

Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1203147

DATE: 03-12-14

STATE OF DELAWARE
CERTIFICATE OF CONVERSION
FROM A LIMITED PARTNERSHIP TO A
LIMITED LIABILITY COMPANY PURSUANT TO
SECTION 18-214 OF THE LIMITED LIABILITY ACT

- 1.) The jurisdiction where the Limited Partnership first formed is Texas.
- 2.) The jurisdiction immediately prior to filing this Certificate is Texas.
- 3.) The date the Limited Partnership first formed is September 18, 2002.
- 4.) The name of the Limited Partnership immediately prior to filing this Certificate is Cielo Salt Fork Wind, LP.
- 5.) The name of the Limited Liability Company as set forth in the Certificate of Formation is Salt Fork Wind, LLC.

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 12th day of March, A.D. 2014.

By: 

Authorized Person

Name: ROBERT MILLER
Print or Type

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION

• First: The name of the limited liability company is Salt Fork Wind, LLC

• Second: The address of its registered office in the State of Delaware is
2711 Centerville Rd #400 in the City of Wilmington
Zip Code 19808

The name of its Registered agent at such address is
Corporation Service Company

• Third: (Insert any other matters the members determine to include herein.)

In Witness Whereof, the undersigned have executed this Certificate of Formation this
12th day of March, 2014.

By: [Signature]
Authorized Person(s)

Name: ROBERT MILLER
Typed or Printed

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Sacramento
Suite 150N
2710 Gateway Oaks Drive
Sacramento, CA 95833
800-222-2122
916-641-5151 (Fax)

Matter# 19422

Order# 044983-20

Project Id :

Order Date 03/07/2014

Entity Name: SALT FORK WIND, LLC
Jurisdiction: DE - Secretary of State
Request for: Incorporation/Formation Filing
File#: 5494628
File Date: 03/07/2014
Result: Filed

Ordered by JI NIN LOH at KING & SPALDING LLP

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Jerome Suarez
jsuarez@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.

Delaware

PAGE 1

The First State

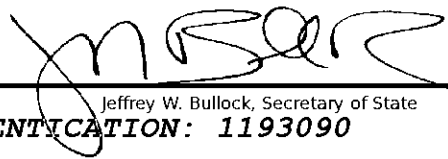
I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CONVERSION OF A TEXAS LIMITED PARTNERSHIP UNDER THE NAME OF "CIELO SALT FORK WIND. LP" TO A DELAWARE LIMITED LIABILITY COMPANY, CHANGING ITS NAME FROM "CIELO SALT FORK WIND. LP" TO "SALT FORK WIND, LLC", FILED IN THIS OFFICE ON THE SEVENTH DAY OF MARCH, A.D. 2014, AT 5:43 O'CLOCK P.M.

Amended

5494628 8100V

140305803




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1193090

DATE: 03-10-14

STATE OF DELAWARE
CERTIFICATE OF CONVERSION
FROM A LIMITED PARTNERSHIP TO A
LIMITED LIABILITY COMPANY PURSUANT TO
SECTION 18-214 OF THE LIMITED LIABILITY ACT

- 1.) The jurisdiction where the Limited Partnership first formed is Texas.
- 2.) The jurisdiction immediately prior to filing this Certificate is Texas.
- 3.) The date the Limited Partnership first formed is September 18, 2002.
- 4.) The name of the Limited Partnership immediately prior to filing this Certificate is Cielo Salt Fork Wind, LP.
- 5.) The name of the Limited Liability Company as set forth in the Certificate of Formation is Salt Fork Wind, LLC.

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the
5th day of March, A.D. 2014.

By: [Signature]
Authorized Person

Name: ROBERT MILLER
Print or Type

Delaware

PAGE 2

The First State

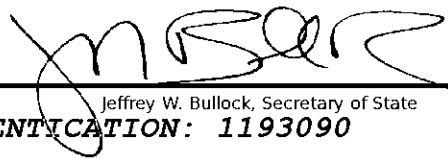
I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF CERTIFICATE OF FORMATION OF "SALT FORK WIND, LLC" FILED IN THIS OFFICE ON THE SEVENTH DAY OF MARCH, A.D. 2014, AT 5:43 O'CLOCK P.M.

Amended

5494628 8100V

140305803




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1193090

DATE: 03-10-14

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION

• First: The name of the limited liability company is Salt Fork Wind, LLC

• Second: The address of its registered office in the State of Delaware is
2711 Centerville Rd #400 in the City of Wilmington
Zip Code 19808

The name of its Registered agent at such address is
Corporation Service Company

• Third: (Insert any other matters the members determine to include herein.)

In Witness Whereof, the undersigned have executed this Certificate of Formation this
5th day of March, 2014

By: [Signature]
Authorized Person(s)

Name: ROBERT MILLER
Typed or Printed

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Sacramento
Suite 150N
2710 Gateway Oaks Drive
Sacramento, CA 95833
800-222-2122
916-641-5151 (Fax)

Matter# 19422

Order# 044983-35

Project Id :

Order Date 03/07/2014

Entity Name: CIELO SALT FORK WIND LP

Jurisdiction: TX - Secretary of State

Request for: Amendment/Correction/Restated/Designation Filing

File#: 800124538

File Date: 03/12/2014

Result: Filed

Ordered by JI NIN LOH at KING & SPALDING LLP

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Jerome Suarez
jsuarez@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.



Office of the Secretary of State

March 13, 2014

Corporation Service Company
211 E. 7th Street, Suite 620
Austin, TX 78701 USA

RE: Cielo Salt Fork Wind, LP
File Number: 800124538

It has been our pleasure to file the Certificate of Amendment for the referenced entity. Enclosed is the certificate evidencing filing. Payment of the filing fee is acknowledged by this letter.

If we may be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555

Enclosure



Office of the Secretary of State

CERTIFICATE OF FILING OF

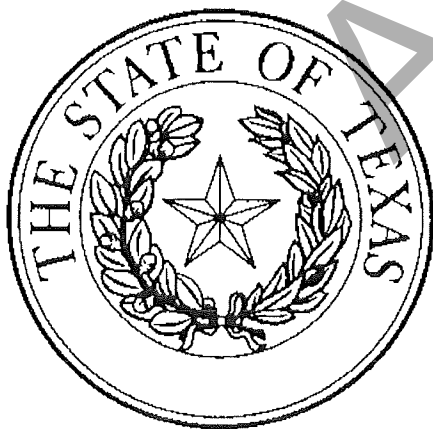
Cielo Salt Fork Wind, LP
800124538

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Amendment for the above named entity has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 03/12/2014

Effective: 03/12/2014



NANDITA BERRY

Nandita Berry
Secretary of State

Form 424**(Revised 05/11)**

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709

Filing Fee: See instructions**Certificate of Amendment**

This space reserved for office use.
FILED
In the Office of the
Secretary of State of Texas

MAR 12 2014
Corporations Section

Entity Information

The name of the filing entity is:

Cielo Salt Fork Wind, LP

State the name of the entity as currently shown in the records of the secretary of state. If the amendment changes the name of the entity, state the old name and not the new name.

The filing entity is a: (Select the appropriate entity type below.)

- | | |
|--|---|
| ☐ For-profit Corporation | ☐ Professional Corporation |
| ☐ Nonprofit Corporation | ☐ Professional Limited Liability Company |
| ☐ Cooperative Association | ☐ Professional Association |
| ☐ Limited Liability Company | ☒ Limited Partnership |

The file number issued to the filing entity by the secretary of state is: 0800124538The date of formation of the entity is: September 18, 2002**Amendments****1. Amended Name**

(If the purpose of the certificate of amendment is to change the name of the entity, use the following statement)

The amendment changes the certificate of formation to change the article or provision that names the filing entity. The article or provision is amended to read as follows:

The name of the filing entity is: (state the new name of the entity below)

The name of the entity must contain an organizational designation or accepted abbreviation of such term, as applicable.

2. Amended Registered Agent/Registered Office

The amendment changes the certificate of formation to change the article or provision stating the name of the registered agent and the registered office address of the filing entity. The article or provision is amended to read as follows:

Registered Agent
(Complete either A or B, but not both. Also complete C.)

☐ A. The registered agent is an organization (cannot be entity named above) by the name of:

OR

☐ B. The registered agent is an individual resident of the state whose name is:

<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>
-------------------	-------------	------------------	---------------

The person executing this instrument affirms that the person designated as the new registered agent has consented to serve as registered agent.

C. The business address of the registered agent and the registered office address is:

<i>Street Address (No P.O. Box)</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>
-------------------------------------	-------------	--------------	-----------------

3. Other Added, Altered, or Deleted Provisions

Other changes or additions to the certificate of formation may be made in the space provided below. If the space provided is insufficient, incorporate the additional text by providing an attachment to this form. Please read the instructions to this form for further information on format.

Text Area (The attached addendum, if any, is incorporated herein by reference.)

☐ Add each of the following provisions to the certificate of formation. The identification or reference of the added provision and the full text are as follows:

☒ **Alter** each of the following provisions of the certificate of formation. The identification or reference of the altered provision and the full text of the provision as amended are as follows:

5. General Partner:
Name: EDF-RE US Development, LLC
Address: 15445 Innovation Drive
San Diego, CA 92128

☐ **Delete** each of the provisions identified below from the certificate of formation.

Statement of Approval

The amendments to the certificate of formation have been approved in the manner required by the Texas Business Organizations Code and by the governing documents of the entity.

Effectiveness of Filing (Select either A, B, or C.)

- A. ☒ This document becomes effective when the document is filed by the secretary of state.
- B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____
- C. ☐ This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____

The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Date: 3/11/14

By: Cielo SIA Fide, LP By: EDF RE US Development, LLC
By: EDF Renewable Development, Inc.
MANAGER
[Signature]
Signature of authorized person
Joshua Pearson, Asst Secretary
Printed or typed name of authorized person (see instructions)

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Sacramento
Suite 150N
2710 Gateway Oaks Drive
Sacramento, CA 95833
800-222-2122
916-641-5151 (Fax)

Matter# 19422

Order# 044983-40

Project Id :

Order Date 03/07/2014

Entity Name: SALT FORK WIND, LLC

Jurisdiction: TX - Secretary of State

Request for: Qualification Filing

File#: 801951269

File Date: 03/12/2014

Result: Filed

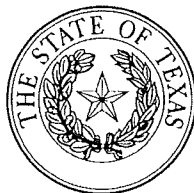
Ordered by JI NIN LOH at KING & SPALDING LLP

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Jerome Suarez
jsuarez@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.



Office of the Secretary of State

March 13, 2014

Corporation Service Company
211 E. 7th Street, Suite 620
Austin, TX 78701 USA

RE: Salt Fork Wind, LLC
File Number: 801951269

It has been our pleasure to file the application for registration and issue the enclosed certificate of filing evidencing the authority of the foreign limited liability company (llc) to transact business in Texas.

Unless exempted, the foreign entity is subject to state tax laws, including franchise tax laws. Shortly, the Comptroller of Public Accounts will be contacting the entity at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the foreign entity. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>.

The registered foreign entity is not required to file annual reports with the Secretary of State. An application for amended registration must be filed with the Secretary of State if the foreign entity changes its name, changes the purposes to be pursued in Texas, or changes the assumed name it elected to use on its application for registration. It is important for the foreign entity to continuously maintain a registered agent and office in Texas. Failure to maintain an agent or office or file a change to the information in Texas may result in the revocation of the entity's registration by the Secretary of State.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555

Enclosure



Office of the Secretary of State

CERTIFICATE OF FILING OF

Salt Fork Wind, LLC
File Number: 801951269

The undersigned, as Secretary of State of Texas, hereby certifies that an Application for Registration for the above named Foreign Limited Liability Company (LLC) to transact business in this State has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing the authority of the entity to transact business in this State from and after the effective date shown below for the purpose or purposes set forth in the application under the name of

Salt Fork Wind, LLC

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 03/12/2014

Effective: 03/12/2014



NANDITA BERRY

Nandita Berry
Secretary of State

Form 304
(Revised 05/11)

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709
Filing Fee: \$750



**Application for
Registration
of a Foreign Limited
Liability Company**

This space reserved for office use.

FILED
In the Office of the
Secretary of State of Texas

MAR 12 2014

Corporations Section

1. The entity is a foreign limited liability company. The name of the entity is:

Salt Fork Wind, LLC

Provide the full legal name of the entity as stated in the entity's formation document in its jurisdiction of formation.

2A. The name of the entity in its jurisdiction of formation does not contain the word "limited liability company" or "limited company" (or an abbreviation thereof). The name of the entity with the word or abbreviation that it elects to add for use in Texas is:

2B. The entity name is not available in Texas. The assumed name under which the entity will qualify and transact business in Texas is:

The assumed name must include an acceptable organizational identifier or an accepted abbreviation of one of these terms.

3. Its federal employer identification number is: 45-0502825

☐ Federal employer identification number information is not available at this time.

4. It is organized under the laws of: (set forth state or foreign country) Delaware

and the date of its formation in that jurisdiction is: 03/12/2014

mm/dd/yyyy

5. As of the date of filing, the undersigned certifies that the foreign limited liability company currently exists as a valid limited liability company under the laws of the jurisdiction of its formation.

6. The purpose or purposes of the limited liability company that it proposes to pursue in the transaction of business in Texas are set forth below.

Any lawful business or activity under the law of this state.

The entity also certifies that it is authorized to pursue such stated purpose or purposes in the state or country under which it is organized.

7. The date on which the foreign entity intends to transact business in Texas, or the date on which the foreign entity first transacted business in Texas is: upon filing

mm/dd/yyyy

Late fees may apply (see instructions).

8. The principal office address of the limited liability company is:

15445 Innovation Drive

San Diego

CA

USA

92128

Address

City

State

Country

Zip/Postal Code

Complete item 9A or 9B, but not both. Complete item 9C.

☒ 9A. The registered agent is an organization (cannot be entity named above) by the name of:

Corporation Service Company

OR

☐ 9B. The registered agent is an individual resident of the state whose name is:

First Name	M.I.	Last Name	Suffix
------------	------	-----------	--------

9C. The business address of the registered agent and the registered office address is:

211 E. 7th Street Ste. 620	Austin	TX	78701
Street Address	City	State	Zip Code

10. The entity hereby appoints the Secretary of State of Texas as its agent for service of process under the circumstances set forth in section 5.251 of the Texas Business Organizations Code.

11. The name and address of each governing person is:

NAME AND ADDRESS OF GOVERNING PERSON (Enter the name of either an individual or an organization, but not both.)					
IF INDIVIDUAL					
First Name	M.I.	Last Name	Suffix		
OR					
IF ORGANIZATION					
EDF-RE US Development LLC					
Organization Name					
15445 Innovation Drive	San Diego	CA	USA	92128	
Street or Mailing Address	City	State	Country	Zip Code	

NAME AND ADDRESS OF GOVERNING PERSON (Enter the name of either an individual or an organization, but not both.)					
IF INDIVIDUAL					
First Name	M.I.	Last Name	Suffix		
OR					
IF ORGANIZATION					
Organization Name					
Street or Mailing Address	City	State	Country	Zip Code	

NAME AND ADDRESS OF GOVERNING PERSON (Enter the name of either an individual or an organization, but not both.)					
IF INDIVIDUAL					
First Name	M.I.	Last Name	Suffix		
OR					
IF ORGANIZATION					
Organization Name					
Street or Mailing Address	City	State	Country	Zip Code	

Supplemental Provisions/Information

Text Area: [The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing (Select either A, B, or C.)

- A. ☒ This document becomes effective when the document is filed by the secretary of state.
- B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____
- C. ☐ This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____
- The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Date: 3/5/14



Signature of authorized person (see instructions)

ROBERT MILCER

Printed or typed name of authorized person



**Acceptance of Appointment
and
Consent to Serve as Registered Agent
§5.201(b) Business Organizations Code**

The following form may be used when the person designated as registered agent in a registered agent filing is an individual.

Acceptance of Appointment and Consent to Serve as Registered Agent

I acknowledge, accept and consent to my designation or appointment as registered agent in Texas for

Name of represented entity

I am a resident of the state and understand that it will be my responsibility to receive any process, notice, or demand that is served on me as the registered agent of the represented entity; to forward such to the represented entity; and to immediately notify the represented entity and submit a statement of resignation to the Secretary of State if I resign.

X:

Signature of registered agent

Printed name of registered agent

Date (mm/dd/yyyy)

The following form may be used when the person designated as registered agent in a registered agent filing is an organization.

Acceptance of Appointment and Consent to Serve as Registered Agent

I am authorized to act on behalf of Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company

Name of organization designated as registered agent

The organization is registered or otherwise authorized to do business in Texas. The organization acknowledges, accepts and consents to its appointment or designation as registered agent in Texas for:

SALT FORK WIND, LLC

Name of represented entity

The organization takes responsibility to receive any process, notice, or demand that is served on the organization as the registered agent of the represented entity; to forward such to the represented entity; and to immediately notify the represented entity and submit a statement of resignation to the Secretary of State if the organization resigns.

X: By:

Brian Courtney,
Asst. Vice President

3/07/2014

Signature of person authorized to act on behalf of organization
Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company

Printed name of authorized person

Date (mm/dd/yyyy)

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Sacramento
Suite 150N
2710 Gateway Oaks Drive
Sacramento, CA 95833
800-222-2122
916-641-5151 (Fax)

Matter# 19422

Order# 044983-45

Project Id :

Order Date 03/07/2014

Entity Name: CIELO SALT FORK WIND, LP

Jurisdiction: TX - Secretary of State

Request for: Amendment/Correction/Restated/Designation Filing

File#: Not Shown

File Date: 03/12/2014

Result: Filed

Ordered by JI NIN LOH at KING & SPALDING LLP

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Jerome Suarez
jsuarez@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.



Office of the Secretary of State

March 13, 2014

Corporation Service Company
211 E. 7th Street, Suite 620
Austin, TX 78701 USA

RE: Salt Fork Wind, LLC
File Number: [Entity not of Record, Filing Number Not Available]

It has been our pleasure to approve and place on record the filing instrument effecting a conversion. The appropriate evidence is attached for your files. Payment of the filing fee is acknowledged by this letter.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555

Enclosure



Office of the Secretary of State

CERTIFICATE OF CONVERSION

The undersigned, as Secretary of State of Texas, hereby certifies that a filing instrument for

Cielo Salt Fork Wind, LP
File Number: 800124538

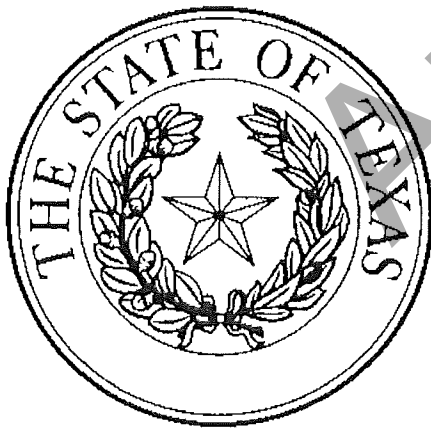
Converting it to

Salt Fork Wind, LLC
File Number: [Entity not of Record, Filing Number Not Available]

has been received in this office and has been found to conform to law. ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing the acceptance and filing of the conversion on the date shown below.

Dated: 03/12/2014

Effective: 03/12/2014



NANDITA BERRY

Nandita Berry
Secretary of State

Form 642
(Revised 05/11)

Return in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512 463-5709

Filing Fee: See instructions



**Certificate of Conversion
of a
Limited Partnership Converting
to a
Limited Liability Company**

This space reserved for office
use.

FILED
In the Office of the
Secretary of State of Texas

MAR 12 2014

Corporations Section

Converting Entity Information

The name of the converting limited partnership is:

Cielo Salt Fork Wind LP

The jurisdiction of formation of the limited partnership is: Texas

The date of formation of the limited partnership is: September 18, 2002

The file number, if any, issued to the limited partnership by the secretary of state is: 0800124538

Converted Entity Information

The limited partnership named above is converting to a limited liability company. The name of the limited liability company is:

Salt Fork Wind, LLC

The limited liability company will be formed under the laws of: Delaware

Plan of Conversion

☐ The plan of conversion is attached.

If the plan of conversion is not attached, the following section must be completed.

Alternative Statements

In lieu of providing the plan of conversion, the converting limited partnership certifies that:

1. A signed plan of conversion is on file at the principal place of business of the limited partnership, the converting entity. The address of the principal place of business of the limited partnership is:

15445 Innovation Drive San Diego CA USA 92128

Street or Mailing Address City State Country Zip Code

2. A signed plan of conversion will be on file after the conversion at the principal place of business of the limited liability company, the converted entity. The address of the principal place of business of the limited liability company is:

15445 Innovation Drive San Diego CA USA 92128

Street or Mailing Address City State Country Zip Code

3. A copy of the plan of conversion will be furnished on written request without cost by the converting entity before the conversion or by the converted entity after the conversion to any owner or member of the converting or converted entity.

Certificate of Formation for the Converted Entity

If the converted entity is a Texas limited liability company, the certificate of formation of the Texas limited liability company must be attached to this certificate either as an attachment or exhibit to the plan of conversion, or as an attachment or exhibit to this certificate of conversion if the plan has not been attached to the certificate of conversion.

Approval of the Plan of Conversion

The plan of conversion has been approved as required by the laws of the jurisdiction of formation and the governing documents of the converting entity.

Effectiveness of Filing (Select either A, B, or C.)

- A. ☒ This document becomes effective when the document is accepted and filed by the secretary of state.
- B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____
- C. ☐ This document takes effect upon the occurrence of the future event or fact, other than the passage of time. The 90th day after the date of signing is: _____
- The following event or fact will cause the document to take effect in the manner described below: _____

Tax Certificate

- ☒ Attached hereto is a certificate from the comptroller of public accounts that certifies that the converting entity is in good standing for purposes of conversion.
- ☐ In lieu of providing the tax certificate, the limited liability company as the converted entity is liable for the payment of any franchise taxes.

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument. The undersigned certifies that the statements contained herein are true and correct, and that the person signing is authorized under the provisions of the Business Organizations Code to execute the filing instrument.

Date: 3/15/14

By: EDF-RE US Development, LLC its General Partner

[Signature]
Signature of authorized person (see instructions)

ROBERT MILLER
Printed or typed name of authorized person

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

WWW.WINDOW.STATE.TX.US



March 7, 2014

CIELO SALT FORK WIND, LP
838 CONGRESS AVE FL 5
AUSTIN , TX 78701

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO HEREBY CERTIFY
that according to the records of this office

CIELO SALT FORK WIND, LP

is, as of this date, in good standing with this office for the purpose of ending its existence, having
filed the required franchise tax reports and having paid the franchise tax computed to be due
through MAY 15, 2014

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this March day of
7th, 2014 A.D.

A handwritten signature of Susan Combs in black ink, located to the left of the official seal.

SUSAN COMBS
Comptroller of Public Accounts



Taxpayer number: 32035855454
File number: 0800124538

NOTE: Failure by Texas corporations to legally dissolve, merge, or convert with the Texas Secretary of State on or before the
expiration of this certificate, will result in additional franchise tax responsibilities. Out of state corporations are responsible for
franchise tax through the last date of business in this state.

Checklist Item #4

Form 50-296 313 Value Limitation

ATTACHMENTS

PROJECT DESCRIPTION

Question1: Provide a detailed description of the scope of the proposed project, including at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

The proposed project will consist of a facility designed to use wind power to generate electricity (otherwise known as a wind farm). The Project is anticipated to be constructed in two phases, with a total capacity of 228 MW located in Donley and Gray Counties. Forty-five percent (45%) of the total project construction will be within the jurisdictional boundary of Groom ISD and will consist of two phases. Phase I will be 48 MW and Phase II will be 54 MW. The Applicant expects to build Phase I of the proposed project to be operational by the 4th quarter of 2016 and Phase II operational by the 4th quarter of 2017. The Applicant expects to commence construction on or before December 2015 and expects to complete construction within 12-months.

The property for which the Applicant is requesting appraised value limitation shall include, but is NOT limited to, the following: up to 51 wind turbines ranging from 1.8 to 2.3 megawatts with a generating capacity of approximately 102 MW; up to 51 steel reinforced concrete foundations supporting the weight of each turbine tower; and up to 51 electric power transformers. All property for which the Applicant is seeking a limitation on appraised value will be owned by the Applicant.

Checklist Item #4

Form 50-296 313 Value Limitation

ATTACHMENTS

PROJECT DESCRIPTION

Question 2: Describe the ability of your company to locate or relocate in another state or another region of the state.

EDF Renewable Development, Inc., (“EDF”) the indirect owner of a controlling interest in Salt Fork Wind, LLC, (“Salt Fork Wind”) is a U.S. developer of wind projects, and has operations in several regions within the contiguous United States. Construction is one of the most significant costs in creating a wind farm. The wind turbines and supporting infrastructure are long-lived assets engineered and designed specifically for this project location. The cost of installing the improvements on the site is substantial and the cost to remove, redesign, and relocate the improvements to a different location would be prohibitive. The physical improvements of the Salt Fork Wind power project, once completed, cannot be feasibly moved to another location.

EDF has the ability to locate wind farms anywhere in the U.S. with the right conditions. For these reasons EDF studies and looks at various competing sites throughout the market areas where wind development is attractive. Without a Value Limitation program, EDF would seek to move to alternative sites outside the State of Texas.

ATTACHMENTS

PROJECT SCOPE, INFORMATION, and SIZE

To date, the Applicant has acquired leases on approximately 20,000 acres of land in the project area, which is bounded approximately by FM 70. Approximately 45% of the project area is incorporated within the Groom ISD in Donley County & Gray County. The remaining 55% of the project will be constructed in another school district within Donley County.

The total proposed project the Applicant intends to construct and operate consists of, but is not limited to up to 51 wind turbines, to be constructed commencing on or after December 2015. It is anticipated that 48 MW of the Salt Fork Wind farm in Groom ISD will be fully operational on or about December 2016 and the remaining 54 MW will be fully operational on or about December 2017.

When completed the Salt Fork Wind project will add over \$132 million to the ad valorem tax rolls of Groom ISD located within Donley County & Gray County. The Project will significantly enhance sales and use taxes for the state and local area, particularly during the construction period.

Checklist Item #5

Projected Located in **MORE** than One School District

The Applicant expects to build 100% of the proposed project in Donley County & Gray County, Texas. There are three (3) ISD's within Donley County; however, the project is located within the Groom ISD and the Clarendon ISD. Of the 114 WTG's the applicant intends to build, approximately 51 WTG's will be located within the Groom ISD.

The remaining 63 WTG's are to be located within the Clarendon ISD jurisdiction. EDF will be submitting an amended application for Appraised Value Limitation for the portion of project located within the Clarendon ISD.

Amended

Checklist Item #6

ATTACHMENTS

INVESTMENT

(1) A specific and detailed description of the qualified investment you propose to make on the property for which you are requesting and appraised value limitation as defined by Tax Code §313.021.

The Applicant is requesting an appraised value limitation on all of the property constructed or placed upon the real property described and shown in Map Exhibit within Groom ISD, which is located in Donley & Gray County, Texas. The property for which the Applicant is requesting an appraised value limitation shall include, but is NOT limited to, the following: up to 51 wind turbines, ranging from 1.8 to 2.3 megawatts with a generating capacity of approximately 102 MW; up to 51 steel reinforced concrete foundations supporting the weight of each turbine tower; up to 51 electric power transformers; and electric conductor cables used to transport electricity from each turbine tower to an electrical substation.

During 2016, the Applicant obtained Reinvestment Zone designation and approval from Donley and Gray Counties for the proposed project area and areas of consideration for future expansion. None of the above mentioned property is covered under an existing County Appraisal District account number.

(2) A description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment.

Not applicable

Checklist Item #8

Description of Qualified Property (per Application pg 8)

Salt Fork Wind will consist of a wind-powered electric generating facility with an operating capacity of approximately 228 megawatts. The exact number of turbines and foundations will depend on the nameplate capacity of the turbine selected. The turbine size will be between 1.8 and 2.3 MW. The additional improvements of Qualified Property for the Salt Fork Wind Project include but are not limited to:

- Up to 51 wind turbine generator foundations, anchor bolt embeds & template mounting rings.
- Underground power cables from wind turbines to substation with various cable accessories including junction boxes.
- Roadwork sloped for drainage, with turnouts from public roads.
- Permanent meteorological towers, quality and location of which to be determined by final layout turbine.
- Underground communication cables.
- Wind turbine lighting per FAA requirements.

Checklist Item #10

Description of Land

Section	Block	Survey
8	C2	CCSD & RGNG RR CO
12	C2	CCSD & RGNG RR CO
13	C2	CCSD & RGNG RR CO
18	C2	CCSD & RGNG RR CO
19	C2	CCSD & RGNG RR CO
20	C2	CCSD & RGNG RR CO

Amended

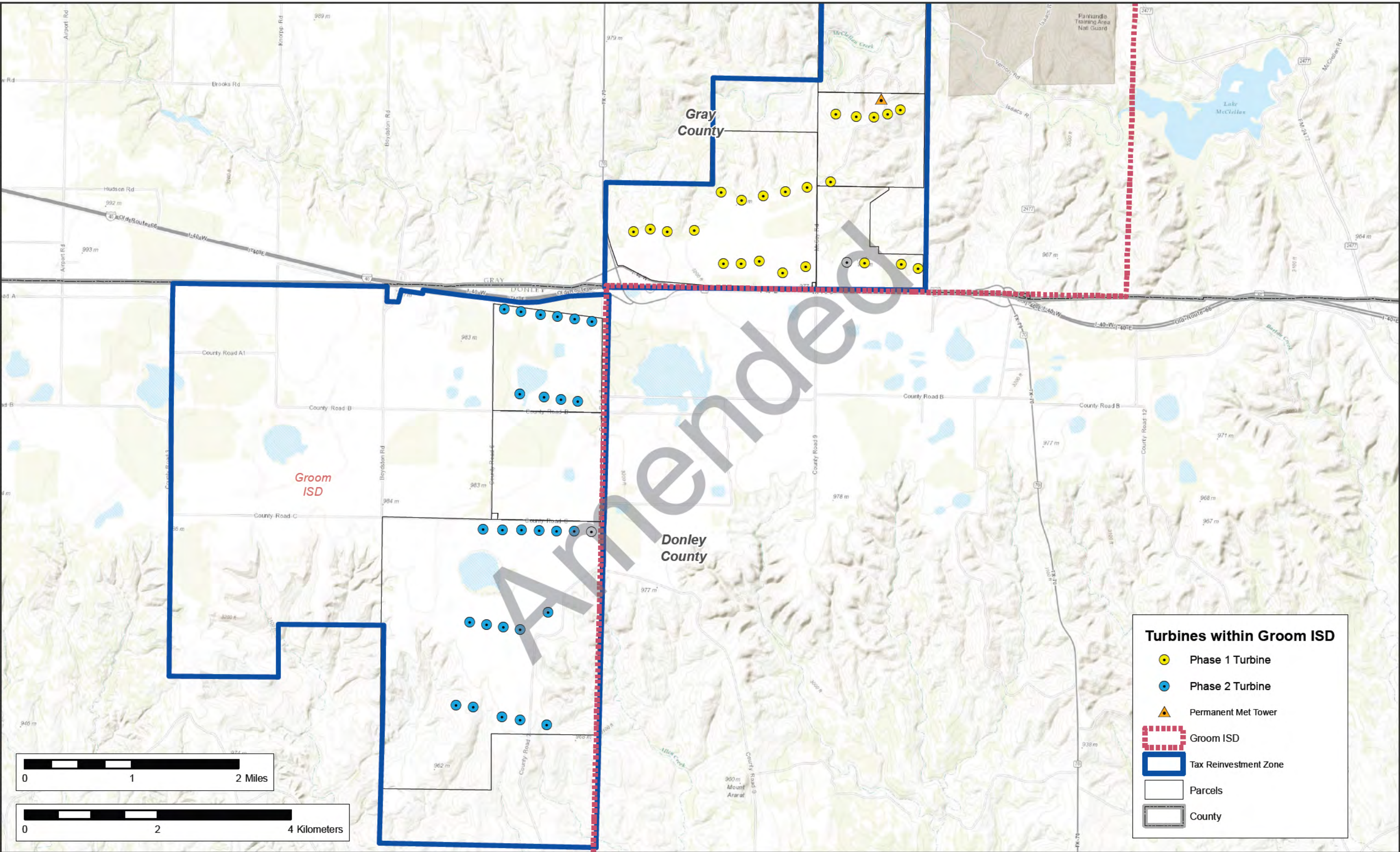
Checklist Item #11

ATTACHMENT

See attached map.

Amended

Source: Cielo, Texas Legislative Council, ESRI | G:\Projects\USA_Central\Sat_Fork_TX\05_GIS\052_MapDocs\Turbines_SF_TaxAnalysis_Groom_ISD.mxd | Last Updated 6/14/2016 by brendan.soule



Checklist Item #13

Request for Waiver of Job Creation Requirement

ATTACHED

Amended



EDF Renewable Energy
15445 Innovation Drive
San Diego, CA 92128
T: 858.521.3323

July 18, 2016

Mr. Jay Lamb, Superintendent
Groom Consolidated Independent School District
304 W. 3rd St.
Groom, TX 79039

RE: Ch-313 Application for Appraised Value Limitation – Job Waiver Request

Dear Mr. Lamb,

This letter is to advise you that Salt Fork Wind, LLC, through EDF Renewable Development, Inc., an indirect owner of a controlling interest in Salt Fork Wind, LLC, is submitting its Chapter 313 Application for Appraised Value Limitation on Qualified Property with a request for a waiver of the jobs creation requirement. House Bill 1470 altered the jobs requirement by adding Section 313.025 (f-1) to permit school district's board of trustees to make a finding that the job requirement could be waived if the job requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Salt Fork Wind, LLC, requests that Groom ISD's Board of Trustees make such a finding and waive the job creation requirement for the permanent jobs. Based on the industry standard, the size and scope of this project will require a total of approximately seven (7) permanent jobs, but for this application, Groom ISD, there will be three (3) permanent jobs.

As background information on the creation of full-time jobs by wind energy projects, these type of projects create a large number of full-time, temporary jobs during the construction phase, but require a small number of highly skilled technicians to operate a wind project once construction operations cease and commercial operations begin.



EDF Renewable Energy
15445 Innovation Drive
San Diego, CA 92128
T : 858.521.3323

The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. The industry standard for permanent employment is one full-time employee for every fifteen to twenty (15-20) turbines, although this number varies depending on the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. In addition to the onsite employees described, there may be asset managers or technicians who supervise, monitor, and support the wind project operations from offsite locations.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Pfaff".

EDF Renewable Development, Inc., Managing Member of
EDF-RE US Development, LLC, Manager of
Salt Fork Wind, LLC

Ryan Pfaff
Executive Vice President, Development

Amended

Checklist Item #17

Schedule "A" attached

Amended

Schedule A (Rev. May 2010): Investment

Applicant Name

SALT FORK WIND, LLC

ISD Name

GROOM ISD

Form 50-296

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: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)		2014-2015	2014					
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)								
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)								
	Complete tax years of qualifying time period	1	2015-2016	2015					
		2	2016-2017	2016	62,290,909			\$ 62,290,909	
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3	2017-2018	2017	70,077,273			\$ 70,077,273	
		4	2018-2019	2018					
		5	2019-2020	2019					
		6	2020-2021	2020					
		7	2021-2022	2021					
		8	2022-2023	2022					
		9	2023-2024	2023					
		10	2024-2025	2024					
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2025-2026	2025					
		12	2026-2027	2026					
		13	2027-2028	2027					
Post- Settle-Up Period		14	2028-2029	2028					
Post- Settle-Up Period		15	2029-2030	2029					

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

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D).
For the purposes of investment, please list amount invested each year, not cumulative totals.
[For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].

Column B: Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

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

For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.
The most significant example for many projects would be land. Other examples may be items such as professional services, etc.

Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

7/18/16

Checklist Item #18

Schedule "B" attached

Amended

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

Applicant Name

SALT FORK WIND, LLC

ISD Name

GROOM ISD

Form 50-296

					Qualified Property			Reductions from Market Value	Estimated Taxable Value	
		Year	School Year (YYY-YYY)	Tax Year (Fill in actual tax year) YYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"	Exempted Value	Final taxable value for I&S - after all reductions	Final taxable value for M&O--after all reductions
		pre- year 1	2014-2015	2014	N/A	\$ -		N/A		
	Complete tax years of qualifying time period	1	2015-2016	2015	N/A	\$ -	\$ -	N/A	\$ -	\$ -
		2	2016-2017	2016	N/A	\$ -	\$ 62,290,909	N/A		
	Value Limitation Period	3	2017-2018	2017	N/A	\$ -	\$ 129,253,637	N/A	\$ 62,290,909	\$ 10,000,000
Tax Credit Period (with 50% cap on credit)		4	2018-2019	2018	N/A	\$ -	\$ 122,790,955	N/A	\$ 129,253,637	\$ 10,000,000
		5	2019-2020	2019	N/A	\$ -	\$ 116,651,407	N/A	\$ 122,790,955	\$ 10,000,000
		6	2020-2021	2020	N/A	\$ -	\$ 110,818,837	N/A	\$ 116,651,407	\$ 10,000,000
		7	2021-2022	2021	N/A	\$ -	\$ 105,277,895	N/A	\$ 110,818,837	\$ 10,000,000
		8	2022-2023	2022	N/A	\$ -	\$ 100,014,000	N/A	\$ 105,277,895	\$ 10,000,000
		9	2023-2024	2023	N/A	\$ -	\$ 95,013,300	N/A	\$ 100,014,000	\$ 10,000,000
		10	2024-2025	2024	N/A	\$ -	\$ 90,262,635	N/A	\$ 95,013,300	\$ 10,000,000
	Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2025-2026	2025	N/A	\$ -	\$ 85,749,504	N/A	\$ 90,262,635
12			2026-2027	2026	N/A	\$ -	\$ 81,462,028	N/A	\$ 85,749,504	\$ 85,749,504
13			2027-2028	2027	N/A	\$ -	\$ 77,388,927	N/A	\$ 81,462,028	\$ 81,462,028
Post- Settle-Up Period		14	2028-2029	2028	N/A	\$ -	\$ 73,519,481	N/A	\$ 77,388,927	\$ 77,388,927
Post- Settle-Up Period		15	2029-2030	2029	N/A	\$ -	\$ 69,843,507	N/A	\$ 73,519,481	\$ 73,519,481

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

7/18/16

Checklist Item #19

Schedule "C" attached

Amended

Schedule C- Application: Employment Information

Applicant Name
ISD Name

SALT FORK WIND, LLC
GROOM ISD

Form 50-296

Form 50-296

					Construction		New Jobs		Qualifying Jobs	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
		pre- year 1	2014-2015	2014						
	Complete tax years of qualifying time period	1	2015-2016	2015						
		2	2016-2017	2016	55	34,321	2	\$ 46,034	2	\$ 46,034
	Tax Credit Period (with 50% cap on credit)	3	2017-2018	2017	65	34,321	3	\$ 46,034	3	\$ 46,034
		4	2018-2019	2018	0	34,321	3	\$ 46,034	3	\$ 46,034
		5	2019-2020	2019	0	34,321	3	\$ 46,034	3	\$ 46,034
		6	2020-2021	2020	0	34,321	3	\$ 46,034	3	\$ 46,034
		7	2021-2022	2021	0	34,321	3	\$ 46,034	3	\$ 46,034
		8	2022-2023	2022	0	34,321	3	\$ 46,034	3	\$ 46,034
		9	2023-2024	2023	0	34,321	3	\$ 46,034	3	\$ 46,034
		10	2024-2025	2024	0	34,321	3	\$ 46,034	3	\$ 46,034
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2025-2026	2025	0	34,321	3	\$ 46,034	3	\$ 46,034
		12	2026-2027	2026	0	34,321	3	\$ 46,034	3	\$ 46,034
		13	2027-2028	2027	0	34,321	3	\$ 46,034	3	\$ 46,034
Post- Settle-Up Period		14	2028-2029	2028	0	34,321	3	\$ 46,034	3	\$ 46,034
Post- Settle-Up Period		15	2029-2030	2029	0	34,321	3	\$ 46,034	3	\$ 46,034

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

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

7/18/26

Checklist Item #21

Map of Reinvestment Zone

Amended



Checklist Item #22

Order & Resolution Establishing Reinvestment Zone

Amended

**RESOLUTION OF THE COMMISSIONERS COURT OF GRAY COUNTY, TEXAS
DECLARING ITS INTENT TO CONSIDER PROVIDING TAX
ABATEMENTS AND DESIGNATING REINVESTMENT ZONE NUMBER 3**

A RESOLUTION DECLARING THE INTENTION OF GRAY COUNTY, TEXAS TO CONSIDER PROVIDING TAX ABATEMENTS, DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR A COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN GRAY COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of Gray County, Texas has previously indicated its intent to consider providing tax abatements by action of the Court; and

WHEREAS, the Commissioners Court of Gray County, Texas now desires to declare its intention to become eligible to participate in tax abatement by adopting this resolution; and

WHEREAS, the Commissioners Court of Gray County, Texas desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Tax Code § 312.001, *et seq.*), and the Guidelines and Criteria of the Commissioners Court of GRAY County for Granting a Tax Abatement in Reinvestment Zone Created in Gray County, Texas (the "Guidelines"); and

WHEREAS, on July 15, 2016, a hearing before the Commissioners Court of Gray County, Texas was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in the local newspaper of general circulation in Gray County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Commissioners Court of Gray County, Texas at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF GRAY COUNTY, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Commissioners Court of Gray County, Texas hereby formally resolves that Gray County, Texas elects to become eligible to participate in tax abatement.

SECTION 3. That the Commissioners Court of Gray County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and
- (b) That the boundaries of the proposed reinvestment zone should be the area described in the description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B", both Exhibits being incorporated herein by reference for all purposes, and the contents of Exhibit "B" controlling in the event of any discrepancy between Exhibit "A" and Exhibit "B"; and,
- (c) That creation of the reinvestment zone will result in benefits to Gray County, Texas and to land included in the reinvestment zone and that the improvements sought are feasible and practical; and
- (d) The reinvestment zone meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of Gray County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Gray County, Texas.

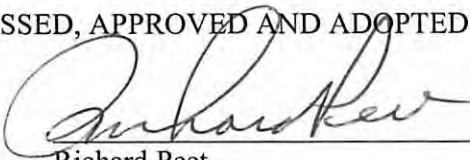
SECTION 4. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, the Gray County Commissioners Court hereby creates Gray County Reinvestment Zone Number 3; a reinvestment zone for commercial-industrial tax abatement encompassing only the area described in Exhibit "A" and depicted in Exhibit "B", and such reinvestment zone is hereby designated and shall hereafter be referred to as Gray County Reinvestment Zone Number 3.

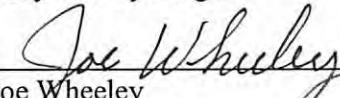
SECTION 5. That Gray County Reinvestment Zone Number 3 shall take effect on July 15, 2016 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

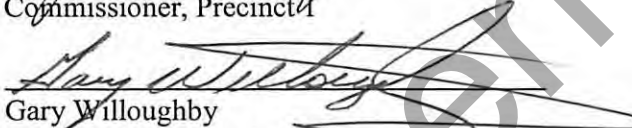
SECTION 6. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

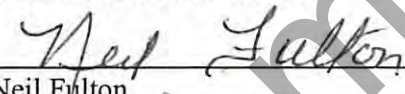
SECTION 7. That it is hereby found, determined and declared that sufficient notice of the date, hour, place and subject, of the meeting of the Gray County Commissioners Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

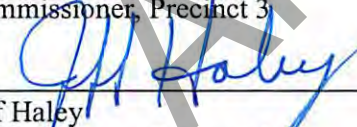
PASSED, APPROVED AND ADOPTED on this the 15th day of July, 2016.


Richard Peet
Gray County Judge


Joe Wheeley
Commissioner, Precinct 1


Gary Willoughby
Commissioner, Precinct 2


Neil Fulton
Commissioner, Precinct 3


Jeff Haley
Commissioner, Precinct 4


Susan Winborne
GRAY County Clerk

[COUNTY SEAL]

EXHIBIT A
DESCRIPTION OF GRAY COUNTY
REINVESTMENT ZONE 3

Section	Block	Survey
8	C2	CCSD & RGNG RR CO
12	C2	CCSD & RGNG RR CO
13	C2	CCSD & RGNG RR CO
18	C2	CCSD & RGNG RR CO
19	C2	CCSD & RGNG RR CO
20	C2	CCSD & RGNG RR CO



Checklist Item #23

Legal Description of Reinvestment Zone

Amended

EXHIBIT A
DESCRIPTION OF GRAY COUNTY
REINVESTMENT ZONE 3

Section	Block	Survey
8	C2	CCSD & RGNG RR CO
12	C2	CCSD & RGNG RR CO
13	C2	CCSD & RGNG RR CO
18	C2	CCSD & RGNG RR CO
19	C2	CCSD & RGNG RR CO
20	C2	CCSD & RGNG RR CO

Checklist Item #24

Guidelines and Criteria for Reinvestment Zone

Amended

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minute order 15-180

Sect. 1. Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by the County of Gray for economic development purposes.
- B. "Affected jurisdiction" means the County of Gray and any other taxing jurisdiction with any substantial parts of its area located in Gray County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in tax abatement agreements by, or pursuant to, these guidelines.
- C. "Agreement" means a contractual agreement between a property owner or lessee, or both, and affected jurisdiction for the purposes of tax abatement.
- D. "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed-upon value of eligible property improvements made after January 1 but before the execution of the Agreement.
- E. "Deferred maintenance" means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- F. "Distribution Center Facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- G. "Expansion" means the addition of permanent building and structures, fixed machinery and equipment for purposes of increasing production capacity.
- H. "Facility" means property improvements completed or in the process of construction that together comprise an integral whole.
- I. "Manufacturing Facility" means permanent buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- J. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.

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- K. "New Facility" means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- L. "Other basic industry" means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market that result in the creation of new permanent jobs, and that bring in new wealth.
- M. "Productive life" means that number of years a property improvement is expected to be in service in a facility.
- N. "Regional entertainment facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.
- O. "Research facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used primarily for the research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- P. "Regional service facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.
- Q. "Renewable Energy Resource" means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5 or any successor to such rule.

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

- A. Authorized facility. A facility may be eligible for abatement if it is a manufacturing facility, research facility, distribution center or regional service facility, regional entertainment facility, renewable energy resource, or other basic industry.
- B. Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, an abatement agreement by and among Gray County and the property owner or lessee, subject to such limitation as Gray County may require.
- C. New and existing facilities. Abatement may be for new facilities and improvements to existing facilities purposes of modernization or expansion.
- D. Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

- E. Ineligible property. The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; housing; hotel accommodations; deferred maintenance investments; any improvements, including those to produce, store or distribute natural gas, fluids or gases, that are not integral to the operation of the facility; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated, or directed by a political subdivision of the State of Texas.
- F. Value and term of abatement. A tax abatement agreement granted by Gray County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed.
- G. Economic qualification. In order to be eligible to receive tax abatement the planned improvement:
1. Must be reasonably expected to have an increase in positive net benefit to Gray County of at least \$100,000 in the case of new businesses and \$50,000 in the case of existing businesses over the life of the tax abatement agreement (such amounts computed to include, but not limited to, new payroll and new capital investment);
 2. Must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis; and
 3. Must not be expected to solely or primarily have the effect of transferring employment from one part of the County of Gray County to another.
- H. Existing business. Recognizing the importance of cosmetic improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, such existing businesses may be granted a two-year tax abatement of the amount of value the facility is increased. (If a business has a building appraised at \$50,000 and modernization or expansion changes the appraised value to \$100,000, \$50,000 of the new value could be abated for two years beginning January 1 after the year completed.)
- I. Taxability. From the execution of the abatement agreement to the end of the agreement period taxes shall be assessed as follows:
1. The value of ineligible property shall be fully taxable; and,
 2. The base year value of existing eligible property as determined each year shall be fully taxable; and,
 3. The additional value of new eligible property shall be taxable in the manner described in Section 2.

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Sec. 3. Application and Hearing.

- A. Any present or potential owner of taxable property in the jurisdiction of the taxing entities of the County of Gray, Texas, may request tax abatement by filing a written request with the Gray County Commissioners Court.
- B. The application shall consist of a completed application form accompanied by:
 - 1. A general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken;
 - 2. A descriptive list of the improvements that will be a part of the facility; a map and property description; and
 - 3. A time schedule for undertaking and completing the planned improvements.

In the case of modernization, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require any financial and other information that may be appropriate for evaluating the financial capacity of the applicant and any other factor.

- C. After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame the Commissioners Court shall choose to deny the application, consider the application, or consider the application on an expedited basis.
- D. Consideration of Application. If the County determines that the application should be further considered, then the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. At the hearing, the Commissioners Court will evaluate the application against the criteria in Section 2 and decide whether to designate the property for which abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then arrange to consider for approval the tax abatement agreement between the applicant and the abatement agreement, the County must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

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- E. Expedited Consideration of Application. If the County determines that the application should receive expedited consideration, then the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court's next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time place and subject in the local newspaper. Also at the time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought, along with a copy of the proposed tax abatement agreement. During the Commissioners Court meeting, the Commissioners Court shall evaluate the application against the criteria in Section 2 and shall decide whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or the decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.
- F. Confidentiality. As required by Section 312.003 of the Texas Tax Code, information that is provided to the County in connection with an application or a request for a tax abatement under this chapter that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the abatement is sought is confidential and not subject to public disclosure until the tax abatement is executed.
- G. When the abatement is disapproved, an applicant may be granted a review, or rehearing, in which a new application and hearing may be required.
- H. Tax abatement may not be approved if the County finds that the application was filed after the commencement of the construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- I. Request for variance from the provisions of Section 2 may be made in written form to the Commissioners Court of Gray County. Such request shall include all the items listed in Section 3 above, together with a complete description of the circumstances that prompt the applicant to request variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the County.

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Sec. 4 Standards for denying Approval of Abatement.

- A. If any affected jurisdiction is able to conclusively show cause in the public hearing why the granting of the abatement will have a substantial adverse effect on its bonds,

tax revenue, service capacity, or the providing of services, Gray County shall deny the approval of abatement.

B. An abatement agreement shall not be granted if it is determined that:

1. There would be substantial adverse effect on the providing of government services or tax bases;
2. The applicant has insufficient financial capacity;
3. Planned or potential use of the property would constitute a hazard to public safety, health, or morals; or,
4. Codes or laws would be violated.

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Sec. 5. Effect of Approval of Application

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

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Sec. 6 Tax Abatement Agreements

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

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- A. The estimated value to be abated and the base year value;
- B. The percentage of value to be abated each year;
- C. The commencement date and the termination date of abatement;
- D. The proposed use of the facility, nature of construction, time schedule, map, property description, and improvements list;
- E. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration, and assignment;
- F. Size of investment and average number of jobs involved. Such agreement shall normally be executed within 30 days after the applicant has forwarded all necessary information and documentation to the County; and

- G. The agreement shall stipulate that employees, or designated representatives, or both, of Gray County will have access to the reinvestment zone during the terms of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of 24 hours prior notice and will be conducted in such a manner that they will not unreasonably interfere with the construction or operation or both of the facility. All inspections will be made in the presence of one or more representatives of the company or individual and in accordance with the safety standards of the company or individual.

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Sec. 7 Recapture

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- A. If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion, or other casualty or accident or natural disaster, for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within 60 days from the date of termination.
- B. If the Gray County Commissioners Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60 days from the date of such notice ("cure period"), then the agreement may be terminated; provided, however if such failure cannot be cured within such sixty (60) day period and the company or individual has commenced remedial action to cure such failure (and continued to diligently and timely pursue the completion of such remedial action), the company or individual shall be entitled to a total of one hundred eighty (180) days after receipt of notice within which to cure such default.
- C. If the company or individual (1) allows its ad valorem taxes owed to the County of Gray, or any other taxing entity in Gray County, to become delinquent after all applicable notice and cure periods and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

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Sec. 8. Administration

- A. The Chief Appraiser of the Gray County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been

established, the chief appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.

- B. Upon completion of construction, a designated representative of Gray County shall annually evaluate each facility receiving abatement to insure compliance with the agreement and shall make a report to the Commissioners Court regarding the findings of each evaluation.

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Sec. 9. Assignment

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No Assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any taxing entity in Gray County for outstanding delinquent taxes or other obligations. Approval shall not be unreasonably withheld, conditioned or delayed.

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Sec. 10. Sunset Provision

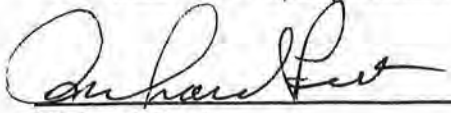
The guidelines and criteria are effective upon the date of their adoption and will remain in force for two years from the Effective Date (defined below) unless amended by a three-quarters vote of the Gray County Commissioners Court, at which time the tax abatement contracts created according to these provisions will be reviewed to determine whether or not the goals have been achieved. Based on that review, the guidelines and criteria may be further modified, renewed or eliminated.

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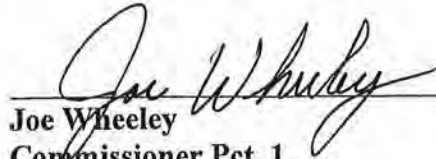
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The foregoing instrument was approved by the Gray County Commissioners Court, effective as of the 15th day of September, 2015 (the "Effective Date").

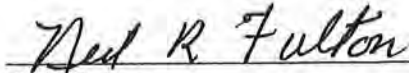


Richard Peet
Gray County Judge

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Joe Wheeley
Commissioner Pct. 1



Neil Fulton
Commissioner Pct. 3

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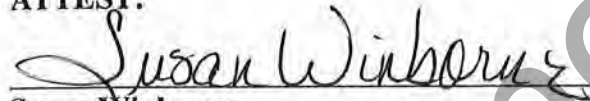
Gary Willoughby
Commissioner Pct. 2



Jeff Haley
Commissioner Pct. 4

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ATTEST:



Susan Winborne
Gray County Clerk

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