

**FINDINGS OF THE HUCKABAY
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
BUCKTHORN WIND PROJECT, LLC (#1021)**



December 17, 2014

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OF THE
HUCKABAY INDEPENDENT
SCHOOL DISTRICT BOARD OF TRUSTEES
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DECEMBER 17, 2014

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SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE
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STATE OF TEXAS §

COUNTY OF ERATH §

On the 17th day of December, 2014, a public meeting of the Board of Trustees of the Huckabay Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of Buckthorn Wind Project, LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On July 30, 2014, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The application was determined complete by the Comptroller on September 8, 2014. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32050151797), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

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

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

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on November 14, 2014 in which the Comptroller has determined that: 1) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 2) the proposed project is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; and, 3) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

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

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

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is attached to these findings as **Attachment F**.

At the specific direction of the Comptroller's Office, the parties used the template Texas Economic Development Agreement. As required by the Comptroller's Office, the parties changed only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**. In November 2014, the Texas Comptroller's Office announced its intention to modify Comptroller Form 50-

286 and to permit amendments to existing agreements including the agreement for which these Findings are being made.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

Board Finding Number 1.

The Board finds that the property meets the requirements of §313.024 for eligibility for a limitation on appraised value.

In support of Finding 1, the Application indicates that:

Buckthorn Wind Project, LLC (Buckthorn Wind) is requesting an appraised value limitation from Huckabay Independent School District (HISD) for their proposed renewable energy wind project.

Property that is used for renewable electric energy generation satisfies the requirements of §313.024(b)(5).

Board Finding Number 2.

The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement.

In support of Finding 2, the economic impact evaluation Attachment B states:

This represents the Comptroller's determination that Buckthorn Wind Project, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O

portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2013	\$0	\$0	\$0	\$0
	2014	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2016	\$208,000	\$208,000	\$1,238,869	\$1,238,869
	2017	\$208,000	\$416,000	\$1,123,364	\$2,362,233
	2018	\$208,000	\$624,000	\$1,017,095	\$3,379,327
	2019	\$208,000	\$832,000	\$919,322	\$4,298,649
	2020	\$208,000	\$1,040,000	\$829,366	\$5,128,015
	2021	\$208,000	\$1,248,000	\$746,603	\$5,874,618
	2022	\$208,000	\$1,456,000	\$670,456	\$6,545,074
	2023	\$208,000	\$1,664,000	\$600,396	\$7,145,469
	2024	\$208,000	\$1,872,000	\$535,936	\$7,681,406
	2025	\$208,000	\$2,080,000	\$476,630	\$8,158,036
Maintain Viable Presence (5 Years)	2026	\$630,063	\$2,710,063	\$0	\$8,158,036
	2027	\$579,858	\$3,289,921	\$0	\$8,158,036
	2028	\$533,665	\$3,823,587	\$0	\$8,158,036
	2029	\$491,164	\$4,314,751	\$0	\$8,158,036
	2030	\$452,059	\$4,766,809	\$0	\$8,158,036
Additional Years as Required by 313.026(c)(1) (10 Years)	2031	\$416,079	\$5,182,888	\$0	\$8,158,036
	2032	\$382,973	\$5,565,861	\$0	\$8,158,036
	2033	\$352,512	\$5,918,373	\$0	\$8,158,036
	2034	\$324,485	\$6,242,858	\$0	\$8,158,036
	2035	\$298,696	\$6,541,554	\$0	\$8,158,036
	2036	\$274,967	\$6,816,521	\$0	\$8,158,036
	2037	\$253,133	\$7,069,654	\$0	\$8,158,036
	2038	\$233,042	\$7,302,696	\$0	\$8,158,036
	2039	\$214,556	\$7,517,252	\$0	\$8,158,036
	2040	\$197,545	\$7,714,797	\$0	\$8,158,036

\$7,714,797

is less than

\$8,158,036

Analysis Summary

Is the project reasonably likely to generate M&O tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?

No

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, Buckthorn Wind Project, LLC

Employment Indirect and Induced Tax Effects

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2015	103	98	201	\$4,544,975	\$6,929,634	\$11,474,609	\$633,240	-\$350,952	\$984,192
2016	6	12	18	\$262,125	\$1,568,930	\$1,831,055	\$106,812	\$122,070	-\$15,258
2017	6	10	16	\$262,125	\$1,568,930	\$1,831,055	\$122,070	\$114,441	\$7,629
2018	6	8	14	\$262,125	\$958,578	\$1,220,703	\$99,182	\$114,441	-\$15,259
2019	6	8	14	\$262,125	\$714,438	\$976,563	\$83,923	\$114,441	-\$30,518
2020	6	8	14	\$262,125	\$1,202,719	\$1,464,844	\$99,182	\$106,812	-\$7,630
2021	6	8	14	\$262,125	\$836,508	\$1,098,633	\$68,665	\$91,553	-\$22,888
2022	6	6	12	\$262,125	\$836,508	\$1,098,633	\$30,518	\$99,182	-\$68,664
2023	6	6	12	\$262,125	\$958,578	\$1,220,703	\$22,888	\$76,294	-\$53,406
2024	6	4	10	\$262,125	\$714,438	\$976,563	\$61,035	\$83,923	-\$22,888
2025	6	10	16	\$262,125	\$958,578	\$1,220,703	\$68,665	\$83,923	-\$15,258
2026	6	4	10	\$262,125	\$714,438	\$976,563	\$68,665	\$91,553	-\$22,888
2027	6	8	14	\$262,125	\$1,202,719	\$1,464,844	\$76,294	\$76,294	\$0
2028	6	8	14	\$262,125	\$958,578	\$1,220,703	\$76,294	\$53,406	\$22,888
2029	6	6	12	\$262,125	\$1,202,719	\$1,464,844	\$76,294	\$76,294	\$0
2030	6	4	10	\$262,125	\$714,438	\$976,563	\$15,259	\$53,406	-\$38,147
2031	6	(0)	6	\$262,125	\$470,297	\$732,422	-\$15,259	\$53,406	-\$68,665
2032	6	4	10	\$262,125	\$226,156	\$488,281	-\$7,629	\$45,776	-\$53,405
2033	6	2	8	\$262,125	\$226,156	\$488,281	-\$15,259	\$0	-\$15,259
2034	6	4	10	\$262,125	\$470,297	\$732,422	-\$38,147	\$0	-\$38,147
2035	6	2	8	\$262,125	\$226,156	\$488,281	-\$68,665	-\$7,629	-\$61,036
2036	6	2	8	\$262,125	-\$262,125	\$0	-\$91,553	-\$76,294	-\$15,259
2037	6	2	8	\$262,125	-\$17,984	\$244,141	-\$68,665	-\$99,182	\$30,517
2038	6	(0)	6	\$262,125	-\$17,984	\$244,141	-\$61,035	-\$122,070	\$61,035
2039	6	6	12	\$262,125	\$226,156	\$488,281	-\$91,553	-\$160,217	\$68,664
2040	6	(2)	4	\$262,125	-\$17,984	\$244,141	-\$122,070	-\$205,994	\$83,924
						TOTAL	\$1,129,151	\$434,877	\$694,274
							\$8,409,071	is greater than	\$8,158,036

Analysis Summary

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes
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Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Board Finding Number 3.

The limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.

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

The Comptroller determines that the limitation on appraised value is a determining factor in the Buckthorn Wind Project, LLC's decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- According to the application, the applicant has several projects located throughout Texas and the United States. Other projects outside of Texas are in Kansas, Oklahoma, New Mexico, Nebraska and North Dakota.
- According to the applicant, receiving an appraised value limitation from the school district is necessary to obtain long-term financing while remaining economically competitive with other energy projects.

Board Finding Number 4.

The Board finds that the Application Fee received for the Application for which these Findings are being made was reasonable and only in such an amount as was necessary to cover the District's costs of processing such Application.

Board Finding Number 5.

Based upon the information provided in the Application and in the Comptroller's Certificate package, the Board finds that that the number of jobs to be created and the wages to be paid comply with the requirements of statute. And, the Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G), in accordance with Comptroller's Form 50-286, contains all required provisions and information related to the required job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of said Agreement.

The Applicant has committed to creating five (5) new qualifying jobs. The average salary level of qualifying jobs will be at least \$46,250 per year. The review of the application by

the State Comptroller's Office indicated that this amount—based on Texas Workforce Commission data—complies with the requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying job" means a permanent full-time job that:

- (A) requires at least 1,600 hours of work a year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
- (E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

Board Finding Number 6.

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

Board Finding Number 7.

The Applicant does intend to create one (1) non-qualifying job.

For any non-qualifying job the Applicant creates, the Applicant must pay at least the county average wage for all jobs in the county.

Board Finding Number 8.

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

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add \$139 million to the tax base for debt service purposes at the peak investment level for the 2016-17 school year, with the project value expected to depreciate over the course of the agreement. The project remains fully taxable for debt services taxes. Huckabay ISD currently does not have an I&S tax rate.##

Board Finding Number 9.

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

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

Board Finding Number 10.

The Board finds that with the adoption of District Policy CCG (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported

number of jobs created and (2) the reported amount invested in the property.

Board Finding Number 11.

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

The Board has developed a written policy CCG (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning and economic incentives being offered, if any, and (2) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code § 37.01(2)(A); as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an "official proceeding," a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

Board Finding Number 12.

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

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller's Form 50-286, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.4B of said Agreement. According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2013 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year, Attachment F, the total 2013 industrial value for the District is \$1,093,850. The District is categorized as Subchapter C, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. The District is classified as a "rural" district due to its population characteristics. Given that the value of industrial property in the District is more than \$1 million but less than \$90 million, it is classified as a Category III district which can offer a minimum value limitation of \$20 million.

Board Finding Number 13.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G), in accordance with Comptroller's Form 50-286, contains all required provisions and information related to the

required investment amount, to wit: the amount set forth in Section 2.4B of said Agreement.

Board Finding Number 14.

The Applicant (Taxpayer Id. 32044534082) is eligible for the limitation on appraised value of qualified property as specified in the Agreement as an active franchise-tax paying entity.

The Applicant, (Texas Taxpayer Id. 32050151797), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise tax payer by the Comptroller. See **Attachment B**. The Board also finds that the Chapter 313 Tax Limitation Agreement (Attachment G), in accordance with Comptroller's Form 50-286 contains all required provisions necessary for the Board to assess the eligibility of any business to which an agreement is transferred, to wit: the requirement that all assignments are amendments to the provision forth in Section 10.4 of said Agreement.

Board Finding Number 15.

The project will be located within an area that is currently designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code. Should it be required, the District will cooperate with the Applicant in ensuring that the area remains designated as a reinvestment zone through the Final Termination Date of the Agreement.

Board Finding Number 16.

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

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

Board Finding Number 17.

The Board finds that the methodology and processes for determining Applicant's revenue protection payments as are set forth in Article IV of the Chapter 313 Tax Limitation Agreement (Attachment G) comply with Texas Tax Code, Chapter 313.

Board Finding Number 18.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G), in accordance with Comptroller's Form 50-286 contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.

Board Finding Number 19.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, is in the form of the template Texas Economic Development Act adopted by the Comptroller. Should a new template be adopted that corrects the broken cross references, clarifies wording and grammatical errors, and corrects contractual ambiguities not acceptable to either party, the Board finds that it would be in the District's best interest to agree to amend the Agreement.

Board Finding Number 20.

The Board finds that there are no conflicts of interest at the time of considering the agreement.

The Board finds that with the adoption of District Policies BBFA and BBFB, both (Legal) and (Local), that it has taken appropriate action to ensure that all District Trustees, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that with the adoption of District Policies DBD, DGA, and DH BBFB, both (Legal) and (Local) that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that

such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings. In addition, Huckabay ISD should ensure that disclosure occurs at the meeting at which the school board will vote on the business's application.

Board Finding Number 21.

The Board finds that it has directed that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.

Board Finding Number 22.

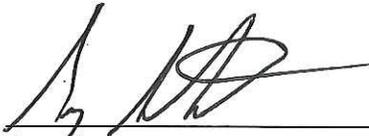
Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

It is further ORDERED that upon the issuance by the Comptroller's Office of a new Form 50-286 that the Board, in accordance with Comptroller rules and new form 50-286, will consider an amendment to Attachment G upon the request of Applicant or District staff.

Dated the 17th day of December 2014.

HUCKABAY INDEPENDENT SCHOOL DISTRICT

By: 

Greg Stewart
President, Board of Trustees

ATTEST:

By: 

Mona Little
Secretary, Board of Trustees



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

December 17, 2014

President and Members
Board of Trustees
Huckabay Independent School District
200 CR 421
Stephenville, Texas 76401

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

Dear President Stewart and Members of the Board of Trustees:

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

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

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

Sincerely,

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

Daniel T. Casey

www.moakcasey.com

Phone 512-485-7878

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

Fax 512-485-7888

O'HANLON, McCOLLOM & DEMERATH

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KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

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

JUSTIN DEMERATH

December 17, 2014

President and Members
Of the Board of Trustees
Huckabay Independent School District
200 CR 421
Stephenville, Texas 76401

Re: Recommendations and Findings of the Firm Concerning Application of Buckthorn Wind Project LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, first qualifying year 2015

Dear President Stewart and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Alpine Independent School District, with respect to the pending Application of Buckthorn Wind Project LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, to be effected by an agreement with a first qualifying time year of 2015. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. We have also negotiated an Agreement between the District and Buckthorn Wind Project LLC. Based upon our review we have drawn the following conclusions:

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

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

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

Sincerely,

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

Kevin O'Hanlon
For the Firm

Attachment A

Application

O'HANLON, McCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

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

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

JUSTIN DEMERATH

August 5, 2014

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

RE: Application to the Huckabay Independent School District from Buckthorn Wind Project, LLC

(First Qualifying Year 2015; First Year of Value Limitation 2016)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Huckabay Independent School District is notifying Buckthorn Wind Project, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The company has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered. The Applicant has requested that the value limitation begin in the first full tax year after commercial operations, i.e., 2016.

The Applicant submitted the Application to the school district on July 30, 2014. The Board voted to accept the application on July 30, 2014. The application has been determined complete as of August 5, 2014. Please prepare the economic impact report.

Letter to Local Government Assistance & Economic Analysis Division
August 5, 2014
Page 2 of 2

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

Sincerely,

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

Kevin O'Hanlon
School District Consultant

Cc: Erath County Appraisal District
Buckthorn Wind Project, LLC
Huckabay Independent School District

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 1

Pages 1 through 9 of application.



Application for Appraised Value Limitation on Qualified Property

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

Economic Development
and Analysis
Form 50-296-A

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

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

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

SECTION 1: School District Information

1. Authorized School District Representative

July 30, 2014

Date Application Received by District

Dr. Cheryl

Floyd

First Name

Last Name

Superintendent

Title

Huckabay ISD

School District Name

200 CR 421

Street Address

200 CR 421

Mailing Address

Stephenville

TX

76401-6429

City

State

ZIP

(254) 968-8476

(254) 965-3740

Phone Number

Fax Number

cloyd@hisd.us

Mobile Number (optional)

Email Address

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

The Economic Development and Analysis Division at the Texas Comptroller of Public Accounts provides information and resources for taxpayers and local taxing entities.

For more information, visit our website:
www.TexasAhead.org/tax_programs/chapter313/

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Dan	Casey
First Name	Last Name
Partner	
Title	
Moak, Casey & Associates	
Firm Name	
512-485-7878	512-485-7888
Phone Number	Fax Number
512-426-6662	dcasey@moakcasey.com
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? 8-5-14
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Derek	Harding	
First Name	Last Name	
Manager	Buckthorn Wind Project, LLC	
Title	Organization	
3760 State Street, Suite 200		
Street Address		
3760 State Street, Suite 200		
Mailing Address		
Santa Barbara	CA	93105
City	State	ZIP
805-569-6180		
Phone Number	Fax Number	
	mriley@infinitywind.com	
Mobile Number (optional)	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No
- 2a. If yes, please fill out contact information for that person.

Casey	Willis	
First Name	Last Name	
Senior Project Manager	Infinity Wind Power	
Title	Organization	
3760 State Street, Suite 200		
Street Address		
3760 State Street, Suite 200		
Mailing Address		
Santa Barbara	CA	93105
City	State	ZIP
805-569-6185		
Phone Number	Fax Number	
	cwillis@infinitywind.com	
Mobile Number (optional)	Business Email Address	

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Wes _____ Jackson _____
 First Name Last Name
 Partner _____
 Title
 Cummings Westlake, LLC _____
 Firm Name
 (713) 266-4456 _____ (713) 266-2333 _____
 Phone Number Fax Number
 wjackson@cwlp.net _____
 Business Email Address

SECTION 3: Fees and Payments

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

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

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

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

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Buckthorn Wind Project, LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32050151797

3. List the NAICS code 221119

4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

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

SECTION 5: Applicant Business Structure

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

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

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

4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

- 1. Application approval by school board December 2014
- 2. Beginning of qualifying time period February 2015
- 3. First year of limitation 2016
- 4. Begin hiring new employees Q4-2015
- 5. Commencement of commercial operations Q4-2015
- 6. 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.
- 7. When do you anticipate the new buildings or improvements will be placed in service? Q4-2015

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Erath
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Erath
- 3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
- 4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Erath, \$0.3461, 100% City: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: _____ Water District: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Erath Road & Bridge, \$.1239, 100% Other (describe): _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
- 3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
- 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 7);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (Tab 7); and
 - c. a detailed map of the qualified investment showing location of new buildings or new improvements with vicinity map (Tab 11).
- 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? February 2015

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

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

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

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2014
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 5
5. What is the number of new non-qualifying jobs you are estimating you will create? 1
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 594.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 889.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,100.00
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 46,232.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 46,250.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.024(d-2)? Yes No
 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (*not required*)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here → Dr. Cheryl Floyd Superintendent
Print Name (Authorized School District Representative) Title

sign here → Cheryl Floyd 7-30-14
Signature (Authorized School District Representative) Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here → Derek Harding Manager
Print Name (Authorized Company Representative (Applicant)) Title

sign here → Derek Harding 7/28/14
Signature (Authorized Company Representative (Applicant)) Date

see attached

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

 Notary Public in and for the State of Texas

(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 Section 37.10.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Santa Barbara

On July 28, 2014 before me, Katherine A. Dowling, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Derek M. Harding
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) 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.

Signature Katherine A. Dowling
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: _____

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including location of new buildings or new improvements c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for the \$75,000 application fee to Huckabay Independent School District.

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)*

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 3

Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation (if applicable)

See Attached

Texas Franchise Tax No Tax Due Information Report

■ Tcode 13255 Annual

■ Taxpayer number	■ Report year	Due date	Privilege period covered by this report
32040272893	2014	05/15/2014	01/01/2014 - 12/31/2014

Taxpayer name Live Oak Wind Project, LLC					Secretary of State file number or Comptroller file number	
Mailing address 3000 El Camino Real, 5 Palo Alto Square, Suite 700					0801168740	
City Palo Alto	State CA	Country USA	ZIP Code 94306	Plus 4	Check box if the address has changed <input type="checkbox"/>	
Check box if this is a combined report <input checked="" type="checkbox"/>			SIC code 6519		NAICS code 531390	
Check box if Total Revenue is adjusted for Tiered Partnership Election, see instructions.* <input type="checkbox"/>						
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>			

*Note: Upper tiered partnerships do not qualify to use this form.

If any of the statements below are true, you qualify to file this No Tax Due Information Report:

(Check all boxes that apply)

1. This entity is a passive entity as defined in Chapter 171 of the Texas Tax Code. (see instructions) 1.
 (Passive income does NOT include rent)
2. This entity's annualized total revenue is below the no tax due threshold. (see instructions) 2.
3. This entity has zero Texas Gross Receipts. 3.
4. This entity is a Real Estate Investment Trust (REIT) that meets the qualifications specified in section 171.0002(c)(4). 4.

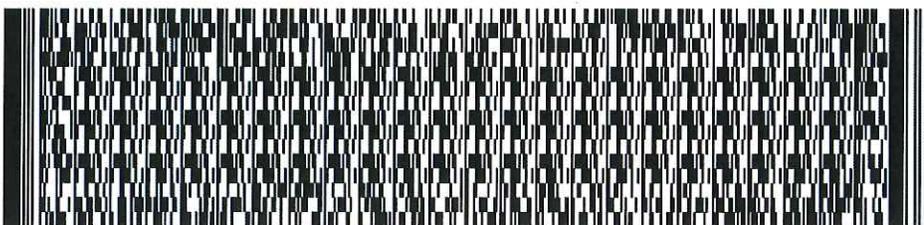
5a. Accounting year begin date 5a. <table style="display: inline-table; border: 1px solid black; text-align: center;"> <tr><td>m</td><td>m</td><td>d</td><td>d</td><td>y</td><td>y</td></tr> <tr><td>0</td><td>1</td><td>0</td><td>1</td><td>1</td><td>3</td></tr> </table>	m	m	d	d	y	y	0	1	0	1	1	3	5b. Accounting year end date 5b. <table style="display: inline-table; border: 1px solid black; text-align: center;"> <tr><td>m</td><td>m</td><td>d</td><td>d</td><td>y</td><td>y</td></tr> <tr><td>1</td><td>2</td><td>3</td><td>1</td><td>1</td><td>3</td></tr> </table>	m	m	d	d	y	y	1	2	3	1	1	3
m	m	d	d	y	y																				
0	1	0	1	1	3																				
m	m	d	d	y	y																				
1	2	3	1	1	3																				

6. TOTAL REVENUE (Whole dollars only) 6.

Print or type name		Area code and phone number (650) 324 - 9095
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.		Mail original to: Texas Comptroller of Public Accounts P.O. Box 149348 Austin, TX 78714-9348
sign here	Date	

If you have any questions regarding franchise tax, you may contact the Texas Comptroller's field office in your area or call 1-800-252-1381.
 Instructions for each report year are online at www.window.state.tx.us/taxinfo/taxforms/05-forms.html.

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PM Date	<table style="display: inline-table; border: 1px solid black;"> <tr><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td></tr> </table>					



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Texas Franchise Tax Affiliate Schedule

■ Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Live Oak Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 32040272893		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Buckthorn Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 32050151797		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 2 0 8 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

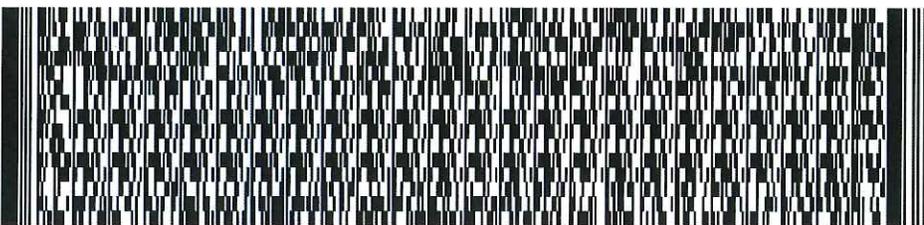
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate River Birch Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 32040272901		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

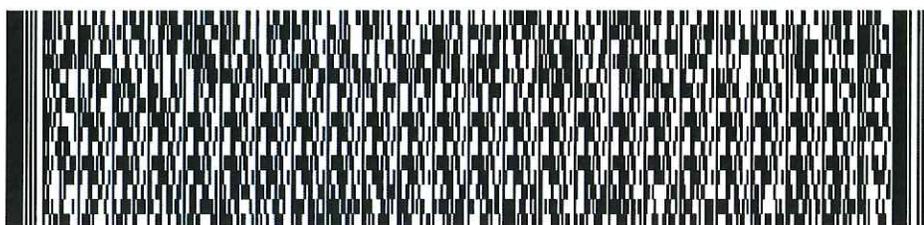
1. Legal name of affiliate Infinity Wind Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 270916806		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 4933691.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Antelope Hills Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 271551850		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Box Elder Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 453157576		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

Reporting entity taxpayer number 32040272893	Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Chinook Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 273473686		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	
				7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			9. Gross receipts everywhere (before eliminations) 0.0 0		
10. Gross receipts in Texas (before eliminations) 0.0 0			11. Cost of goods sold or compensation (before eliminations) 0.0 0		

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Cottonwood II Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 272586750		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	
				7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			9. Gross receipts everywhere (before eliminations) 0.0 0		
10. Gross receipts in Texas (before eliminations) 0.0 0			11. Cost of goods sold or compensation (before eliminations) 0.0 0		

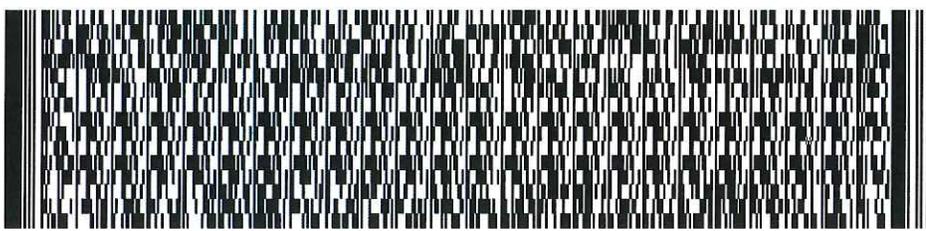
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Cottonwood Wind Land Holdings, LLC		2. Affiliate taxpayer number (if none, use FEI number) 272541650		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	
				7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			9. Gross receipts everywhere (before eliminations) 0.0 0		
10. Gross receipts in Texas (before eliminations) 0.0 0			11. Cost of goods sold or compensation (before eliminations) 0.0 0		

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

■ Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

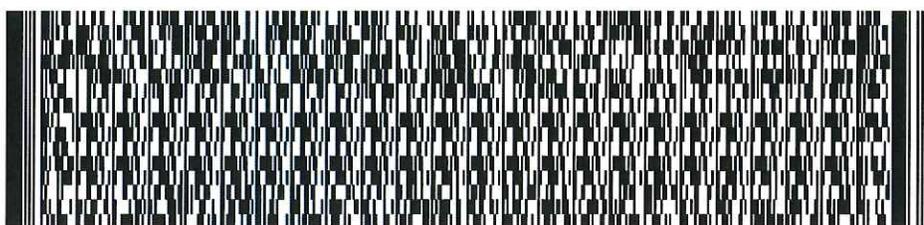
1. Legal name of affiliate Cottonwood Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 000000000		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 0 3 2 2 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Elmwood Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 452318287		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Hawthorne Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 272586896		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

Reporting entity taxpayer number 32040272893	Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

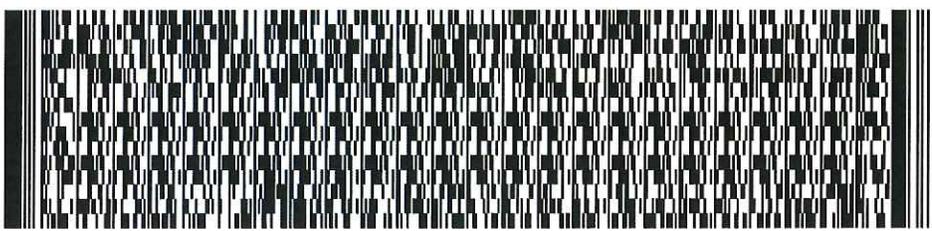
1. Legal name of affiliate Heartland Divide Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 271648975		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>		Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>			

1. Legal name of affiliate Hickory Hills Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 272312817		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>		Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>			

1. Legal name of affiliate Homestead Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 273338750		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>		Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>			

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

<input checked="" type="checkbox"/> Reporting entity taxpayer number 32040272893	<input checked="" type="checkbox"/> Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

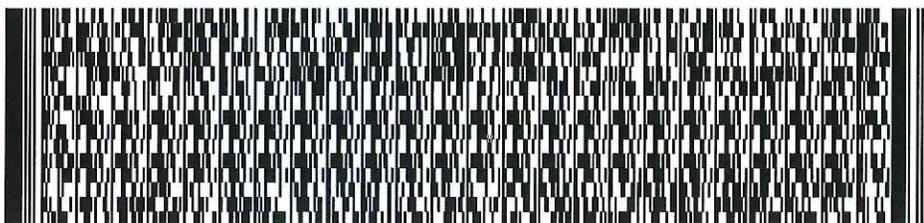
1. Legal name of affiliate Horse Thief Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 263245023		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Iron Star Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 263288653		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Ironwood Wind Land Holdings, LLC		2. Affiliate taxpayer number (if none, use FEI number) 272177874		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 600555.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

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Texas Franchise Tax Affiliate Schedule

■ Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

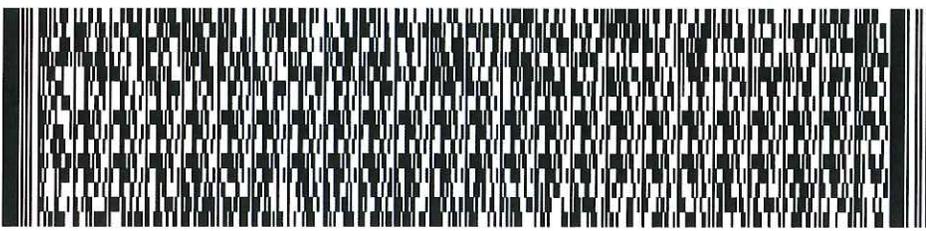
1. Legal name of affiliate Mammoth Plains Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 263744345		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 2 2 7 1 3		■ 7. Affiliate reporting end date m m d d y y 1 1 0 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Mammoth Plains II Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 901001660		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 6 2 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

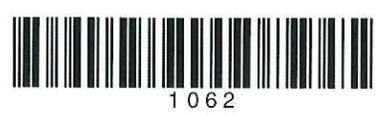
1. Legal name of affiliate Mammoth Plains Wind Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 900933529		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 2 9 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

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VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Mountain View Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 450656580	3. Affiliate NAICS code 531390
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0	
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0	

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Mountain View II Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 450969004	3. Affiliate NAICS code 531390
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0	
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0	

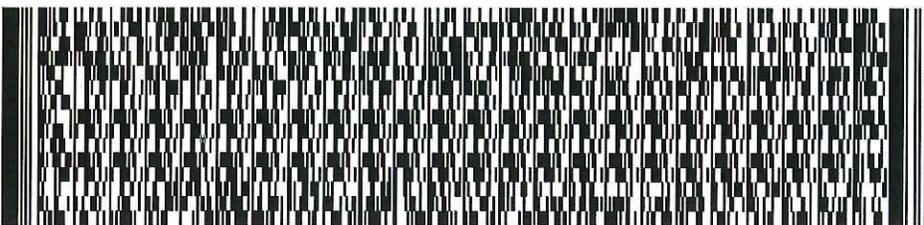
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Red Pine Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 000000000	3. Affiliate NAICS code 531390
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0	
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0	

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Roosevelt Wind Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 901000954		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 6 2 0 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Roosevelt Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 000000000		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 2 3 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

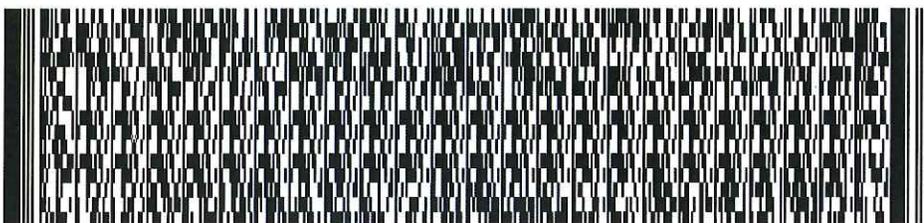
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Roosevelt Wind Project IRB Company, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 800958049		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 9 2 5 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 2 3 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

■ Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

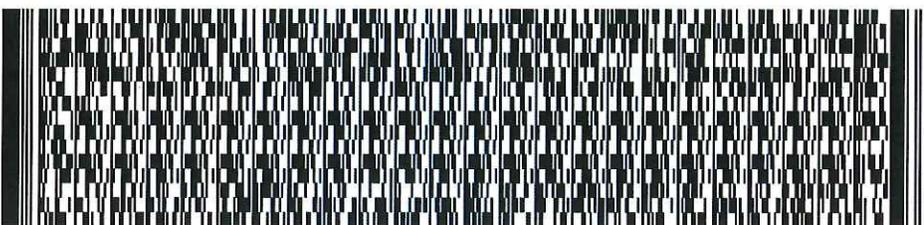
1. Legal name of affiliate Roosevelt II Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 611727887		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 1 0 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Santa Fe Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 900795218		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

1. Legal name of affiliate Shooting Star Wind Land Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 453456560		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 738307.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>			Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>		

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

<input checked="" type="checkbox"/> Reporting entity taxpayer number	<input checked="" type="checkbox"/> Report year	Reporting entity taxpayer name
32040272893	2014	Live Oak Wind Project, LLC

Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Silver Sage Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 271045031		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Steele Flats Wind Project, LLC		2. Affiliate taxpayer number (if none, use FEI number) 272982529		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 0 1 0 7 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			

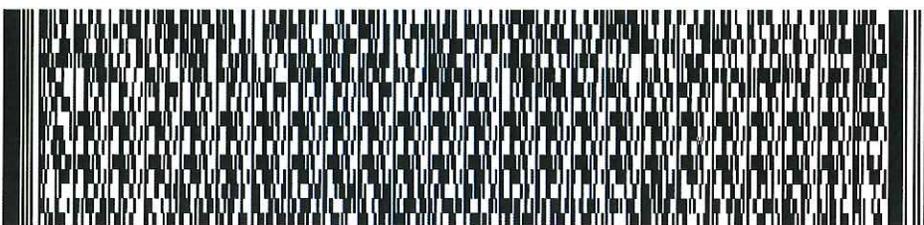
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Steele Flats Wind Land Holdings, LLC		2. Affiliate taxpayer number (if none, use FEI number) 800871230		3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		9. Gross receipts everywhere (before eliminations) 0.0 0			
10. Gross receipts in Texas (before eliminations) 0.0 0		11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Sunflower Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 271305397		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Sycamore Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 451776015		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

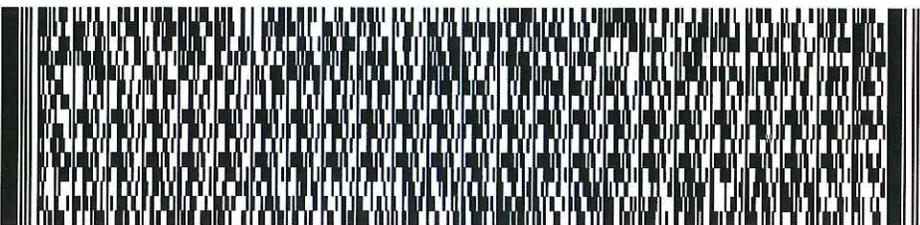
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Three Horses Wind Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 800794193		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

1. Legal name of affiliate Western Plains Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 274580908		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	
				■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate White Oak Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 000000000		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3	
				■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		

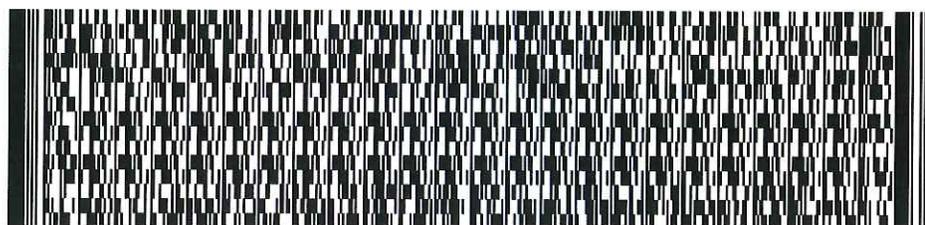
Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

1. Legal name of affiliate Roosevelt Ranch Wind Land Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 800937864		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>		5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>		■ 6. Affiliate reporting begin date m m d d y y 0 6 2 4 1 3	
				■ 7. Affiliate reporting end date m m d d y y 1 0 0 7 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0			■ 9. Gross receipts everywhere (before eliminations) 0.0 0		
■ 10. Gross receipts in Texas (before eliminations) 0.0 0			■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0		

Check box if this is a Corporation or Limited Liability Company Check box if this is an Entity other than a Corporation or Limited Liability Company

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Texas Franchise Tax Affiliate Schedule

Tcode 13253 Annual

■ Reporting entity taxpayer number 32040272893	■ Report year 2014	Reporting entity taxpayer name Live Oak Wind Project, LLC
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Reporting entity must be included on Affiliate Schedule. Affiliate reporting period dates must be within combined group's accounting period dates.

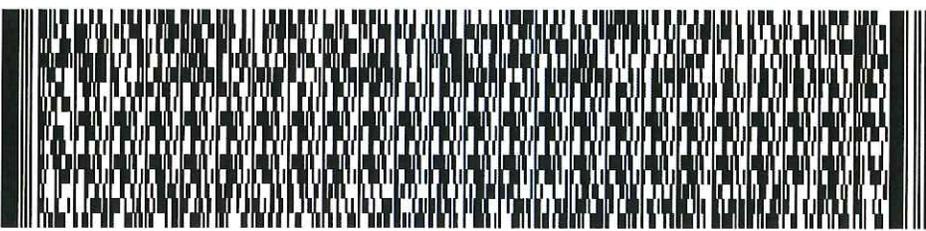
1. Legal name of affiliate MP Wind Land Holdings, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 800933787		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 6 1 4 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>		Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>			

1. Legal name of affiliate Ironwood Wind Project, LLC		■ 2. Affiliate taxpayer number (if none, use FEI number) 000000000		■ 3. Affiliate NAICS code 531390	
4. Check box if entity is disregarded for franchise tax <input type="checkbox"/>	5. Check box if this affiliate does NOT have NEXUS in Texas <input checked="" type="checkbox"/>	■ 6. Affiliate reporting begin date m m d d y y 0 1 0 1 1 3		■ 7. Affiliate reporting end date m m d d y y 1 2 3 1 1 3	
■ 8. Gross receipts subject to throwback in other states (before eliminations) 0.0 0		■ 9. Gross receipts everywhere (before eliminations) 0.0 0			
■ 10. Gross receipts in Texas (before eliminations) 0.0 0		■ 11. Cost of goods sold or compensation (before eliminations) 0.0 0			
Check box if this is a Corporation or Limited Liability Company <input checked="" type="checkbox"/>		Check box if this is an Entity other than a Corporation or Limited Liability Company <input type="checkbox"/>			

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

The reporting entity of a combined group with a temporary credit for business loss carryforwards preserved for itself and/or affiliates must submit common owner information. The information must be provided to satisfy franchise tax reporting requirements. Learn more at www.window.texas.gov/commonowner/. An information report (Form 05-102 or Form 05-167) must be filed for each affiliate that is organized in Texas or that has a physical presence in Texas.

Texas Comptroller Official Use Only



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

Texas Franchise Tax Public Information Report

To be filed by Corporations, Limited Liability Companies (LLC) and Financial Institutions
This report MUST be signed and filed to satisfy franchise tax requirements

Tcode 13196

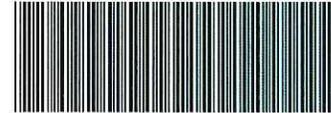
■ Taxpayer number **32040272893** ■ Report year **2014**

You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name **Live Oak Wind Project, LLC** Check box if the mailing address has changed.
Mailing address **3000 El Camino Real, 5 Palo Alto Square, Suite 700** Secretary of State (SOS) file number or Comptroller file number
City **Palo Alto** State **CA** ZIP Code **94306** Plus 4 **0801168740**

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office **3760 State Street, Ste 200, Santa Barbara, CA 93105**
Principal place of business **3760 State Street, Ste 200, Santa Barbara, CA 93105**



3204027289314

Please sign below! Officer, director and manager information is reported as of the date a Public Information Report is completed. The information is updated annually as part of the franchise tax report. There is no requirement or procedure for supplementing the information as officers, directors, or managers change throughout the year.

SECTION A Name, title and mailing address of each officer, director or manager.

Name Infinity Wind Holdings, LLC	Title Member Manager	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address 3000 El Camino Real, Ste 5-700	City Palo Alto	State CA	ZIP Code 94306
Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address	City	State	ZIP Code
Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address	City	State	ZIP Code

SECTION B Enter the information required for each corporation or LLC, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation or limited liability company	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation or limited liability company	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter the information required for each corporation or LLC, if any, that owns an interest of 10 percent or more in this entity or limited liability company.

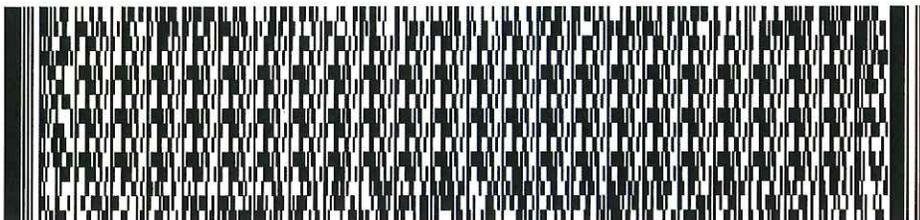
Name of owned (parent) corporation or limited liability company **Infinity Wind Holdings, LLC** State of formation **DE** Texas SOS file number, if any **100** Percentage of ownership **100**
Registered agent and registered office currently on file (see instructions if you need to make changes)
Agent: **Corporation Service Company D/B/A CSC-Lawyers Inco** Check box if you need forms to change the registered agent or registered office information.
Office: **211 E. 7th Street, Suite 620** City **Austin** State **TX** ZIP Code **78701**

The above information is required by Section 171.203 of the Tax Code for each corporation or limited liability company that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.

sign here ▶ Title Date Area code and phone number (650) 324 - 9095

Texas Comptroller Official Use Only



VE/DE PIR IND



Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC) and Financial Institutions
This report MUST be signed and filed to satisfy franchise tax requirements

■ Tcode 13196

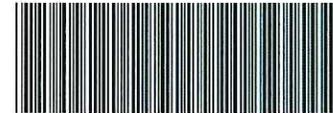
■ Taxpayer number 32050151797	■ Report year 2014
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You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name Buckthorn Wind Project, LLC				<input checked="" type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 3000 El Camino Real, 5 Palo Alto Square, Suite 700				Secretary of State (SOS) file number or Comptroller file number	
City Palo Alto	State CA	ZIP Code 94306	Plus 4	0801731544	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 3760 State Street, Ste 200, Santa Barbara, CA 93105
Principal place of business 3760 State Street, Ste 200, Santa Barbara, CA 93105



3205015179714

Please sign below! Officer, director and manager information is reported as of the date a Public Information Report is completed. The information is updated annually as part of the franchise tax report. There is no requirement or procedure for supplementing the information as officers, directors, or managers change throughout the year.

SECTION A Name, title and mailing address of each officer, director or manager.

Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Infinity Wind Holdings, LLC	Member Manager	<input type="checkbox"/> YES	
Mailing address 3000 El Camino Real, Ste 5-700	City Palo Alto	State CA	ZIP Code 94306
Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address	City	State	ZIP Code
Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address	City	State	ZIP Code

SECTION B Enter the information required for each corporation or LLC, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation or limited liability company	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter the information required for each corporation or LLC, if any, that owns an interest of 10 percent or more in this entity or limited liability company.

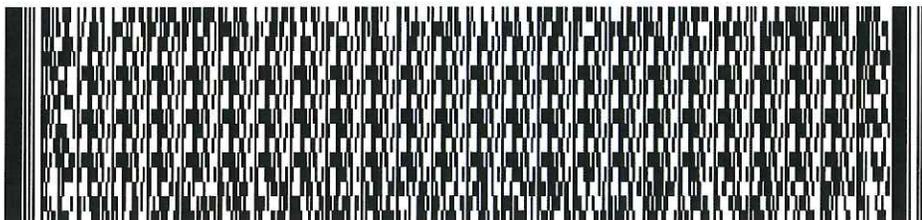
Name of owned (parent) corporation or limited liability company Infinity Wind Holdings, LLC	State of formation DE	Texas SOS file number, if any	Percentage of ownership 100
Registered agent and registered office currently on file (see instructions if you need to make changes) Agent: Corporation Service Company D/B/A CSC-Lawyers Inco		<input type="checkbox"/> Check box if you need forms to change the registered agent or registered office information.	
Office: 211 E. 7th Street, Suite 620	City Austin	State TX	ZIP Code 78701

The above information is required by Section 171.203 of the Tax Code for each corporation or limited liability company that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.

sign here ▶	Title	Date	Area code and phone number (650) 324 - 9095
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Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	PIR IND	<input type="checkbox"/>
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Texas Franchise Tax Public Information Report

To be filed by Corporations, Limited Liability Companies (LLC) and Financial Institutions
This report MUST be signed and filed to satisfy franchise tax requirements

Tcode 13196

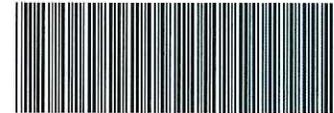
<input type="checkbox"/> Taxpayer number 32040272901	<input type="checkbox"/> Report year 2014
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You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name River Birch Wind Project, LLC				<input checked="" type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 3000 El Camino Real, 5 Palo Alto Square, Suite 700				Secretary of State (SOS) file number or Comptroller file number 0801168739	
City Palo Alto	State CA	ZIP Code 94306	Plus 4		

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 3760 State Street, Ste 200, Santa Barbara, CA 93105
Principal place of business 3760 State Street, Ste 200, Santa Barbara, CA 93105



3204027290114

Please sign below! Officer, director and manager information is reported as of the date a Public Information Report is completed. The information is updated annually as part of the franchise tax report. There is no requirement or procedure for supplementing the information as officers, directors, or managers change throughout the year.

SECTION A Name, title and mailing address of each officer, director or manager.

Name	Title	Director	Term expiration
Infinity Wind Holdings, LLC	Member Manager	<input type="checkbox"/> YES	m m d d y y
Mailing address 3000 El Camino Real, Ste 5-700	City Palo Alto	State CA	ZIP Code 94306
Name	Title	Director	Term expiration
Mailing address	City	State	ZIP Code
Name	Title	Director	Term expiration
Mailing address	City	State	ZIP Code

SECTION B Enter the information required for each corporation or LLC, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation or limited liability company	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation or limited liability company	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter the information required for each corporation or LLC, if any, that owns an interest of 10 percent or more in this entity or limited liability company.

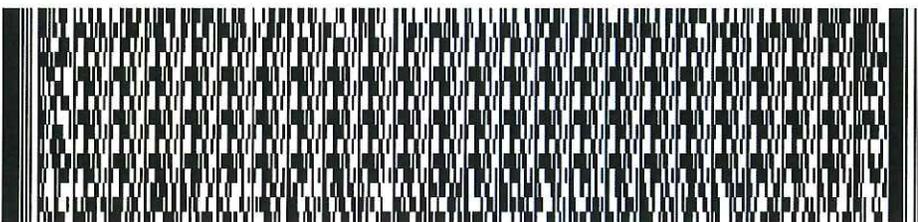
Name of owned (parent) corporation or limited liability company Infinity Wind Holdings, LLC	State of formation DE	Texas SOS file number, if any	Percentage of ownership 100
Registered agent and registered office currently on file (see instructions if you need to make changes) Agent: Corporation Service Company D/B/A CSC-Lawyers Inco		<input type="checkbox"/> Check box if you need forms to change the registered agent or registered office information.	
Office: 211 E. 7th Street, Suite 620	City Austin	State TX	ZIP Code 78701

The above information is required by Section 171.203 of the Tax Code for each corporation or limited liability company that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.

sign here	Title	Date	Area code and phone number (650) 324 - 9095
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Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	PIR IND	<input type="checkbox"/>
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Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 4

Detailed Description of the Project

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.

Buckthorn Wind Project, LLC (Buckthorn Wind) is requesting an appraised value limitation from Huckabay Independent School District (ISD) for the Buckthorn Wind Project (the "Project"), a proposed wind powered electric generating facility in Erath County. The proposed Project (this application) will be constructed within a reinvestment zone to be established by Huckabay ISD. A map showing the location of the project is included as Attachment 11.

The proposed Project is anticipated to have a total capacity of 96 MW wholly within Huckabay ISD. Turbine selection is ongoing at this time and has not been finalized. The exact number of wind turbines and size of each turbine will vary depending upon the wind turbines selected, manufacturer's availability and pricing, ongoing wind studies and the final megawatt generating capacity of the Project when completed. Current plans are to install either 42 2.3 MW GE turbines or 42 2.3 MW Siemens turbines in Huckabay ISD and Erath County. Buckthorn Wind will also be constructing generation transmission tie line in Erath County and Huckabay ISD which is estimated to be 2 miles in length. The Applicant requests a value limitation for all materials and equipment installed for the Project, including but not limited to; wind turbines, turbine transformers (pad-mounts), towers, foundations, roadways, buildings and offices, anemometer towers, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the first quarter of 2015 with completion by December 31, 2015.

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 5

Documentation to assist in determining if limitation is a determining factor.

Buckthorn Wind met with the Comptroller's Economic Development group regarding the status of the project to discuss and demonstrate that the approval of a Chapter 313 agreement was a determining factor in the building of the project.

Infinity Wind Power, LLC ("Infinity") is actively developing wind energy projects throughout Texas as well as other states. The multi-year development process includes significant land option payments to local landowners, as well as environmental studies, surveys, wind resource assessment, and substantial transmission interconnection payments. Infinity has invested significantly in the River Birch Wind Project in Oldham County and expects it to be the first of Infinity's Texas projects to achieve commercial operation. Other Infinity-funded projects have continued to support local wind energy development and local economic growth including the Live Oak Wind Project in Schleicher County and the Buckthorn Wind Project in Erath County. Infinity successfully developed three wind projects that are now operational, has two additional projects that are under construction and scheduled to be completed by the end of 2014 and has three additional projects that will start construction and be completed by the end of 2015. These projects are located in Kansas, Oklahoma, New Mexico, Nebraska, and North Dakota.

Depending on the ability to generate cost-effective electricity for regional consumers, Infinity has the ability to allocate or reallocate investments to another state, another region of Texas, or another region of the world. Buckthorn Wind Project, LLC believes, however, that the proposed site in Erath County is a desirable business location and can provide electricity at a price that is competitive with other regions of Texas. Electric utilities are focused on providing low-cost energy supply to their customers, and contracting for the sale of electricity is currently highly competitive, particularly because of the large number of potential wind energy facilities that can be built in West and Central Texas given the newly constructed transmission capacity. Receiving the Appraised Value Limitation from the school district is vital to obtaining long-term financing and to maintaining the economic competitiveness of the project with other projects currently being developed in Texas by Infinity and by others.

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 6

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

- | | |
|------------------------|--------|
| 1) Erath County | - 100% |
| 2) Erath Road & Bridge | - 100% |
| 3) Huckabay ISD | - 100% |

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 7

Description of Qualified Investment

Buckthorn Wind Project, LLC plans to construct a 96 MW wind farm in Erath County. Approximately 42 wind turbines will be located in Erath County and Huckabay ISD. Turbine selection is ongoing at this time and has not been finalized. For purposes of this application, the project anticipates using either 2.3 MW turbines manufactured by GE or 2.3 MW turbines manufactured by Siemens, although final turbine selection may change. Buckthorn Wind will also be constructing a generation transmission tie line in Erath County and Huckabay ISD which is estimated to be 2 miles in length.

This application covers all qualified property within Huckabay ISD necessary for the commercial operations of the wind farm. Qualified Investment includes, but is not limited to, turbines, turbine transformers (pad-mounts), towers, foundations, underground collection systems, electrical substation(s), generation transmission tie lines, electrical interconnections, met towers, roads, operations & maintenance buildings, spare parts, and control systems necessary for commercial generation of electricity.

The map in Attachment 11 shows the proposed project area with the proposed improvement locations. The exact placement of turbines is subject to ongoing planning, wind studies, engineering, and discussions with landowners and turbine manufacturers. The final location of turbines, transmission lines, and supporting structures will be determined before construction begins.

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 8

Description of Qualified Property

Buckthorn Wind Project, LLC plans to construct a 96 MW wind farm in Erath County. Approximately 42 wind turbines will be located in Erath County and Huckabay ISD. Turbine selection is ongoing at this time and has not been finalized. For purposes of this application, the project anticipates using either 2.3 MW turbines manufactured by GE or 2.3 MW turbines manufactured by Siemens, although final turbine selection may change. Buckthorn Wind will also be constructing a generation transmission tie line in Erath County and Huckabay ISD which is estimated to be 2 miles in length.

This application covers all qualified property within Huckabay ISD necessary for the commercial operations of the wind farm. Qualified property includes, but is not limited to, turbines, turbine transformers (pad-mounts), towers, foundations, underground collection systems, electrical substation(s), generation transmission tie lines, electrical interconnections, met towers, roads, operations & maintenance buildings, spare parts, and control systems necessary for commercial generation of electricity.

The map in Attachment 11 shows the proposed project area with the proposed improvement locations. The exact placement of turbines is subject to ongoing planning, wind studies, engineering, and discussions with landowners and turbine manufacturers. The final location of turbines, transmission lines, and supporting structures will be determined before construction begins.

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 9

Description of Land

See Attached

**Buckthorn Wind Project Legal Descriptions
July 18, 2014**

Landowner	County	Acres	Survey
Stewart, GW and D	Erath County	522	H.E. & W.T.R.R. Co Survey No. 5
Stewart, GW and D	Erath County	78	J.A. De La Garza Survey
Stewart, George	Erath County	474.22	J.A. De La Garza Survey A-287 and H.E. & W.T.R.R. Co Survey A-979
Carey, LB	Erath County	295.99	S.A. & M.G RR Co Surveys 37 A-372 and 40 A-370
Carey, LB	Erath County	200	S.A. & M.G RR Co Surveys 37 A-372 and J.A. De La Garza Survey A-287
Stewart, Montie and J	Erath County	428.84	J.A. De La Garza Survey A-286, J.A. De La Garza Survey A-287, and N.E. RR Co. Survey A-979
Tate, Lonnie	Erath County	272	Hood County School Land Survey, Abstract 1078
Tate, Lonnie	Erath County	132.89	Henry Barker Survey, Certificate No. 1105
Tate, Lonnie	Erath County	100	Henry Barker Survey, Certificate No. 1105
Tate, Lonnie	Erath County	60.85	Henry Barker Survey, Certificate No. 1105
Stone_R and Jones_L	Erath County	169.32	H.K. Zimmerman Survey Abstract No. 861
Stone_R and Jones_L	Erath County	73.07	Girard Stewart Survey, Abstract No. 1031
Stone_R and Jones_L	Erath County	6.46	T. Mencke Survey Abstract No 548
Stone_R and Jones_L	Erath County	83.92	Hood County School Land Survey, Abstract No. 1078
Stone_R and Jones_L	Erath County	40.57	J. L. Watson Survey, Abstract No. 856
Stone_R and Jones_L	Erath County	1.08	H.E. & W. T. Railroad Company Survey No. 5, Abstract No. 979
Stone_R and Jones_L	Erath County	3.59	W.A. Johnson Survey, Abstract No. 1021
Stone_R and Jones_L	Erath County	513.89	Deed from Ben Chambers et ux to Larry Forrest et ux, Recorded in Volume 931, Page 663
Stone_R and Jones_L	Erath County	3.61	Deed from James C. Buck et usx to Larry Forrest et ux, Recorded in Volume 954, Page 27
Brown, Troy and D	Erath County	142.422	J. Latham Survey, Abstract No. 489
Brown, Troy and D	Erath County	8.7	James Latham Survey, Abstract No. 489
D&V Terrell Ranch, LLC	Erath County	22.30	S.J. Robinson Survey, A-637
D&V Terrell Ranch, LLC	Erath County	217.18	Hood County School Land Survey, A-1078
D&V Terrell Ranch, LLC	Erath County	47.05	W.A. Johnson survey, A-1021
Greene, Robert	Erath County	32.00	W.A Grady School, A-310
Greene, Robert	Erath County	3.09	J.L. Watson Survey, A-1078
Greene, Robert	Erath County	0.29	Hood County School Land Survey, A-1078
Buck, James	Erath County	9.17	J.L. Watson Survey, A-856
Buck, James	Erath County	53.79	Hood County Land Survey, A-1078
Buck, James	Erath County	51.86	W.A. Johnson Survey, A-1021

Buck, James	Erath County	3.61	W.A. Johnson Survey, A-1021
Earley, David	Erath County	105.35	W.A Grady Survey, A-370
Coffman, Daniel	Erath County	100.00	S.A and M.G. Railroad Company Survey, Section 37, A-732
Spain, June	Erath County	614.97	J.A. Guzman Survey A-286, J.A De La Garza Survey A-287, J.W. Allison Survey A-1279, and the W.L. Kenney Survey A-1416
Fambro, Alex	Erath County	624.00	David Change Survey, A-1070
Fambro, Alex	Erath County	208.00	J. Cash Survey A-161
Fambro, Alex	Erath County	439.00	G.S. Jones Survey A-439
Fambro, Alex	Erath County	80.00	J. P. Allen Survey A-862
Fambro, Alex	Erath County	82.00	S.H. Allen Survey, A-1034
Fambro, Alex	Erath County	319.00	F.R. Lubbock Survey, A-497
Fambro, Alex	Erath County	98.00	J.B. Caro Survey, A-1138
Fambro, Alex	Erath County	317.00	J. Bancroft Survey, A-107
Fambro, Alex	Erath County	82.00	O.A. Smith Survey, A-1378
Fambro, Alex	Erath County	727.00	Wm. Graham Survey, A-288
Fambro, Alex	Erath County	195.00	H.T.& B. RR Co Survey, A-400
Fambro, Alex	Erath County	26.00	J. Sweeney Survey, A-1225
Fambro, Alex et al.	Erath County	690.00	M. Soloman Survey, A-1124
Fambro, Alex et al.	Erath County	160.00	J.H. Hawkins Survey, A-873
Fambro, Alex et al.	Erath County	662.00	J.A. Frey Survey, A-1104
Fambro, Alex et al.	Erath County	168.80	J.A. Guzman Survey, A-285
Fambro, Alex et al.	Erath County	160.00	G.T. Petty Survey, A-945
Fambro, Alex et al.	Erath County	89.75	J.W. Allison Survey, A-1279
Fambro, Alex et al.	Erath County	84.00	H.B. Kite Survey, A-1321
Fambro, Alex et al.	Erath County	445.00	H.T.&B. RR Co Survey A-400
Fambro, Alex et al.	Erath County	673.00	David Chance Survey A-1070
Fambro, Alex et al.	Erath County	106.00	Wm. Graham Survey, A-288
Pedros Twelve Point LTD	Erath County	557.23	J.A. Guzman Survey, Abstract No. 286, J.F. Torey and Company Survey, Abstract No. 790, D.R. Thornton Survey, Abstract No. 1348, and K. Pemberton Survey, Abstract No. 1417

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 10

Description of all property not eligible to become qualified property (if applicable)

None, not applicable

Buckthorn Wind Project, LLC

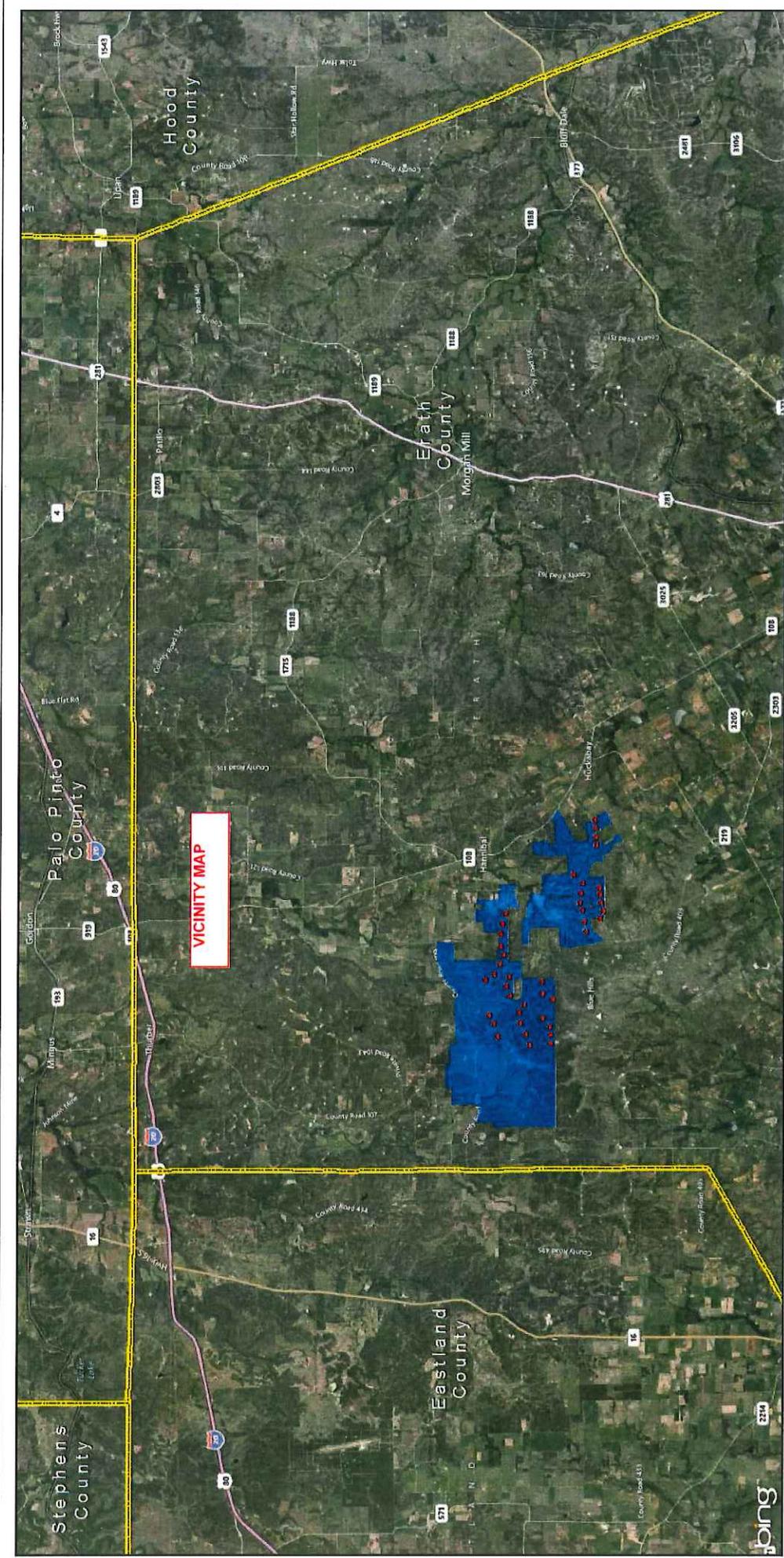
Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 11

Maps that clearly show:

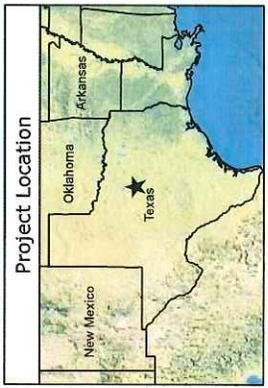
- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building or new improvements
- d) Existing property
- e) Land location within vicinity map
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size



Reference

NAD 1983 UTM Zone 14N

0 1 2 3 4 5 Miles



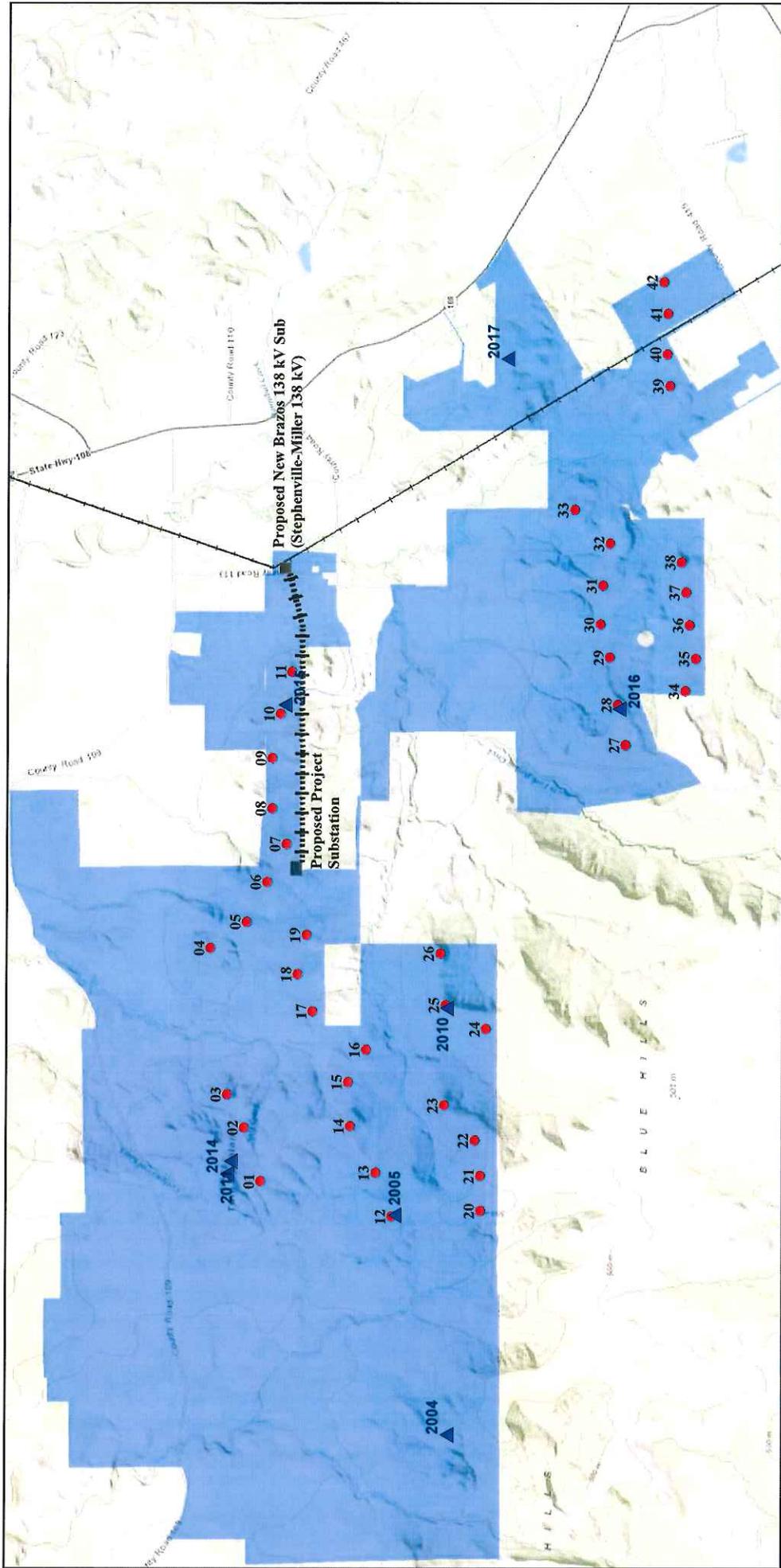
Legend

- GE 2.3-107 Array (96.6 MW)
- Wind Farm Boundary/Reinvestment Zone
- County Borders

Buckthorn Wind Project

07/29/2014

CONFIDENTIAL

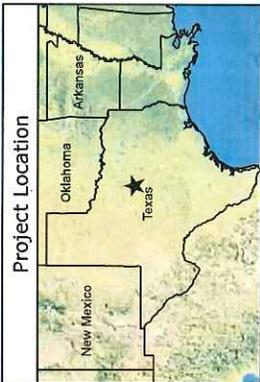


Reference

NAD 1983 UTM Zone 14N

Miles
0 0.25 0.5 0.75 1 1.25

CONFIDENTIAL



Legend

- Met Towers
- GE 2.3-107 Array (96.6 MW)
- Proposed Project 138 kV OHTL
- Existing Transmission (Stephenville-Miller 138 kV)
- Wind Farm Boundary

INFINITY WIND POWER

Buckthorn Wind Project

06/20/2014

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 12

Request for Waiver of Job Creation Requirement and supporting information (if applicable)

See Attached

CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 Fax: 713-266-2333

July 30, 2014

Dr. Cheryl Floyd, Superintendent
Huckabay Independent School District
200 CR 421
Stephenville, TX 76401-6429

Re: Chapter 313 Job Waiver Request

Dear Dr. Floyd,

Buckthorn Wind Project, LLC requests that the Huckabay Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the tax code. This waiver would be based on the school district's board findings that the jobs creation 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.

Buckthorn Wind Project, LLC requests that the Huckabay Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Buckthorn Wind Project, LLC has committed to create two total jobs for the project, all of which will be in Huckabay ISD. Wind projects create a large number of full and part-time, but temporary, jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The industry standard for employment is typically one full-time employee for approximately every 10-12 turbines. This number may vary depending on the operations and maintenance requirements of the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. 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. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,



J. Weston Jackson
Partner

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Erath County average weekly wage for all jobs (all industries)
- Erath County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

**BUCKTHORN WIND PROJECT, LLC
TAB 13 TO CHAPTER 313 APPLICATION**

**ERATH COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2014	\$ 593	\$ 30,836
SECOND	2013	\$ 575	\$ 29,900
THIRD	2013	\$ 598	\$ 31,096
FOURTH	2013	\$ 609	\$ 31,668
AVERAGE		\$ 594	\$ 30,875

**ERATH COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2014	\$ 806	\$ 41,912
SECOND	2013	\$ 751	\$ 39,052
THIRD	2013	\$ 820	\$ 42,640
FOURTH	2013	\$ 856	\$ 44,512
AVERAGE		\$ 808	\$ 42,029
X		110%	110%
		\$ 889	\$ 46,232

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
North Central	2013	\$ 1,000	\$ 51,997
X		110%	110%
		\$ 1,100	\$ 57,197

* SEE ATTACHED TWC DOCUMENTATION

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	1st Qtr	Erath County	Total All	00	0	10	Total, All Industries	\$579
2014	1st Qtr	Erath County	Total All	00	0	10	Total, All Industries	\$593
2013	2nd Qtr	Erath County	Total All	00	0	10	Total, All Industries	\$575
2013	3rd Qtr	Erath County	Total All	00	0	10	Total, All Industries	\$598
2013	4th Qtr	Erath County	Total All	00	0	10	Total, All Industries	\$609

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2013	1st Qtr	Erath County	Total All	31	2	31-33	Manufacturing	\$788
2014	1st Qtr	Erath County	Total All	31	2	31-33	Manufacturing	\$806
2013	2nd Qtr	Erath County	Total All	31	2	31-33	Manufacturing	\$751
2013	3rd Qtr	Erath County	Total All	31	2	31-33	Manufacturing	\$820
2013	4th Qtr	Erath County	Total All	31	2	31-33	Manufacturing	\$856

**2013 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$23.73	\$49,363
1. Panhandle Regional Planning Commission	\$20.43	\$42,499
2. South Plains Association of Governments	\$16.53	\$34,380
3. NORTEX Regional Planning Commission	\$19.15	\$39,838
4. North Central Texas Council of Governments	\$25.00	\$51,997
5. Ark-Tex Council of Governments	\$17.45	\$36,298
6. East Texas Council of Governments	\$19.50	\$40,565
7. West Central Texas Council of Governments	\$18.64	\$38,779
8. Rio Grande Council of Governments	\$16.27	\$33,848
9. Permian Basin Regional Planning Commission	\$22.89	\$47,604
10. Concho Valley Council of Governments	\$17.20	\$35,777
11. Heart of Texas Council of Governments	\$19.44	\$40,444
12. Capital Area Council of Governments	\$27.31	\$56,805
13. Brazos Valley Council of Governments	\$17.20	\$35,770
14. Deep East Texas Council of Governments	\$16.48	\$34,287
15. South East Texas Regional Planning Commission	\$29.09	\$60,501
16. Houston-Galveston Area Council	\$26.13	\$54,350
17. Golden Crescent Regional Planning Commission	\$22.23	\$46,242
18. Alamo Area Council of Governments	\$18.91	\$39,329
19. South Texas Development Council	\$13.94	\$28,990
20. Coastal Bend Council of Governments	\$23.78	\$49,454
21. Lower Rio Grande Valley Development Council	\$15.82	\$32,907
22. Texoma Council of Governments	\$20.93	\$43,529
23. Central Texas Council of Governments	\$17.33	\$36,042
24. Middle Rio Grande Development Council	\$19.07	\$39,666

110% x \$51,997
= \$57,197

Source: Texas Occupational Employment and Wages
Data published: July 2014
Data published annually, next update will be July 31, 2015

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
Data intended for TAC 313 purposes only.

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 14

Schedules A1, A2, B, C and D completed and signed Economic Impact (if applicable)

See attached Schedules A1, A2, B, C and D

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

Date: 30-Jul-14
 Applicant Name: Buckthorn Wind Project, LLC
 ISD Name: Huckabay ISD

PROPERTY INVESTMENT AMOUNTS (Estimated investment in each year. Do not put cumulative totals.)									
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)		
			Not eligible to become Qualified Property				0		
Investment made before filing complete application with district	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2015	0	0	0	0	0		
Investment made after filing complete application with district, but before final board approval of application			138,730,000	400,000	0	0	139,130,000		
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			0	0	0	0	0		
Complete tax years of qualifying time period	QTP1: 2016-2017 QTP2: 2017-2018	2016 2017	0 0	0 0	0 0	0 0	0 0		
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			138,730,000	400,000	0	0	139,130,000		
Total Qualified Investment (sum of green cells)			138,730,000	400,000	0	0	139,130,000		

For All Columns: List amount invested each year, not cumulative totals.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Column B: Only tangible personal property that is specifically described in the application can become qualified property.
 Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column E: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.
 Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.
 Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

PROPERTY INVESTMENT AMOUNTS							Column E
(Estimated Investment in each year. Do not put cumulative totals.)							Column D
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property (SEE NOTE)	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*			138,730,000	400,000	0	0	139,130,000
Enter amounts from TOTAL row in Schedule A1 in the row below							
0	2015-2016	2015	138,730,000	400,000	0	0	139,130,000
1	2016-2017	2016	0	0	0	0	0
2	2017-2018	2017	0	0	0	0	0
3	2018-2019	2018	0	0	0	0	0
4	2019-2020	2019	0	0	0	0	0
5	2020-2021	2020	0	0	0	0	0
6	2021-2022	2021	0	0	0	0	0
7	2022-2023	2022	0	0	0	0	0
8	2023-2024	2023	0	0	0	0	0
9	2024-2025	2024	0	0	0	0	0
10	2025-2026	2025	0	0	0	0	0
Total Investment made through limitation			138,730,000	400,000	3,600,000	0	142,730,000
11	2026-2027	2026			960,000		960,000
12	2027-2028	2027			960,000		960,000
13	2028-2029	2028			960,000		960,000
14	2029-2030	2029			960,000		960,000
15	2030-2031	2030			960,000		960,000
16	2031-2032	2031			960,000		960,000
17	2032-2033	2032			960,000		960,000
18	2033-2034	2033			960,000		960,000
19	2034-2035	2034			960,000		960,000
20	2035-2036	2035			960,000		960,000
21	2036-2037	2036			960,000		960,000
22	2037-2038	2037			960,000		960,000
23	2038-2039	2038			960,000		960,000
24	2039-2040	2039			960,000		960,000
25	2040-2041	2040			960,000		960,000

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

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

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

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

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

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

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

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

Continue to maintain viable presence

Additional years for 25 year economic impact as required by 313.028(c)(1)

Value limitation period**

Each year prior to start of value limitation period**
 (omit if many rows as necessary)

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

30-Jul-14

Date
Applicant Name
ISD Name

Buckthorn Wind Project, LLC

Huckabay ISD

Form 50-296A
Revised May, 2014

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value			
			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 buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions	
0	2015-2016	2015	0	0	0	0	0	0	0
1	2016-2017	2016	0	392,000	138,730,000	139,122,000	139,122,000	20,000,000	20,000,000
2	2017-2018	2017	0	384,160	127,631,600	128,015,760	128,015,760	20,000,000	20,000,000
3	2018-2019	2018	0	376,477	117,421,072	117,797,549	117,797,549	20,000,000	20,000,000
4	2019-2020	2019	0	368,947	108,027,386	108,396,334	108,396,334	20,000,000	20,000,000
5	2020-2021	2020	0	361,568	99,385,195	99,746,764	99,746,764	20,000,000	20,000,000
6	2021-2022	2021	0	354,337	91,434,380	91,788,717	91,788,717	20,000,000	20,000,000
7	2022-2023	2022	0	347,250	84,119,629	84,466,880	84,466,880	20,000,000	20,000,000
8	2023-2024	2023	0	340,305	77,390,059	77,730,364	77,730,364	20,000,000	20,000,000
9	2024-2025	2024	0	333,499	71,198,854	71,532,353	71,532,353	20,000,000	20,000,000
10	2025-2026	2025	0	326,829	65,502,946	65,829,775	65,829,775	20,000,000	20,000,000
11	2026-2027	2026	0	320,293	60,262,710	60,583,003	60,583,003	20,000,000	20,000,000
12	2027-2028	2027	0	313,887	55,441,693	55,755,580	55,755,580	20,000,000	20,000,000
13	2028-2029	2028	0	307,609	51,006,358	51,313,967	51,313,967	20,000,000	20,000,000
14	2029-2030	2029	0	301,457	46,925,849	47,227,306	47,227,306	20,000,000	20,000,000
15	2030-2031	2030	0	295,428	43,171,781	43,467,209	43,467,209	20,000,000	20,000,000
16	2031-2032	2031	0	289,519	39,718,039	40,007,558	40,007,558	20,000,000	20,000,000
17	2032-2033	2032	0	283,729	36,540,596	36,824,324	36,824,324	20,000,000	20,000,000
18	2033-2034	2033	0	278,054	33,617,348	33,895,402	33,895,402	20,000,000	20,000,000
19	2034-2035	2034	0	272,493	30,927,960	31,200,453	31,200,453	20,000,000	20,000,000
20	2035-2036	2035	0	267,043	28,453,723	28,720,767	28,720,767	20,000,000	20,000,000
21	2036-2037	2036	0	261,702	26,177,426	26,439,128	26,439,128	20,000,000	20,000,000
22	2037-2038	2037	0	256,468	24,083,232	24,339,700	24,339,700	20,000,000	20,000,000
23	2038-2039	2038	0	251,339	22,156,573	22,407,912	22,407,912	20,000,000	20,000,000
24	2039-2040	2039	0	246,312	20,384,047	20,630,359	20,630,359	20,000,000	20,000,000
25	2040-2041	2040	0	241,386	18,753,323	18,994,709	18,994,709	20,000,000	20,000,000

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

Schedule C: Employment Information

Date

30-Jul-14
Buckthorn Wind Project, LLC
Huckabay ISD

Applicant Name
ISD Name

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs	
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015	100 FTE's	44,216	1	2	46,250	
	1	2016-2017	2016	0	0	1	5	46,250	
	2	2017-2018	2017	0	0	1	5	46,250	
	3	2018-2019	2018	0	0	1	5	46,250	
	4	2019-2020	2019	0	0	1	5	46,250	
	5	2020-2021	2020	0	0	1	5	46,250	
	6	2021-2022	2021	0	0	1	5	46,250	
	7	2022-2023	2022	0	0	1	5	46,250	
	8	2023-2024	2023	0	0	1	5	46,250	
	9	2024-2025	2024	0	0	1	5	46,250	
	10	2025-2026	2025	0	0	1	5	46,250	
Years Following Value Limitation Period	11 through 25	2026-2041	2040	0	0	1	5	46,250	

Notes: See TAC 9.1051 for definition of non-qualifying jobs.

Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25) Yes No

If yes, answer the following two questions:

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

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

Schedule D: Other Incentives (Estimated)

30-Jul-14

Date
 Applicant Name
 ISD Name

Buckthorn Wind Project, LLC
 Huckabay ISD

Form 50-296A
 Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: NONE City: N/A Other: N/A					
Tax Code Chapter 312	County: NONE City: N/A Other: N/A					
Local Government Code Chapters 380/381	County: N/A City: N/A Other: N/A					
Freeport Exemptions	N/A					
Non-Annexation Agreements	N/A					
Enterprise Zone/Project	N/A					
Economic Development Corporation	N/A					
Texas Enterprise Fund	N/A					
Employee Recruitment	N/A					
Skills Development Fund	N/A					
Training Facility Space and Equipment	N/A					
Infrastructure Incentives	N/A					
Permitting Assistance	N/A					
Other:	N/A					
Other:						
Other:						
Other:						
TOTAL						

Additional information on incentives for this project:

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 15

Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

None

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) Evidence that the area qualifies as a enterprise zone as defined by the Governor's office*
- b) Legal description of reinvestment zone**
- c) Order, resolution, or ordinance established the reinvestment zone**
- d) Guidelines and criteria for creating the zone**

Huckabay ISD will establish the reinvestment zone at the same board meeting as final approval of the value limited agreement. The resolution and documentation will be provided subsequent to this meeting.

Buckthorn Wind Project, LLC

Chapter 313 Application to Huckabay ISD

Cummings Westlake, LLC

TAB 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here → Dr. Cheryl Floyd Superintendent
Print Name (Authorized School District Representative) Title

sign here → *Cheryl Floyd* 7-30-14
Signature (Authorized School District Representative) Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here → Derek Harding Manager
Print Name (Authorized Company Representative (Applicant)) Title

sign here → *Derek M Harding* 7/28/14
Signature (Authorized Company Representative (Applicant)) Date

see attached

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

 Notary Public in and for the State of Texas

(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 Section 37.10.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Santa Barbara }

On July 28, 2014 before me, Katherine A. Dowling, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Derek M. Harding
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) 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.

Signature Katherine Dowling
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

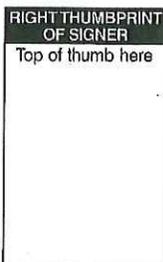
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



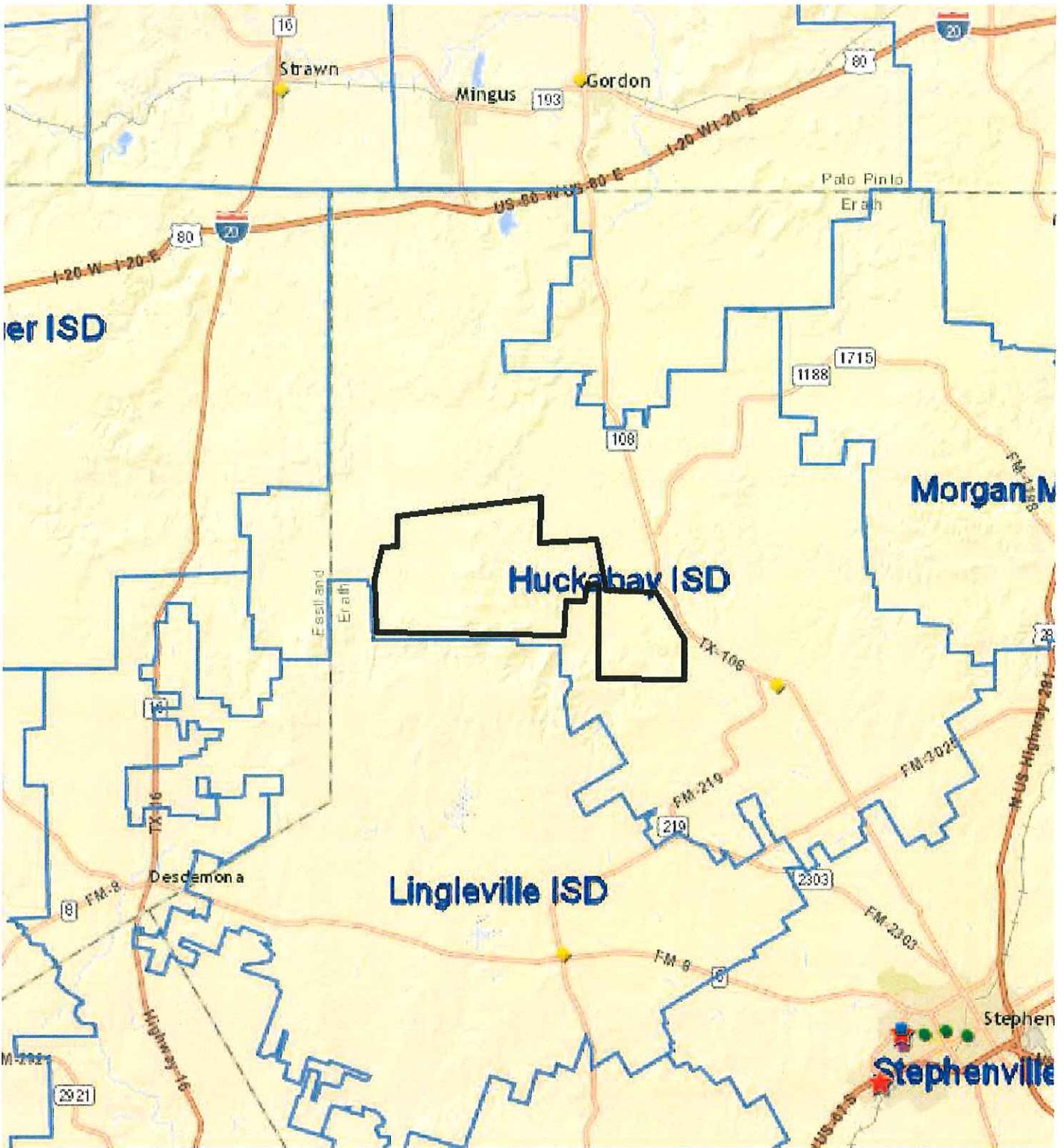
Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____



Attachment B

Franchise Tax Account Status



Franchise Tax Account Status

As of: 12/02/2014 08:57:52 AM

This Page is Not Sufficient for Filings with the Secretary of State

BUCKTHORN WIND PROJECT, LLC	
Texas Taxpayer Number	32050151797
Mailing Address	3000 EL CAMINO REAL, 5 PALO ALTO SQUARE, STE 700 PALO ALTO, CA 94306-
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	02/08/2013
Texas SOS File Number	0801731544
Registered Agent Name	CORPORATION SERVICE COMPANY DBA CSC - LAWYERS INCO
Registered Office Street Address	211 E. 7TH STREET, SUITE 620 AUSTIN, TX 78701

Attachment C

State Comptroller's Certification

S U S A N
C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

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



November 14, 2014

Dr. Cheryl Floyd
Superintendent
Huckabay Independent School District
200 CR 421
Stephenville, TX 76401-6429

Dear Superintendent Floyd:

On Sep. 8, 2014, the Comptroller issued written notice that Buckthorn Wind Project, LLC (the applicant) submitted a completed application (Application #1021) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted on July 30, 2014, to the Huckabay Independent School District (the school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

- Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.
Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
Sec. 313.024(d-2) Not applicable to Application #1021.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period. See Attachment B.

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

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. See Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-286) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement within a year from the date of this letter.

Note that any building or improvement existing as of the application review start date of Sep. 8, 2014, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

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

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Attachment A – Economic Impact Analysis

This following tables summarizes the Comptroller’s economic impact analysis of Buckthorn Wind Project, LLC (the project) applying to Huckabay Independent School District (the district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Buckthorn Wind Project, LLC.

Applicant	Buckthorn Wind Project, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy
School District	Huckabay ISD
2011-12 Enrollment in School District	166
County	Erath
Proposed Total Investment in District	\$139,130,000
Proposed Qualified Investment	\$139,130,000
Limitation Amount	\$20,000,000
Number of new qualifying jobs committed to by applicant	5
Number of new non-qualifying jobs estimated by applicant	1
Average weekly wage of qualifying jobs committed to by applicant	\$889
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)	\$889
Minimum annual wage committed to by applicant for qualified jobs	\$46,250
Minimum weekly wage required for non-qualifying jobs	\$594
Minimum annual wage required for non-qualifying jobs	\$30,888
Investment per Qualifying Job	\$27,826,000
Estimated M&O levy without any limit (15 years)	\$12,924,845
Estimated M&O levy with Limitation (15 years)	\$4,766,809
Estimated gross M&O tax benefit (15 years)	\$8,158,036
<i>* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).</i>	

Table 2 is the estimated statewide economic impact of Buckthorn Wind Project, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2015	103	98	201	\$4,544,975	\$6,929,634	\$11,474,609
2016	6	12	18	\$262,125	\$1,568,930	\$1,831,055
2017	6	10	16	\$262,125	\$1,568,930	\$1,831,055
2018	6	8	14	\$262,125	\$958,578	\$1,220,703
2019	6	8	14	\$262,125	\$714,438	\$976,563
2020	6	8	14	\$262,125	\$1,202,719	\$1,464,844
2021	6	8	14	\$262,125	\$836,508	\$1,098,633
2022	6	6	12	\$262,125	\$836,508	\$1,098,633
2023	6	6	12	\$262,125	\$958,578	\$1,220,703
2024	6	4	10	\$262,125	\$714,438	\$976,563
2025	6	10	16	\$262,125	\$958,578	\$1,220,703
2026	6	4	10	\$262,125	\$714,438	\$976,563
2027	6	8	14	\$262,125	\$1,202,719	\$1,464,844
2028	6	8	14	\$262,125	\$958,578	\$1,220,703
2029	6	6	12	\$262,125	\$1,202,719	\$1,464,844
2030	6	4	10	\$262,125	\$714,438	\$976,563

Source: CPA, REMI, Buckthorn Wind Project, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Huckabay ISD I&S Levy	Huckabay ISD M&O Levy	Huckabay ISD M&O and I&S Tax Levies	Erath County	Estimated Total Property Taxes
			0.0000		1.0400		0.47	
2016	\$139,122,000	\$139,122,000		\$0	\$1,446,869	\$1,446,869	\$653,873	\$2,100,742
2017	\$128,015,760	\$128,015,760		\$0	\$1,331,364	\$1,331,364	\$601,674	\$1,933,038
2018	\$117,797,549	\$117,797,549		\$0	\$1,225,095	\$1,225,095	\$553,648	\$1,778,743
2019	\$108,396,334	\$108,396,334		\$0	\$1,127,322	\$1,127,322	\$509,463	\$1,636,785
2020	\$99,746,764	\$99,746,764		\$0	\$1,037,366	\$1,037,366	\$468,810	\$1,506,176
2021	\$91,788,717	\$91,788,717		\$0	\$954,603	\$954,603	\$431,407	\$1,386,010
2022	\$84,466,880	\$84,466,880		\$0	\$878,456	\$878,456	\$396,994	\$1,275,450
2023	\$77,730,364	\$77,730,364		\$0	\$808,396	\$808,396	\$365,333	\$1,173,728
2024	\$71,532,353	\$71,532,353		\$0	\$743,936	\$743,936	\$336,202	\$1,080,139
2025	\$65,829,775	\$65,829,775		\$0	\$684,630	\$684,630	\$309,400	\$994,030
2026	\$60,583,003	\$60,583,003		\$0	\$630,063	\$630,063	\$284,740	\$914,803
2027	\$55,755,580	\$55,755,580		\$0	\$579,858	\$579,858	\$262,051	\$841,909
2028	\$51,313,967	\$51,313,967		\$0	\$533,665	\$533,665	\$241,176	\$774,841
2029	\$47,227,306	\$47,227,306		\$0	\$491,164	\$491,164	\$221,968	\$713,132
2030	\$43,467,209	\$43,467,209		\$0	\$452,059	\$452,059	\$204,296	\$656,355
			Total	\$0	\$12,924,845	\$12,924,845	\$5,841,036	\$18,765,881

Source: CPA, Buckthorn Wind Project, LLC

¹Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Erath County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Table 4 Estimated Direct Ad Valorem Taxes with all property tax incentives sought								
Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Huckabay ISD I&S Levy	Huckabay ISD M&O Levy	Huckabay ISD M&O and I&S Tax Levies	Erath County	Estimated Total Property Taxes
				0.0000	1.0400		0.47	
2016	\$139,122,000	\$20,000,000		\$0	\$208,000	\$208,000	\$653,873	\$861,873
2017	\$128,015,760	\$20,000,000		\$0	\$208,000	\$208,000	\$601,674	\$809,674
2018	\$117,797,549	\$20,000,000		\$0	\$208,000	\$208,000	\$553,648	\$761,648
2019	\$108,396,334	\$20,000,000		\$0	\$208,000	\$208,000	\$509,463	\$717,463
2020	\$99,746,764	\$20,000,000		\$0	\$208,000	\$208,000	\$468,810	\$676,810
2021	\$91,788,717	\$20,000,000		\$0	\$208,000	\$208,000	\$431,407	\$639,407
2022	\$84,466,880	\$20,000,000		\$0	\$208,000	\$208,000	\$396,994	\$604,994
2023	\$77,730,364	\$20,000,000		\$0	\$208,000	\$208,000	\$365,333	\$573,333
2024	\$71,532,353	\$20,000,000		\$0	\$208,000	\$208,000	\$336,202	\$544,202
2025	\$65,829,775	\$20,000,000		\$0	\$208,000	\$208,000	\$309,400	\$517,400
2026	\$60,583,003	\$60,583,003		\$0	\$630,063	\$630,063	\$284,740	\$914,803
2027	\$55,755,580	\$55,755,580		\$0	\$579,858	\$579,858	\$262,051	\$841,909
2028	\$51,313,967	\$51,313,967		\$0	\$533,665	\$533,665	\$241,176	\$774,841
2029	\$47,227,306	\$47,227,306		\$0	\$491,164	\$491,164	\$221,968	\$713,132
2030	\$43,467,209	\$43,467,209		\$0	\$452,059	\$452,059	\$204,296	\$656,355
			Total	\$0	\$ 4,766,811	\$ 4,766,809	\$ 5,841,036	\$ 10,607,845
			Difference	\$ -	\$ 8,158,035	\$ 8,158,036	\$ -	\$ 8,158,036

Assumes School Value Limitation.

Source: CPA, Buckthorn Wind Project, LLC

¹Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue over 25 Years

This represents the Comptroller’s determination that Buckthorn Wind Project, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2013	\$0	\$0	\$0	\$0
	2014	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2016	\$208,000	\$208,000	\$1,238,869	\$1,238,869
	2017	\$208,000	\$416,000	\$1,123,364	\$2,362,233
	2018	\$208,000	\$624,000	\$1,017,095	\$3,379,327
	2019	\$208,000	\$832,000	\$919,322	\$4,298,649
	2020	\$208,000	\$1,040,000	\$829,366	\$5,128,015
	2021	\$208,000	\$1,248,000	\$746,603	\$5,874,618
	2022	\$208,000	\$1,456,000	\$670,456	\$6,545,074
	2023	\$208,000	\$1,664,000	\$600,396	\$7,145,469
	2024	\$208,000	\$1,872,000	\$535,936	\$7,681,406
	2025	\$208,000	\$2,080,000	\$476,630	\$8,158,036
Maintain Viable Presence (5 Years)	2026	\$630,063	\$2,710,063	\$0	\$8,158,036
	2027	\$579,858	\$3,289,921	\$0	\$8,158,036
	2028	\$533,665	\$3,823,587	\$0	\$8,158,036
	2029	\$491,164	\$4,314,751	\$0	\$8,158,036
	2030	\$452,059	\$4,766,809	\$0	\$8,158,036
Additional Years as Required by 313.026(c)(1) (10 Years)	2031	\$416,079	\$5,182,888	\$0	\$8,158,036
	2032	\$382,973	\$5,565,861	\$0	\$8,158,036
	2033	\$352,512	\$5,918,373	\$0	\$8,158,036
	2034	\$324,485	\$6,242,858	\$0	\$8,158,036
	2035	\$298,696	\$6,541,554	\$0	\$8,158,036
	2036	\$274,967	\$6,816,521	\$0	\$8,158,036
	2037	\$253,133	\$7,069,654	\$0	\$8,158,036
	2038	\$233,042	\$7,302,696	\$0	\$8,158,036
	2039	\$214,556	\$7,517,252	\$0	\$8,158,036
	2040	\$197,545	\$7,714,797	\$0	\$8,158,036
		\$7,714,797	is less than	\$8,158,036	

Analysis Summary	
Is the project reasonably likely to generate M&O tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	No

NOTE: The analysis above only takes into account this project’s estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, Buckthorn Wind Project, LLC

Employment Indirect and Induced Tax Effects

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2015	103	98	201	\$4,544,975	\$6,929,634	\$11,474,609	\$633,240	-\$350,952	\$984,192
2016	6	12	18	\$262,125	\$1,568,930	\$1,831,055	\$106,812	\$122,070	-\$15,258
2017	6	10	16	\$262,125	\$1,568,930	\$1,831,055	\$122,070	\$114,441	\$7,629
2018	6	8	14	\$262,125	\$958,578	\$1,220,703	\$99,182	\$114,441	-\$15,259
2019	6	8	14	\$262,125	\$714,438	\$976,563	\$83,923	\$114,441	-\$30,518
2020	6	8	14	\$262,125	\$1,202,719	\$1,464,844	\$99,182	\$106,812	-\$7,630
2021	6	8	14	\$262,125	\$836,508	\$1,098,633	\$68,665	\$91,553	-\$22,888
2022	6	6	12	\$262,125	\$836,508	\$1,098,633	\$30,518	\$99,182	-\$68,664
2023	6	6	12	\$262,125	\$958,578	\$1,220,703	\$22,888	\$76,294	-\$53,406
2024	6	4	10	\$262,125	\$714,438	\$976,563	\$61,035	\$83,923	-\$22,888
2025	6	10	16	\$262,125	\$958,578	\$1,220,703	\$68,665	\$83,923	-\$15,258
2026	6	4	10	\$262,125	\$714,438	\$976,563	\$68,665	\$91,553	-\$22,888
2027	6	8	14	\$262,125	\$1,202,719	\$1,464,844	\$76,294	\$76,294	\$0
2028	6	8	14	\$262,125	\$958,578	\$1,220,703	\$76,294	\$53,406	\$22,888
2029	6	6	12	\$262,125	\$1,202,719	\$1,464,844	\$76,294	\$76,294	\$0
2030	6	4	10	\$262,125	\$714,438	\$976,563	\$15,259	\$53,406	-\$38,147
2031	6	(0)	6	\$262,125	\$470,297	\$732,422	-\$15,259	\$53,406	-\$68,665
2032	6	4	10	\$262,125	\$226,156	\$488,281	-\$7,629	\$45,776	-\$53,405
2033	6	2	8	\$262,125	\$226,156	\$488,281	-\$15,259	\$0	-\$15,259
2034	6	4	10	\$262,125	\$470,297	\$732,422	-\$38,147	\$0	-\$38,147
2035	6	2	8	\$262,125	\$226,156	\$488,281	-\$68,665	-\$7,629	-\$61,036
2036	6	2	8	\$262,125	-\$262,125	\$0	-\$91,553	-\$76,294	-\$15,259
2037	6	2	8	\$262,125	-\$17,984	\$244,141	-\$68,665	-\$99,182	\$30,517
2038	6	(0)	6	\$262,125	-\$17,984	\$244,141	-\$61,035	-\$122,070	\$61,035
2039	6	6	12	\$262,125	\$226,156	\$488,281	-\$91,553	-\$160,217	\$68,664
2040	6	(2)	4	\$262,125	-\$17,984	\$244,141	-\$122,070	-\$205,994	\$83,924
						TOTAL	\$1,129,151	\$434,877	\$694,274
							\$8,409,071	is greater than	\$8,158,036

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **determines** that the limitation on appraised value is a determining factor in the Buckthorn Wind Project, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- According to the application, the applicant has several projects located throughout Texas and the United States. Other projects outside of Texas are in Kansas, Oklahoma, New Mexico, Nebraska and North Dakota.
- According to the applicant, receiving an appraised value limitation from the school district is necessary to obtain long-term financing while remaining economically competitive with other energy projects.

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment D

Summary of Financial Impact

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED BUCKTHORN
WIND PROJECT, LLC PROJECT IN THE HUCKABY
INDEPENDENT SCHOOL DISTRICT**

PREPARED BY



OCTOBER 13, 2014

Executive Summary

Buckthorn Wind Project, LLC (Company) has requested that the Huckaby Independent School District (HISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to HISD on July 30, 2014 the Company plans to invest \$139.1 million to construct a renewable electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

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

Under the provisions of Chapter 313, HISD may offer a minimum value limitation of \$20 million. This value limitation, under the proposed application, will begin in the 2016-17 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to HISD	\$1,264,884
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$6,893,152

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The completeness letter for the Buckthorn Wind project was issued on September 8, 2014.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of the project and provide its certificate for a limitation on appraised value. After

the certificate is received, the district has until the 150th day from the receipt of the Completeness Letter or until December 31st, whichever is earlier, to adopt an agreement.

Each value limitation agreement is unique and to ensure the proper revenue-loss protection and maximum supplemental benefits are in place, an understanding of the school district's finances and a thorough knowledge of the Ch. 313 statute are required. MCA and O'Hanlon, McCollom & Demerath will ensure the best interests of HISD are secured. After the Comptroller's certificate is received, O'Hanlon, McCollom & Demerath will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

At the final board meeting, the school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. In some instances, the school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting. Prior to this meeting, O'Hanlon, McCollom & Demerath will provide the district with the necessary agenda language and any additional action items.

How the 313 Agreement Interacts with Texas School Finance

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of three components: Tier I, Tier II and additional state aid for tax reduction.

Tier I provides state funding based on ADA and special student populations, as well as transportation. The local funds for Tier I are M&O taxes raised at the compressed tax rate—\$1.00 per \$100 of taxable value for most school districts (less any recapture payments owed to the state from high property-wealth school districts).

Tier II guarantees a specific amount of funding per student in weighted average daily attendance for each penny of a school district's tax effort above a specified level. There are two levels of Tier II funding—funding under the six so-called golden pennies and the eleven so-called copper pennies. Voter approval is required in most cases to access the last two golden pennies and the eleven copper pennies.

Additional State Aid for Tax Reduction (ASATR) guarantees a school district a set amount of state and local M&O funds per student in weighted average daily attendance to compensate for the mandatory reduction in, or compression of, the local M&O tax rate that was adopted in 2005 or 2006. For more detailed information on the school finance funding system, please review the Texas Education Agency's [School Finance 101: Funding of Texas Public Schools](#). For the 2014-15 school year it is estimated that 230 school districts will receive ASATR hold-harmless funding (\$335 million in state funding). ASATR funding is expected to be eliminated by the 2017-18 school year under current law.

For a school district that approves a Chapter 313 value limitation, the first year is often problematic financially. The implementation of the value limitation often results in an M&O

revenue loss to the school district in the first year of the limitation that would not be reimbursed by the state, but require some type of compensation from the Company under the revenue protection provisions of the agreement. This is because the general school finance formula system calculates state aid entitlements using the property value for the preceding year as certified by the Comptroller.

School districts that receive ASATR funding may not require as large of a company revenue-loss payment as those districts that are considered to be on "formula". **As ASATR is reduced, more districts will be considered on "formula" and the revenue losses may be greater than anticipated in the initial revenue-loss estimates.** HISD does not receive ASATR funding and is not expected to under any of the estimates presented below.

In most instances smaller revenue losses would be anticipated in years 2-10 of the limitation when the state M&O property values are aligned at the minimum value established by the Board on both the local tax roll and the corresponding state property value study. **If the full value of the project increases significantly during the value limitation period, the revenue losses may be greater than originally estimated.**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

A key element in any analysis of the school finance implications of a Chapter 313 agreement is the provision for revenue protection in the agreement between the school district and the applicant. The agreement calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. This meets the statutory requirement under Section 313.027(f)(1) of the Tax Code to provide school district revenue-protection language in the agreement. This approach also reduces guess work as to future changes in school finance and property tax laws.

Student enrollment counts are held constant at 176 students in average daily attendance (ADA) in analyzing the effects of the project on the finances of HISD. The District's local tax base reached \$112.9 million for the 2014 tax year (the most recent year available) and is maintained at that level for the forecast period in order to isolate the effects of the property value limitation. An M&O tax rate of \$1.04 per \$100 is used throughout this analysis. HISD has estimated 2014-15 state property wealth per weighted ADA or WADA of approximately \$423,879. As a result, HISD is not currently considered a Chapter 41 or recapture district under the school finance system at its compressed tax rate, although it would be with the addition of the Buckthorn Wind project in the absence of a limitation agreement. Table 1

summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

The M&O tax rate for the 2027-28 school year reflect the impact of the Chapter 313 project value returning to the total tax roll for M&O funding purposes, which could result in a lower M&O tax rate. For the purposes of these estimates, it is assumed that the current M&O tax rate in year 11 of the limitation agreement would be reduced slightly from the \$1.0400 M&O rate shown in Table 1 to \$0.85 per \$100 and then return to the \$1.04 M&O tax rate. The lower M&O rate is reflected for that year in the limitation model shown below.

The general approach used here to analyze the future revenue stream of the school district under a value limitation is to maintain static enrollment and property values in order to isolate the effects of the value limitation under the school finance system. ASATR is continued under the current funding elements until the 2017-18 school year, although it is not a factor in these calculations.

Table 1 – Base District Information with Buckthorn Wind Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
Pre-Year 1	2015-16	175.68	274.50	\$1.0400	\$0.0000	\$112,905,620	\$112,905,620	\$109,865,363	\$109,865,363	\$400,234	\$400,234
1	2016-17	175.68	274.50	\$1.0400	\$0.0000	\$252,027,620	\$132,905,620	\$109,865,363	\$109,865,363	\$400,234	\$400,234
2	2017-18	175.68	274.50	\$1.0400	\$0.0000	\$240,921,380	\$132,905,620	\$248,987,363	\$129,865,363	\$907,048	\$473,093
3	2018-19	175.68	274.50	\$1.0400	\$0.0000	\$230,703,169	\$132,905,620	\$237,881,123	\$129,865,363	\$866,588	\$473,093
4	2019-20	175.68	274.50	\$1.0400	\$0.0000	\$221,301,954	\$132,905,620	\$227,662,912	\$129,865,363	\$829,364	\$473,093
5	2020-21	175.68	274.50	\$1.0400	\$0.0000	\$212,652,384	\$132,905,620	\$218,261,697	\$129,865,363	\$795,116	\$473,093
6	2021-22	175.68	274.50	\$1.0400	\$0.0000	\$204,694,337	\$132,905,620	\$209,612,127	\$129,865,363	\$763,606	\$473,093
7	2022-23	175.68	274.50	\$1.0400	\$0.0000	\$197,372,500	\$132,905,620	\$201,654,080	\$129,865,363	\$734,615	\$473,093
8	2023-24	175.68	274.50	\$1.0400	\$0.0000	\$190,635,984	\$132,905,620	\$194,332,243	\$129,865,363	\$707,942	\$473,093
9	2024-25	175.68	274.50	\$1.0400	\$0.0000	\$184,437,973	\$132,905,620	\$187,595,727	\$129,865,363	\$683,401	\$473,093
10	2025-26	175.68	274.50	\$1.0400	\$0.0000	\$178,735,395	\$132,905,620	\$181,397,716	\$129,865,363	\$660,822	\$473,093
11	2026-27	175.68	274.50	\$0.8500	\$0.0000	\$173,488,623	\$173,488,623	\$175,695,138	\$129,865,363	\$640,048	\$473,093
12	2027-28	175.68	274.50	\$1.0400	\$0.0000	\$168,661,200	\$168,661,200	\$170,448,366	\$170,448,366	\$620,934	\$620,934
13	2028-29	175.68	274.50	\$1.0400	\$0.0000	\$164,219,587	\$164,219,587	\$165,620,943	\$165,620,943	\$603,348	\$603,348
14	2029-30	175.68	274.50	\$1.0400	\$0.0000	\$160,132,926	\$160,132,926	\$161,179,330	\$161,179,330	\$587,168	\$587,168
15	2030-31	175.68	274.50	\$1.0400	\$0.0000	\$156,372,829	\$156,372,829	\$157,092,669	\$157,092,669	\$572,280	\$572,280

*Basic Allotment: \$5,040; AISD Yield: \$61.86; Equalized Wealth: \$504,000 per WADA

M&O Impact of the Buckthorn Wind project on HISD

School finance models were prepared for HISD under these assumptions through the 2030-31 school year. Under the proposed agreement, a model is established to make a calculation of the “Baseline Revenue Model” by adding the total value of the project to the model, but without assuming that a value limitation is approved. This information is detailed in Table 2.

Additionally, a separate model is established to make a calculation of the “Value Limitation Revenue Model” by adding the project’s limited value of \$30 million to the model. These results are shown in Table 3.

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

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
Pre-Year 1	2015-16	\$1,193,711	\$342,539	\$0	\$0	\$47,748	\$26,075	\$0	\$5,834	\$1,615,907
1	2016-17	\$2,580,931	\$342,539	\$0	\$0	\$103,237	\$56,346	\$0	\$5,834	\$3,088,887
2	2017-18	\$2,469,868	\$58,877	\$0	-\$1,070,039	\$98,795	\$0	\$0	\$5,834	\$1,563,335
3	2018-19	\$2,367,686	\$58,877	\$0	-\$963,211	\$94,707	\$0	\$0	\$5,834	\$1,563,893
4	2019-20	\$2,273,674	\$58,877	\$0	-\$864,524	\$90,947	\$0	\$0	\$5,834	\$1,564,807
5	2020-21	\$2,187,178	\$58,877	\$0	-\$773,341	\$87,487	\$0	\$0	\$5,834	\$1,566,034
6	2021-22	\$2,107,598	\$58,877	\$0	-\$689,078	\$84,304	\$0	\$0	\$5,834	\$1,567,535
7	2022-23	\$2,034,379	\$58,877	\$0	-\$611,195	\$81,375	\$0	\$0	\$5,834	\$1,569,269
8	2023-24	\$1,967,014	\$58,877	\$0	-\$539,202	\$78,681	\$0	\$0	\$5,834	\$1,571,203
9	2024-25	\$1,905,034	\$58,877	\$0	-\$475,090	\$76,201	\$0	\$0	\$5,834	\$1,570,855
10	2025-26	\$1,848,008	\$58,877	\$0	-\$416,630	\$73,920	\$0	\$0	\$5,834	\$1,570,008
11	2026-27	\$1,829,066	\$58,877	\$0	-\$369,346	\$0	\$0	\$0	\$5,834	\$1,524,431
12	2027-28	\$1,740,115	\$58,877	\$0	-\$311,314	\$69,605	\$0	\$0	\$5,834	\$1,563,117
13	2028-29	\$1,696,587	\$58,877	\$0	-\$265,395	\$67,863	\$1,716	\$0	\$5,834	\$1,565,482
14	2029-30	\$1,656,538	\$58,877	\$0	-\$222,904	\$66,262	\$3,546	\$0	\$5,834	\$1,568,152
15	2030-31	\$1,619,689	\$58,877	\$0	-\$183,587	\$64,788	\$5,239	\$0	\$5,834	\$1,570,839

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

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
Pre-Year 1	2015-16	\$1,193,711	\$342,539	\$0	\$0	\$47,748	\$26,075	\$0	\$5,834	\$1,615,907
1	2016-17	\$1,389,711	\$342,539	\$0	\$0	\$55,588	\$30,331	\$0	\$5,834	\$1,824,003
2	2017-18	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
3	2018-19	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
4	2019-20	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
5	2020-21	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
6	2021-22	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
7	2022-23	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
8	2023-24	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
9	2024-25	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
10	2025-26	\$1,389,711	\$142,539	\$0	\$0	\$55,588	\$17,096	\$0	\$5,834	\$1,610,768
11	2026-27	\$1,829,066	\$142,539	\$0	\$0	\$0	\$0	\$0	\$5,834	\$1,977,439
12	2027-28	\$1,740,115	\$58,877	\$0	-\$311,314	\$69,605	\$0	\$0	\$5,834	\$1,563,117
13	2028-29	\$1,696,587	\$58,877	\$0	-\$265,395	\$67,863	\$1,716	\$0	\$5,834	\$1,565,482
14	2029-30	\$1,656,538	\$58,877	\$0	-\$222,904	\$66,262	\$3,546	\$0	\$5,834	\$1,568,152
15	2030-31	\$1,619,689	\$58,877	\$0	-\$183,587	\$64,788	\$5,239	\$0	\$5,834	\$1,570,839

Table 4 displays the results of the comparison between the Baseline Revenue Model and the Value Limitation Revenue Model (Tables 2 and 3). The difference between the two models indicates there will be a total revenue loss of \$1,264,884 in the initial limitation year of the Agreement. Nearly all of the reduction in M&O taxes under the limitation agreement is

offset through a reduction in recapture costs owed to the state under current law. This is based on the assumption that HISD would become a Chapter 41 district in 2017-18 in the event the project was constructed in the absence of a limitation agreement.

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
Pre-Year 1	2015-16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2016-17	-\$1,191,220	\$0	\$0	\$0	-\$47,649	-\$26,015	\$0	\$0	-\$1,264,884
2	2017-18	-\$1,080,157	\$83,662	\$0	\$1,070,039	-\$43,207	\$17,096	\$0	\$0	\$47,433
3	2018-19	-\$977,975	\$83,662	\$0	\$963,211	-\$39,119	\$17,096	\$0	\$0	\$46,875
4	2019-20	-\$883,963	\$83,662	\$0	\$864,524	-\$35,359	\$17,096	\$0	\$0	\$45,960
5	2020-21	-\$797,467	\$83,662	\$0	\$773,341	-\$31,899	\$17,096	\$0	\$0	\$44,733
6	2021-22	-\$717,887	\$83,662	\$0	\$689,078	-\$28,716	\$17,096	\$0	\$0	\$43,233
7	2022-23	-\$644,668	\$83,662	\$0	\$611,195	-\$25,787	\$17,096	\$0	\$0	\$41,498
8	2023-24	-\$577,303	\$83,662	\$0	\$539,202	-\$23,093	\$17,096	\$0	\$0	\$39,564
9	2024-25	-\$515,323	\$83,662	\$0	\$475,090	-\$20,613	\$17,096	\$0	\$0	\$39,912
10	2025-26	-\$458,297	\$83,662	\$0	\$416,630	-\$18,332	\$17,096	\$0	\$0	\$40,759
11	2026-27	\$0	\$83,662	\$0	\$369,346	\$0	\$0	\$0	\$0	\$453,008
12	2027-28	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	2028-29	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	2029-30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	2030-31	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

M&O Impact on the Taxpayer

Table 5 summarizes the impact of the property value limitation in terms of the potential tax savings to the taxpayer under the property value limitation agreement. The focus of this table is on the M&O tax rate only. A \$1.04 per \$100 M&O tax rate is assumed in 2014-15 (the most recent year available) and thereafter.

Under the assumptions used here, the potential tax savings from the value limitation total \$8.2 million over the life of the agreement. The HISD revenue losses are expected to total approximately \$1.26 million in the initial limitation year under the agreement. In total, the potential net tax benefits (after hold-harmless payments are made) are estimated to reach \$6.9 million.

Table 5 - Estimated Financial Impact of the Buckthorn Wind Project Property Value Limitation Request Submitted to HISD at \$1.0400 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	Tax Benefit to Company Before Revenue Protection	School District Revenue Losses	Estimated Net Tax Benefits	
Pre-Year 1	2015-16	\$0	\$0	\$0	\$1.040	\$0	\$0	\$0	\$0	\$0	\$0	
1	2016-17	\$139,122,000	\$20,000,000	\$119,122,000	\$1.040	\$1,446,869	\$208,000	\$1,238,869	\$1,238,869	-\$1,264,884	-\$26,015	
2	2017-18	\$128,015,760	\$20,000,000	\$108,015,760	\$1.040	\$1,331,364	\$208,000	\$1,123,364	\$1,123,364	\$0	\$1,123,364	
3	2018-19	\$117,797,549	\$20,000,000	\$97,797,549	\$1.040	\$1,225,095	\$208,000	\$1,017,095	\$1,017,095	\$0	\$1,017,095	
4	2019-20	\$108,396,334	\$20,000,000	\$88,396,334	\$1.040	\$1,127,322	\$208,000	\$919,322	\$919,322	\$0	\$919,322	
5	2020-21	\$99,746,764	\$20,000,000	\$79,746,764	\$1.040	\$1,037,366	\$208,000	\$829,366	\$829,366	\$0	\$829,366	
6	2021-22	\$91,788,717	\$20,000,000	\$71,788,717	\$1.040	\$954,603	\$208,000	\$746,603	\$746,603	\$0	\$746,603	
7	2022-23	\$84,466,880	\$20,000,000	\$64,466,880	\$1.040	\$878,456	\$208,000	\$670,456	\$670,456	\$0	\$670,456	
8	2023-24	\$77,730,364	\$20,000,000	\$57,730,364	\$1.040	\$808,396	\$208,000	\$600,396	\$600,396	\$0	\$600,396	
9	2024-25	\$71,532,353	\$20,000,000	\$51,532,353	\$1.040	\$743,936	\$208,000	\$535,936	\$535,936	\$0	\$535,936	
10	2025-26	\$65,829,775	\$20,000,000	\$45,829,775	\$1.040	\$684,630	\$208,000	\$476,630	\$476,630	\$0	\$476,630	
11	2026-27	\$60,583,003	\$60,583,003	\$0	\$0.850	\$514,956	\$514,956	\$0	\$0	\$0	\$0	
12	2027-28	\$55,755,580	\$55,755,580	\$0	\$1.040	\$579,858	\$579,858	\$0	\$0	\$0	\$0	
13	2028-29	\$51,313,967	\$51,313,967	\$0	\$1.040	\$533,665	\$533,665	\$0	\$0	\$0	\$0	
14	2029-30	\$47,227,306	\$47,227,306	\$0	\$1.040	\$491,164	\$491,164	\$0	\$0	\$0	\$0	
15	2030-31	\$43,467,209	\$43,467,209	\$0	\$1.040	\$452,059	\$452,059	\$0	\$0	\$0	\$0	
							\$12,809,737	\$4,651,702	\$8,158,036	\$8,158,036	-\$1,264,884	\$6,893,152

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with HISD currently not levying an I&S tax rate. While the value of the Buckthorn Wind project is expected to depreciate over the life of the agreement and beyond, full access to the additional value is expected to increase the District's projected wealth per ADA to \$625,372 in the peak year of I&S taxable project value. Even with depreciation in project values in future years, local taxpayers should benefit from the addition of the Buckthorn Wind project to the local I&S tax roll, if HISD decides to pursue a bond election with its voters in the future.

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

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.

Attachment E

Taxable Value of Property



Window on State Government

Susan Combs Texas Comptroller of Public Accounts

2013 ISD Summary Worksheet

067/Eastland

072-908/Huckabay ISD

Category	Local Tax Roll Value	2013 WTD Mean Ratio	2013 PTAD Value Estimate	2013 Value Assigned
A. Single-Family Residences	0	N/A	0	0
B. Multi-Family Residences	0	N/A	0	0
C1. Vacant Lots	0	N/A	0	0
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real(Taxable)	301,660	N/A	301,660	301,660
D2. Real Prop Farm & Ranch	78,220	N/A	78,220	78,220
E. Real Prop NonQual Acres	59,000	N/A	59,000	59,000
F1. Commercial Real	0	N/A	0	0
F2. Industrial Real	0	N/A	0	0
G. Oil, Gas, Minerals	51,720	N/A	51,720	51,720
J. Utilities	2,420	N/A	2,420	2,420
L1. Commercial Personal	0	N/A	0	0
L2. Industrial Personal	0	N/A	0	0
M. Other Personal	0	N/A	0	0
N. Intangible				

Pers/Uncert	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	493,020		493,020	493,020
Less Total Deductions	0		0	0
Total Taxable Value	493,020		493,020	493,020 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T6 will be the same as T7 through T12.

Value Taxable For M&O Purposes

T1	T2	T3	T4	T5	T6
493,020	493,020	493,020	493,020	493,020	493,020

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
0	0

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

T5 = T2 before the loss to the tax ceiling reduction

T6 = T5 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10	T11	T12
493,020	493,020	493,020	493,020	493,020	493,020

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

T11 = T8 before the loss to the tax ceiling reduction

T12 = T11 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

072/Erath

072-908/Huckabay ISD

Category	Local Tax Roll Value	2013 WTD Mean Ratio	2013 PTAD Value Estimate	2013 Value Assigned
A. Single-Family Residences	7,294,990	.9588	7,608,458	7,294,990
B. Multi-Family Residences	2,379,920	N/A	2,379,920	2,379,920
C1. Vacant Lots	304,910	N/A	304,910	304,910
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real(Taxable)	9,674,190	1.1813	8,189,196	9,674,190

D2. Real Prop Farm & Ranch	2,258,530	N/A	2,258,530	2,258,530
E. Real Prop NonQual Acres	68,313,730	.9108	75,004,095	68,313,730
F1. Commercial Real	3,152,660	N/A	3,152,660	3,152,660
F2. Industrial Real	1,058,210	N/A	1,058,210	1,058,210
G. Oil, Gas, Minerals	4,778,220	N/A	4,778,220	4,778,220
J. Utilities	21,329,940	.9549	22,337,355	21,329,940
L1. Commercial Personal	2,628,440	N/A	2,628,440	2,628,440
L2. Industrial Personal	35,640	N/A	35,640	35,640
M. Other Personal	1,693,080	N/A	1,693,080	1,693,080
N. Intangible Pers/Uncert	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	124,902,460		131,428,714	124,902,460
Less Total Deductions	9,039,542		9,558,477	9,039,542
Total Taxable Value	115,862,918		121,870,237	115,862,918 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T6 will be the same as T7 through T12.

Value Taxable For M&O Purposes

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T1	T2	T3	T4	T5	T6
119,361,248	115,862,918	119,361,248	115,862,918	115,862,918	115,862,918

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
3,498,330	0

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

T5 = T2 before the loss to the tax ceiling reduction

T6 = T5 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10	T11	T12
119,361,248	115,862,918	119,361,248	115,862,918	115,862,918	115,862,918

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

T11 = T8 before the loss to the tax ceiling reduction

T12 = T11 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

072-908/Huckabay ISD

Category	Local Tax Roll Value	2013 WTD Mean Ratio	2013 PTAD Value Estimate	2013 Value Assigned
A. Single-Family Residences	7,294,990	.9588	7,608,458	7,294,990
B. Multi-Family Residences	2,379,920	N/A	2,379,920	2,379,920
C1. Vacant Lots	304,910	N/A	304,910	304,910
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real(Taxable)	9,975,850	1.1749	8,490,856	9,975,850
D2. Real Prop Farm & Ranch	2,336,750	N/A	2,336,750	2,336,750
E. Real Prop NonQual Acres	68,372,730	.9109	75,063,095	68,372,730
F1. Commercial Real	3,152,660	N/A	3,152,660	3,152,660
F2. Industrial Real	1,058,210	N/A	1,058,210	1,058,210
G. Oil, Gas, Minerals	4,829,940	N/A	4,829,940	4,829,940
J. Utilities	21,332,360	.9549	22,339,775	21,332,360
L1. Commercial Personal	2,628,440	N/A	2,628,440	2,628,440
L2. Industrial Personal	35,640	N/A	35,640	35,640
M. Other Personal	1,693,080	N/A	1,693,080	1,693,080
N. Intangible Pers/Uncert	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	125,395,480		131,921,734	125,395,480
Less Total Deductions	9,039,542		9,558,477	9,039,542

Total Taxable Value	116,355,938	122,363,257	116,355,938 T2
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The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Attachment F

TEA's Facilities Value

September 19, 2014

Mr Greg Stewart, President
Board of Trustees
Huckabay Independent School District
200 County Rd, 421
Stephenville, TX 76401-6429

Dear Mr Stewart:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Buckthorn Wind, LLC project on the number and size of school facilities in Huckabay Independent School District (HISD). Based on an examination of HISD enrollment and the number of potential new jobs, the TEA has determined that the Buckthorn Wind, LLC project should not have a significant impact on the number or size of school facilities in HISD.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you have any questions.

Sincerely,

Al McKenzie, Manager
Foundation School Program Support

AM/rk

Attachment G

Participation Agreement

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

by and between

HUCKABAY INDEPENDENT SCHOOL DISTRICT

and

BUCKTHORN WIND PROJECT, LLC

(Texas Taxpayer ID # 32050151797)

TEXAS COMPTROLLER APPLICATION NUMBER 1021

Dated

December 17, 2014

WHEREAS, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller's Office pursuant to Section 313.026 of the TEXAS TAX CODE; and,

WHEREAS, on December 17, 2014, the Board of Trustees conducted a public hearing on the Application, at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on December 17, 2014, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) Applicant is eligible for the Limitation on Appraised Value of Applicant's Qualified Property; (iii) the project proposed by Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset District's maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in Applicant's decision to invest capital and construct the project in this state; and (v) this Agreement is in the best interest of District and the State of Texas;

WHEREAS, on December 17, 2014, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in Section 313.051(b) of the TEXAS TAX CODE;

WHEREAS, on December 17, 2014, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes; and,

WHEREAS, on December 17, 2014, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary to execute and deliver such Agreement to the Applicant; and

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

ARTICLE I **DEFINITIONS**

Section 1.1 DEFINITIONS.

Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEX. ADMIN. CODE §9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEX. ADMIN. CODE §9.1051.

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, as amended.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Section 9.2.

“Applicable School Finance Law” means Chapters 41 and 42 of the TEXAS EDUCATION CODE, the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District, and the Constitution and general laws of the State applicable to the school districts of the State, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant’s ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement.

“Applicant” means Buckthorn Wind Project, LLC, (*Texas Taxpayer ID # 32050151797*), the company listed in the Preamble of this Agreement and that listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include Applicant’s assigns and successors-in-interest as approved according to Section 10.2 of this Agreement.

“Applicant’s Qualified Investment” means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in Section 3.3 of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, of the Texas Tax Code) filed with District by Applicant on July 30, 2014. The term includes all forms required by Comptroller, the schedules attached thereto, and all other documentation submitted by Applicant for the purpose of obtaining an Agreement with District. The term also includes all amendments and supplements thereto submitted by Applicant.

“Application Approval Date” means the date that the Application is approved by the Board of Trustees of District and as further identified in Section 2.3.B of this Agreement.

“Application Review Start Date” means the later date of either the date on which District issues its written notice that Applicant has submitted a completed application or the date on which Comptroller issues its written notice that Applicant has submitted a completed application and as further identified in Section 2.3.A of this Agreement.

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

"Appraisal District" means the Erath Appraisal District.

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

"Comptroller" means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of Comptroller.

"Comptroller's Rules" means the applicable rules and regulations of Comptroller set forth in Chapter 34 Texas Administrative Code, Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

"County" means Erath County, Texas.

"District" or "School District" means the Huckabay Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on Applicant's Qualified Property or the Applicant's Qualified Investment.

"Final Termination Date" means the last date of the final year in which Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

"Force Majeure" means those causes generally recognized under Texas law as constituting impossible conditions. Each party must inform the other in writing with proof of receipt within three business days of the existence of such force majeure or otherwise waive this right as a defense.

"Land" means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

"Maintain Viable Presence" means (i) the development, construction and operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured, and/or reengineered; (ii) the retention during the term of this Agreement of the number of New Qualifying Jobs set forth in its Application by Applicant; (iii) and continue the average weekly wage paid by Applicant for all Non-Qualifying Jobs created by Applicant that exceeds the county average weekly wage for all jobs in the county where the administrative office of District is maintained.

"M&O Amount" shall have the meaning assigned to such term in Section 3.2 of the Agreement.

"Maintenance and Operations Revenue" or "M&O Revenue" means (i) those revenues which District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace District M&O Revenue lost as a result of such similar agreements, less (iv) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEXAS EDUCATION CODE.

"Market Value" shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

"New Qualifying Jobs" means the total number of jobs to be created and maintained by Applicant after the Application Approval Date in connection with the project which is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(4) of the TEXAS TAX CODE.

"Qualified Investment" has the meaning set forth in Chapter 313 of the TEXAS TAX CODE, as interpreted by Comptroller's Rules, as these provisions existed on the Application Review Start Date.

"Non-Qualifying Jobs" means the number of New Non-Qualifying Jobs, as defined in 34 TAC §9.0151, to be created and maintained by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

"Qualified Property" has the meaning set forth in Chapter 313 of the Texas Tax Code and as interpreted by Comptroller's Rules and the Texas Attorney General, as these provisions existed on the date of the Application is approved by District,

"Qualifying Time Period" means the period that begins on the date of approval of this Agreement by District's Board of Trustees and ends on December 31st of the second Tax Year that begins after such date of approval as is defined in Section 313.021(4)(A) of the Texas Tax Code and during which Applicant shall make investment on the land where the qualified property in the amount required by the Act, the Comptroller's rules, and this Agreement and as further identified in Section 2.3.C of this Agreement.

"Revenue Protection Amount" means the amount calculated pursuant to Section 3.2 of this Agreement.

"State" means the State of Texas.

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

"Supplemental Payment" has the meaning as set forth in Article VI of this Agreement.

"Tax Limitation Amount" means the maximum amount which may be placed as the Appraised Value on Applicant's Qualified Property for each tax year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

"Tax Limitation Period" means the Tax Years for which the Applicant's Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

"Tax Year" shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

"Taxable Value" shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

"Texas Education Agency Rules" means the applicable rules and regulations adopted by the Texas Commissioner of Education in relation to the administration of Chapter 313 of the TEXAS TAX CODE, which are set forth at 19 TEX. ADMIN. CODE, Part 2, together with any court or administrative decisions interpreting same.

ARTICLE II

AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY.

This Agreement is executed by District as its written agreement with Applicant pursuant to the provisions and authority granted to District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE.

In consideration of the execution of and subsequent performance of the terms and obligations by Applicant pursuant to this Agreement, identified in Section 2.5 and 2.6 and as more fully specified in this Agreement, the value of Applicant's Qualified Property listed and assessed by the County Appraiser for District's operation and maintenance ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

- A. The Application Review Start Date for this Agreement is September 8, 2014 which will determine Applicant's Qualified Property and applicable wage standard.
- B. The Application Approval Date for this Agreement is December 17, 2014 which will determine the qualifying time period.
- C. The Qualifying Time Period for this agreement:
 - 1. Starts on December 17, 2014 Application Approval Date; and
 - 2. Ends on December 31, 2016; being the second complete tax year after the effective date of this agreement
- D. The Tax Limitation Period for this Agreement:
 - 1. Starts on January 1, 2016
 - 2. Ends on December 31, 2025.
- E. The Final Termination Date for this Agreement is December 31, 2030.
- F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Subsection B. This Agreement, and the obligation and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Subsection E, unless extended by the express terms of this Agreement.

2.4. TAX LIMITATION.

So long as Applicant makes the Qualified Investment as defined by Section 2.5 below, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the

Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- A. The Market Value of the Applicant's Qualified Property; or,
- B. Twenty Million Dollars (\$20,000,000.00)

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Section 313.052 of the TEXAS TAX CODE.

2.5. QUALIFIED INVESTMENT FOR TAX LIMITATION ELIGIBILITY.

In order to be eligible and entitled to receive the value limitation identified in 2.4 for the Qualified Property identified in Article III, Applicant shall:

- A. have completed a Qualified Investment in the amount of Ten Million Dollars (\$10,000,000.00) by the end of the Qualifying Time Period;
- B. have created the number of Qualifying Jobs specified in, and in the time period specified on, Schedule C of the Application; and,
- C. be paying the average weekly wage of all jobs in the county in which District's administrative office is located for all non-qualifying jobs created by Applicant.

2.6. TAX LIMITATION OBLIGATIONS.

In order to receive and maintain the limitation authorized by 2.4, Applicant shall:

- A. provide payments to District sufficient to protect the future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect District from the payment of extraordinary education related expenses related to the project, as more fully specified in Article V;
- C. provide such supplemental payments as more fully specified in Article VI; and
- D. create and Maintain Viable Presence on and/or with the qualified property and perform additional obligations as more fully specified in Article VII of this Agreement.

ARTICLE III
QUALIFIED PROPERTY

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE.

At the time of making the Qualified Investment and during the period starting with the Application Approval Date and ending on the Final Termination Date, the Land is and shall be within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT.

The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described on **EXHIBIT 2** which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY.

The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 3**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's rules, and Section 10.2 of this Agreement,.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY.

If at any time after the Application Approval Date there is a material change in the Qualified Property located on the land described in **EXHIBIT 2**; or, upon a reasonable request of District, Comptroller, the Appraisal District, or the State Auditor's Office, Applicant shall provide to District, Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE.

Applicant's Qualified Property described above in Section 2.3 qualifies for a tax limitation agreement under Section 313.024(b)(5) of the TEXAS TAX CODE as a renewable energy electric generation facility.

ARTICLE IV
PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES.

In conformance with the provisions of Texas Tax Code § 313.027(f)(1), it is the intent of the Parties that the District shall be compensated over the course of this Agreement by the Applicant for: (i) any monetary loss that the District incurs in its Maintenance and Operations Revenue; or, (ii) for any new uncompensated operating cost incurred as a sole and direct result of, or on account of, entering into this Agreement, after taking into account any payments to be made under this Agreement. Subject to the limitations contained in this Agreement. It is the intent of the Parties that the risk of any negative financial consequence to the District in making the decision to enter into this Agreement will be borne by the Applicant and not by the District, and paid by the Applicant to the District in addition to any and all support due under Article VI.

A. The calculation of the amount of any Revenue Protection required to be paid by Applicant under this Article IV shall be made for the first time for the first complete tax year following the start of Commercial Operations.

B. For purposes of this Article IV, and of Section 2.3(d)(1), above, the term "Commercial Operations" means the date on which project described in **EXHIBIT 3**, below becomes commercially operational and placed into service, such that all of the following events have occurred and remain simultaneously true and accurate:

(i) the project has been constructed, tested, and is fully capable of operating for the purpose of generating electricity for sale on one or more commercial markets;

(ii) the project has received written authorization from the the grid operator for interconnection, integration, and synchronization of the plant with the grid; and,

(iii) the project has obtained all permits, required approvals, and has met all requirements necessary for safely and reliably generating electricity and delivering electricity onto the grid.

C. Within 60 days from the date commercial operations begin, the Applicant shall provide to the District, the Comptroller, and the Appraisal District a verified written report, giving a specific and detailed description of the land, tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such qualified property within the boundaries of the land which is subject to the agreement, if such final description is different than the description provided in the application or any supplemental application information, or if no substantial changes have been made, a verification of the fact that no substantial changes have been made.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT.

The amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the "M&O Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

The M&O Amount owed by the Applicant to District means the Original M&O Revenue *minus* the New M&O Revenue;

Where:

- i. "Original M&O Revenue" means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified Investment been subject to the ad valorem maintenance & operations tax at the tax rate actually adopted by the District for the applicable year.
- ii. "New M&O Revenue" means the total State and local Maintenance & Operations Revenue that the District actually received for such school year, after all adjustments have been made to Maintenance and Operations Revenue because of any portion of this agreement.

In making the calculations required by this Section 4.2:

- iii. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.
- iv. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property and/or the Applicant's Qualified Investment will be presumed to be one hundred percent (100%)
- v. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section 4.2 results in a negative number, the negative number will be considered to be zero.
- vi. All calculations made for years one (1) through ten (10) of this Agreement under Section 4.2, Subsection *ii* of this Agreement will reflect the Tax Limitation Amount for such year.

- vii. All calculations made under this Section 4.2 shall be made by a methodology which isolates the full M&O revenue impact caused by this Agreement. The Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements, or on account of or otherwise arising out of any other factors not contained in this Agreement.

Section 4.3. CUMULATIVE PAYMENT LIMITATION.

In no event shall the Cumulative Payments made by Applicant to the District exceed an amount equal to One Hundred Percent (100%) of Applicant's Cumulative Unadjusted Tax Benefit under this Agreement from the Commencement Date through Tax Year 2028. For each year of this Agreement, amounts due and owing by Applicant to the District which, by virtue of the application of payment limitation set forth in this Section are not payable to the District for a given year, shall be carried forward to future years, but shall be subject, in each subsequent year to the limit set forth in this Section.

For purposes of this Section:

A. "Cumulative Unadjusted Tax Benefit" means for each Tax Year of this Agreement, the Unadjusted Tax Benefit for the applicable Tax Year added to the Unadjusted Tax Benefit from all previous Tax Years of this Agreement.

B. "Unadjusted Tax Benefit" means for each year of this Agreement the total of all gross tax savings calculated for each year of the Agreement by multiplying the Applicant's taxable value for debt service taxes for each applicable Tax Year, minus the Tax Limitation Amount defined in Section 2.5(A) above, as Ten Million Dollars (\$10,000,000.00), multiplied by the District's Maintenance & Operations tax rate for the applicable Tax Year.

Section 4.4. COMPENSATION FOR LOSS OF OTHER REVENUES.

In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for the following:

A. The Applicant, on an annual basis, shall also indemnify and reimburse the District for all non-reimbursed costs, certified by the District's external auditor to have been incurred by the District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project. Applicant shall have the right to contest the findings of the District's external auditor pursuant to Section 4.9 herein.

B. Any other loss of District revenues which are, or may be reasonably attributable to the payment by the Applicant to or on behalf of any other third party beneficiary of this

Agreement. Applicant shall have the right to contest the findings of the District's external auditor pursuant to Section 4.9 herein.

C. Any other cost to the District, including costs under Subsection 8.6(C), below which are, or may be attributable to compliance with State-imposed costs of compliance with the terms of this Agreement.

Section 4.5. CALCULATIONS TO BE MADE BY THIRD PARTY.

All calculations under this Agreement shall be made annually by an independent third party (the "Third Party") selected each year by the District.

Section 4.6. DATA USED FOR CALCULATIONS.

The calculations under this Agreement shall be initially based upon the valuations that are placed upon all taxable property in the District, including Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District pursuant to Texas Tax Code §26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected under Section 4.5. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 4.7. DELIVERY OF CALCULATIONS.

On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 4.5 of this Agreement shall forward to the Parties the calculations required under Sections 4.2 and/or 4.4 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculation and fee for a period of four (4) years after the Final Termination date of this Agreement. The Applicant shall not be liable for any of Third Party's costs resulting from an audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement or the fee paid by the Applicant to the Third Party pursuant to Section 4.7, if such fee is timely paid.

Section 4.8. PAYMENT BY APPLICANT.

The Applicant shall pay any amount determined to be due and owing to the District under this Agreement on or before the January 31 of the year next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party for all calculations under this Agreement under Section 4.7, above, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, reports required by any state agency, disclosures, other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement. In no year shall the Applicant be responsible for the payment of any total expenses under this Section and Section 4.7, above, in excess of Ten Thousand Dollars (\$10,000.00).

Section 4.9. RESOLUTION OF DISPUTES.

Should the Applicant disagree with the Third Party calculations made pursuant to Sections 4.7 of this Agreement, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days of receipt of the calculation. Within thirty (30) days of receipt of the Applicant's appeal, the Third Party will issue, in writing, a final determination of the calculations. Thereafter, the Applicant may appeal the final determination of the certification containing the calculations to the District's Board of Trustees. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the District's Board of Trustees within thirty (30) days of the final determination of the calculations.

Section 4.10. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT.

In the event that, at the time the Third Party selected under Section 4.5 makes its calculations under this Agreement, the Applicant has appealed the taxable values placed by the Appraisal District on the Qualified Property, and the appeal of the appraised values are unresolved, the Third Party shall base its calculations upon the values initially placed upon the Qualified Property by the Appraisal District.

In the event that the result of an appraisal appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of a new value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations for the applicable year or years. In the event the new calculations result in the change of any amount payable by the Applicant under this Agreement, the party from whom the adjustment is payable shall remit such amounts to the counter-party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 4.11. EFFECT OF STATUTORY CHANGES.

Notwithstanding any other provision in this Agreement, but subject only to the limitations contained in Section 7.1, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, or to other governmental entities, because of its participation in this Agreement, the Applicant shall make payments to the District, that are necessary to offset any negative impact on the District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

ARTICLE V
PAYMENT OF EXTRAORDINARY EDUCATION RELATED EXPENSES

Section 5.1.

In addition to the amounts determined pursuant to Section 4.2 above, and to the extent provided in Section 6.3, the Applicant, on an annual basis, shall also indemnify and reimburse the District for all non-reimbursed costs, certified by the District's external auditor to have been incurred by the District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project. Applicant shall have the right to contest the findings of the District's external auditor pursuant to Section 4.8 herein.

ARTICLE VI
PAYMENT OF SUPPLEMENTAL PAYMENTS

Section 6.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS.

In interpreting the provisions of Article IV and VI, the Parties agree as follows:

A. Amounts Exclusive of Indemnity Amounts. In addition to undertaking the responsibility for the payment of all of the amounts set forth under Article IV, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for the Supplemental Payments set forth in this Article VI. The Applicant shall not be responsible to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the Texas Tax Code, unless it is explicitly set forth in this Agreement. It is the express intent of the Parties that the obligation for Supplemental Payments under Article VI of this agreement are separate and independent of the obligation of the Applicant to pay the amounts described in Article IV;

provided, however, that all payments under Articles IV and VI are subject to such limitations as are contained in Section 7.1, and that all payments under Article VI are subject to the separate limitations contained in Section 6.4.

B. Adherence to Statutory Limits on Supplemental Payments. It is the express intent of the Parties that any Supplemental Payments made to or on behalf of the District by the Applicant, under this Article V, shall not exceed the limit imposed by the provisions of Texas Tax Code 313.027(i) unless that limit is increased by the Legislature at a future date, in which case all references to statutory limits in this Agreement will be automatically adjusted to reflect the new, higher limits, but only if, and to the extent that such increases are authorized by law.

C. As used in Article IV and in this Article, the following terms shall be defined as follows:

i. "Cumulative Payments" means for each year of this Agreement the total of all payments, calculated under both Article IV and Article VI of this Agreement for the current Tax Year which are paid by or owed by Applicant to the District, plus payments paid by Applicant for all previous Tax Years under Article IV and Article VI of this Agreement.

ii. "Cumulative Unadjusted Tax Benefit" means for each Tax Year of this Agreement, the Unadjusted Tax Benefit for the applicable Tax Year added to the Unadjusted Tax Benefit from all previous Tax Years of this Agreement.

iii. "Net Tax Benefit" means (a) the amount of maintenance and operations *ad valorem* taxes that the Applicant would have paid to the District for all Tax Years if this Agreement had not been entered into by the Parties, (b) adding to the amount determined under clause, and (c) subtracting from the sum of the amounts determined under clauses (a) and (b) the sum of (d) all maintenance and operations *ad valorem* school taxes actually due to the District or any other governmental entity, including the State of Texas, for all Tax Years of this Agreement, plus (e) any payments due to the District under Article IV under this Agreement as well as the Annual Limit.

due to the District under Article IV under this Agreement as well as the Annual Limit.

SECTION 6.2. SUPPLEMENTAL PAYMENT LIMITATION.

A. Notwithstanding the foregoing, the total annual supplement payment made pursuant to this article shall:

i. not exceed in any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year; and

ii. only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.

B. This limitation does not apply to amounts described by Section 313.027(f)(1)-(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

C. For purposes of this Agreement, the amount of the Annual Limit shall be \$19,700 based upon the District's 2014-2015 Average Daily Attendance of 197, rounded to the whole number..

Section 6.3. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO NET AGGREGATE LIMIT.

In any year during the term of this Agreement, the District shall not be entitled to receive Supplemental Payments that exceed the lesser of:

A. the Applicant's Stipulated Supplemental Payment Amount, defined as Forty Percent (40%) of the Applicant's Net Tax Benefit, as the term is defined in Section 6.1(C)(vi), above; or,

B. the greater of \$50,000 or the Annual Limit, as the term is defined in Section 6.2(C), above.

Section 6.4. ANNUAL CALCULATION OF STIPULATED SUPPLEMENTAL PAYMENT AMOUNT.

The Parties agree that for each Tax Year of this Agreement, beginning with Tax Year 2014, the first year of the qualifying time period specified in Section 2.3 of this Agreement, the Stipulated Supplemental Payment amount, described in Section 6.2 will annually be calculated based upon the then most current estimate of tax savings to the Applicant, which will be made, based upon assumptions of student counts, tax collections, and other applicable data, in accordance with the following formula:

Taxable Value of the Applicant's Qualified Property for such Tax Year had this Agreement not been entered into by the Parties (i.e., the Taxable Value of the Applicant's Qualified Property used for the District's interest and sinking fund tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Minus,

The Taxable Value of the Applicant's Qualified Property for such Tax Year after giving effect to this Agreement (i.e., the Taxable Value of the Applicant's Qualified Property used for the District's maintenance and operations tax

purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Multiplied by,

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

Minus,

Any amounts previously paid to the District under Article III for such Tax Year;

Multiplied by,

The number 0.4;

Minus,

Any amounts previously paid to the District under Sections 6.2 and 6.3 with respect to such Tax Year.

In the event that there are changes in the data upon which the calculations set forth herein are made, the Third Party selected pursuant to Section 4.4, above, shall adjust the Stipulated Supplemental Payment amount calculation to reflect any changes in the data.

Section 6.5. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

A. All calculations required by this Article shall be calculated by the Third Party selected pursuant to Section 4.5, above.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.7, above.

C. The payment of all amounts due under this Article shall be made by December 31 of the tax year for which the payment is due.

Section 6.6. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY

At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under Article VI of this agreement be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its

students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time.

Any designation of a successor beneficiary under this Section shall not alter the Aggregate Limit or the Net Aggregate Limit or the Supplemental Payments described in Section 6.4, above.

ARTICLE VII

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

SECTION 7.1. ANNUAL LIMITATION AFTER FIRST YEAR.

Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by Applicant to District for such Tax Year, plus the sum of all payments otherwise due from Applicant to District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that Applicant would have paid to District for such Tax Year (determined by using District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Section 4.2 of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from Applicant to District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 7.2. OPTION TO TERMINATE AGREEMENT.

In the event that any payment otherwise due from Applicant to District under Article IV, Article V, and/or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 7.1 above, then the Applicant shall have the option to terminate this Agreement. Applicant may exercise such option to terminate this Agreement by notifying District of its election in writing not later than the July 31 of the year next following the Tax Year with respect to which a reduction under Section 7.1 is applicable. Any termination of this Agreement under the foregoing provisions of this Section 7.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred.

Section 7.3. EFFECT OF OPTIONAL TERMINATION.

Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments, records and dispute resolution shall survive the termination or expiration dates of this Agreement.

ARTICLE VIII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE.

In order to receive and maintain the limitation authorized by 2.4 in addition to the other obligations required by this Agreement, Applicant shall Maintain Viable Presence in District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure. The Final Termination Date will only be extended for the mutually agreed length of the Force Majeure.

Section 8.2. REPORTS.

In order to receive and maintain the limitation authorized by 2.4 in addition to the other obligations required by this Agreement, Applicant shall submit the following reports completed by Applicant to the satisfaction of Comptroller on the dates indicated on the form and starting on the first such due date after the Application Approval Date:

A. The Annual Eligibility Report, Form 50-772 located at Comptroller website <http://www.window.state.tx.us/taxinfo/taxforms/50-772.pdf> <http://www.window.state.tx.us/taxinfo/taxforms/50-772.pdf>;

B. The Biennial Progress Report, Form 50-773, located at Comptroller website <http://www.window.state.tx.us/taxinfo/taxforms/50-773.pdf>; and

C. The Job Creation Compliance Report, Form 50-825, located at the Comptroller website http://www.texasahead.org/tax_programs/chapter313/forms.php.

Section 8.3. COMPTROLLER'S ANNUAL REPORT ON CHAPTER 313 AGREEMENTS.

During the term of this Agreement, both Parties shall provide Comptroller with all information reasonably necessary for Comptroller to assess performance under this Agreement for the purpose of issuing Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS.

During the term of this Agreement, and upon the written request of District, the State Auditor's Office, or Comptroller, the Applicant shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW.

Applicant shall allow authorized employees of District, the Comptroller, the Appraisal District, and/or the State Auditor's Office to have access to Applicant's Qualified Property and/or business records, in accordance with Section 22.07 of the TEXAS TAX CODE, from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of Applicant, and shall be conducted in accordance with Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide District, Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; INDEPENDENT AUDITS.

This Agreement is subject to review and audit by the State Auditor pursuant to Section 2262.003 of the TEXAS GOVERNMENT CODE and Section 331.010(a) of the TEXAS TAX CODE, and the following requirements:

A. District and Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. Applicant and District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the later of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or

iii. date of resolution of all disputes or payment.

B. District and Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to the Applicant's Qualified Property, Qualified Investment, Qualifying Jobs, and wages paid for Non-Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by Comptroller, State Auditor's Office, State of Texas or their authorized representatives. Applicant and District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, Applicant's failure to comply with this Section shall constitute a material breach of this Agreement.

C. Comptroller may require, at Applicant's or District's sole cost and expense, as applicable, independent audits by a qualified certified public accounting firm of Applicant's, District's or the Comptroller's books, records, or property. The independent auditor shall provide Comptroller with a copy of such audit at the same time it is provided to Applicant and/or District.

D. In addition to and without limitation on the other audit provisions of this Agreement, pursuant to Section 2262.003 of the TEXAS GOVERNMENT CODE, the state auditor may conduct an audit or investigation of Applicant or District or any other entity or person receiving funds from the state directly under this Agreement or indirectly through a subcontract under this Agreement. The acceptance of funds by Applicant or District or any other entity or person directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, Applicant or District or other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit. This Agreement may be amended unilaterally by Comptroller to comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.003 of the TEXAS GOVERNMENT CODE.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS.

The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which Comptroller would not have approved this Agreement and District would not executed this Agreement. By signature to this Agreement, Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct; and

B. acknowledges that if Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that Applicant has violated any of the representations, warranties, guarantees, certifications or affirmations included in the Application or this Agreement, Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by 34 Tex. Admin. Code § 9.1053(f)(2)(L).

ARTICLE IX
MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT.

Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions:

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to an material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. Applicant failed to have complete Qualified Investment as required by Section 2.5 of this Agreement;

C. Applicant failed to create the number of Qualifying Jobs specified in Schedule C of the Application;

D. Applicant failed to pay the average weekly wage of all jobs in the county in which District's administrative office is located for all Non-Qualifying Jobs created by Applicant;

E. Applicant failed to provide payments to District sufficient to protect the future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

F. Applicant failed to provide payments to the District that protect District from the payment of extraordinary education related expenses related to the project, as more fully specified in Article V of this Agreement;

G. Applicant failed to provide such supplemental payments as more fully specified in Article VI of this Agreement;

H. Applicant failed to create and Maintain Viable Presence on and/or with the qualified property as more fully specified in Article VIII of this Agreement;

I. Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of Comptroller on the dates indicated on the form;

J. Applicant failed to provide the District or Comptroller with all information reasonably necessary for District or Comptroller determine whether Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

K. Applicant failed to allow authorized employees of District, Comptroller, the Appraisal District, and/or the State Auditor's Office to have access to Applicant's Qualified Property and/or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of Applicant's Qualified Property;

L. Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with the Agreement.

M. Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles III and IV, of this Agreement; or

N. Applicant fails either to:

i. Implement a plan to remedy non-compliance as required by Comptroller pursuant to 34 TAC Section 9.1059; or

ii. Pay a penalty assessed by Comptroller pursuant to 34 TAC Section 9.1059.

Section 9.2. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT.

A. In the event that Applicant terminates this Agreement without the consent of District, except as provided in Section 7.2 of this Agreement, or in the event that Applicant fails to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, after the notice and cure period provided by Section 9.3, then District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of penalty and interest, as calculated in accordance with Section 9.3.C on that recaptured ad valorem tax revenue. For purposes of this recapture calculation, Applicant shall be entitled to a credit for all payments made to District pursuant to Article IV, V, and VI of this Agreement.

B. Notwithstanding Section 9.2.A, in the event that District determines that Applicant has failed to Maintain Viable Presence and provides written notice of termination of the Agreement, then Applicant shall pay to District liquidated damages for such failure within thirty (30) days after receipt of such termination notice. The sum of liquidated damages due and payable shall be the sum total of District ad valorem taxes for all of the Tax Years for which a Tax Limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by Applicant to District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 7.5. For purposes of this liquidated damages calculation, Applicant shall be entitled to a credit for all payments made to District pursuant to Article IV, V, and VI. Upon payment of such liquidated damages, Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

C. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, District shall first determine the base amount of recaptured taxes less all credits under Section 9.2.A owed for each Tax Year during the Tax Limitation Period. District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.2.A had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.3. LIMITED STATUTORY CURE OF MATERIAL BREACH.

In accordance with the provisions of Section 313.0275 of the Texas Tax Code, for any full tax year which commences after the project has become operational, Applicant may cure the Material Breaches of this Agreement, defined in Sections 9.1.C. or 9.1.D, above, without the termination of the remaining term of this Agreement. In order to cure its non-compliance with Sections 9.1.C. or 9.1.D for the particular Tax Year of non-compliance only, Applicant may make the liquidated damages payment required by Section 313.0275(b) of the Texas Tax Code, in accordance with the provisions of Section 313.0275(c) of the Texas Tax Code.

Section 9.3. DETERMINATION OF MATERIAL BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has committed a material breach of this Agreement, such as making a misrepresentation in the Application, failing to Maintain Viable Presence in District as required by Section 8.1 of this Agreement, failing to make any payment required under this Agreement when due, or has otherwise committed a material breach of this Agreement, District shall provide Applicant with a written notice of the facts which it believes have caused the material breach of this Agreement, and if cure is possible, the cure

proposed by District. After receipt of the notice, Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in material breach of its obligations under the Agreement, or that it has cured or undertaken to cure any such material breach.

B. If the Board of Trustees is not satisfied with such response and/or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to whether or not a material breach of this Agreement has occurred, the date such breach occurred, if any, and whether or not any such breach has been cured. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall also terminate the Agreement and determine the amount of recaptured taxes under Section 9.2.A and B (net of all credits under Section 9.2.A and B), and the amount of any penalty and/or interest under Section 9.2.C that are owed to District.

C. After making its determination regarding any alleged breach, the Board of Trustees shall cause Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination.").

Section 9.4. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.3, Applicant shall have ninety (90) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within ninety (90) days after the Applicant's receipt of notice of the Board of Trustee's determination of breach under Section 9.3, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then residing in Erath County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the Texas Civil Practice and Remedies Code and such other rules as the mediator shall prescribe. With respect to such mediation, (i) District shall bear one-half of such mediator's fees and expenses and Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such ninety (90) days, District shall have the remedies for the collection of the amounts determined under Section 7.8 as are set forth in Chapter 33, Subchapters B and C, of the Texas Tax Code for the collection of delinquent taxes. In the event that District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees and a tax lien on

Applicant's Qualified Property and Applicant's Qualified Investment pursuant to Section 33.07 of the Texas Tax Code to the attorneys representing District pursuant to Section 6.30 of the Texas Tax Code.

C. In any event where a dispute between District and Applicant under this Agreement cannot be resolved by the Parties, after completing the procedures required above in this Section, either District or Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any covenant, agreement or undertaking made by a Party pursuant to this Agreement.

Section 9.5. LIMITATION OF OTHER DAMAGES.

Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, District's damages for such a default shall under no circumstances exceed the greater of either any amounts calculated under Sections 9.2 above, or the monetary sum of the difference between the payments and credits due and owing to Applicant at the time of such default and District taxes that would have been lawfully payable to District had this Agreement not been executed. In addition, District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 9.6. BINDING ON SUCCESSORS.

In the event of a merger or consolidation of District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

ARTICLE X. MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (e.g., by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile transmission, with "answer back" or other "advice of receipt" obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to District shall be addressed to District's Authorized Representative as follows:

Dr. Cheryl Floyd Superintendent
HUCKABAY INDEPENDENT SCHOOL DISTRICT
200 CR 421
Stephenville, TX
Fax: (254) 965-3740
Email: cfloyd@hisd.us

C. Notices to Applicant shall be addressed to its Authorized Representative as follows:

Derek Harding
Manager
Buckthorn Wind Project, LLC
3760 State Street
Suite 200
Santa Barbara, CA 93105
Email: mriley@infinitywind.com

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

Section 10.2. AMENDMENTS TO AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of Subsection B hereof. Waiver of any term, condition or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this Agreement.

B. By official action of the District's Board of Trustees, this Agreement may only be amended according to the following:

- i. Applicant shall submit to District and Comptroller:
 - a. a written request to amend the Application and this Agreement which shall specify the changes Applicant requests;

- b. any changes to the information that was provided in the Application that was approved by District and considered by Comptroller;
 - c. and any additional information requested by District or Comptroller necessary to evaluate the amendment or modification; and
- ii. Comptroller shall review the request and any additional information and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by Comptroller by the end of the 90 day period, the request is denied;
 - iii. If Comptroller has not denied the request, District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Agreement adding additional or replacement Qualified Property pursuant to this Section 10.3 of this Agreement shall:

- i. require that all property added by amendment be eligible property as defined by Section 313.024 of the Texas Tax Code;
- ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and
- iii. define minimum eligibility requirements for the recipient of limited value.

D. This Agreement may not be amended to extend the value limitation time period beyond its ten year statutory term.

Section 10.4. ASSIGNMENT.

Any assignment of the interests of Applicant in this Agreement is considered an amendment to the Agreement and Applicant may only assign this Agreement, or a portion of this Agreement, after complying with the provisions of Section 10.3 regarding amendments to the Agreement.

Section 10.5. MERGER.

This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.6. MAINTENANCE OF COUNTY APPRAISAL DISTRICT RECORDS.

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

Section 10.7. GOVERNING LAW.

This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in the County.

Section 10.8. AUTHORITY TO EXECUTE AGREEMENT.

Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.9. SEVERABILITY.

If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions contained herein (and any other application such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.9, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.10. PAYMENT OF EXPENSES.

Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.11. INTERPRETATION.

When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words "include," "includes" and "including" when used in this Agreement shall be deemed in such case to be followed by the phrase ", but not limited to,". Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

Section 10.12. EXECUTION OF COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.13. PUBLICATION OF DOCUMENTS.

The Parties acknowledge that District is required to publish Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

- A. Within seven (7) days of such document, the school district shall submit a copy to Comptroller for Publication on Comptroller's Internet website;
- B. District shall provide on its website a link to the location of those documents posted on Comptroller's website;
- C. This Section does not require the publication of information that is confidential under Section 313.028 of the Texas Tax Code.

Section 10.14. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS.

Applicant shall immediately notify District in writing of any actual or anticipated change in the control or ownership of Applicant and of any legal or administrative investigations or proceedings initiated against Applicant regardless of the jurisdiction from which such proceedings originate.

Section 10.15. DUTY TO DISCLOSE.

If circumstances change or additional information is obtained regarding any of the representations and warranties made by Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, Applicant's duty to disclose continues throughout the term of this Contract.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 17 day of December 2014.

BUCKTHORN WIND PROJECT, LLC, a
Delaware limited liability company

By: Infinity Wind Holdings, LLC, a
Delaware limited liability company
Its: Sole Member

Name: Derek M. Harding
Derek M. Harding
Title: COO Manager

HUCKABAY INDEPENDENT SCHOOL
DISTRICT

By: [Signature]
GREG STEWART
President
Board of Trustees

Attest: [Signature]
By: MONA LITTLE
Secretary
Board of Trustees

EXHIBIT 1

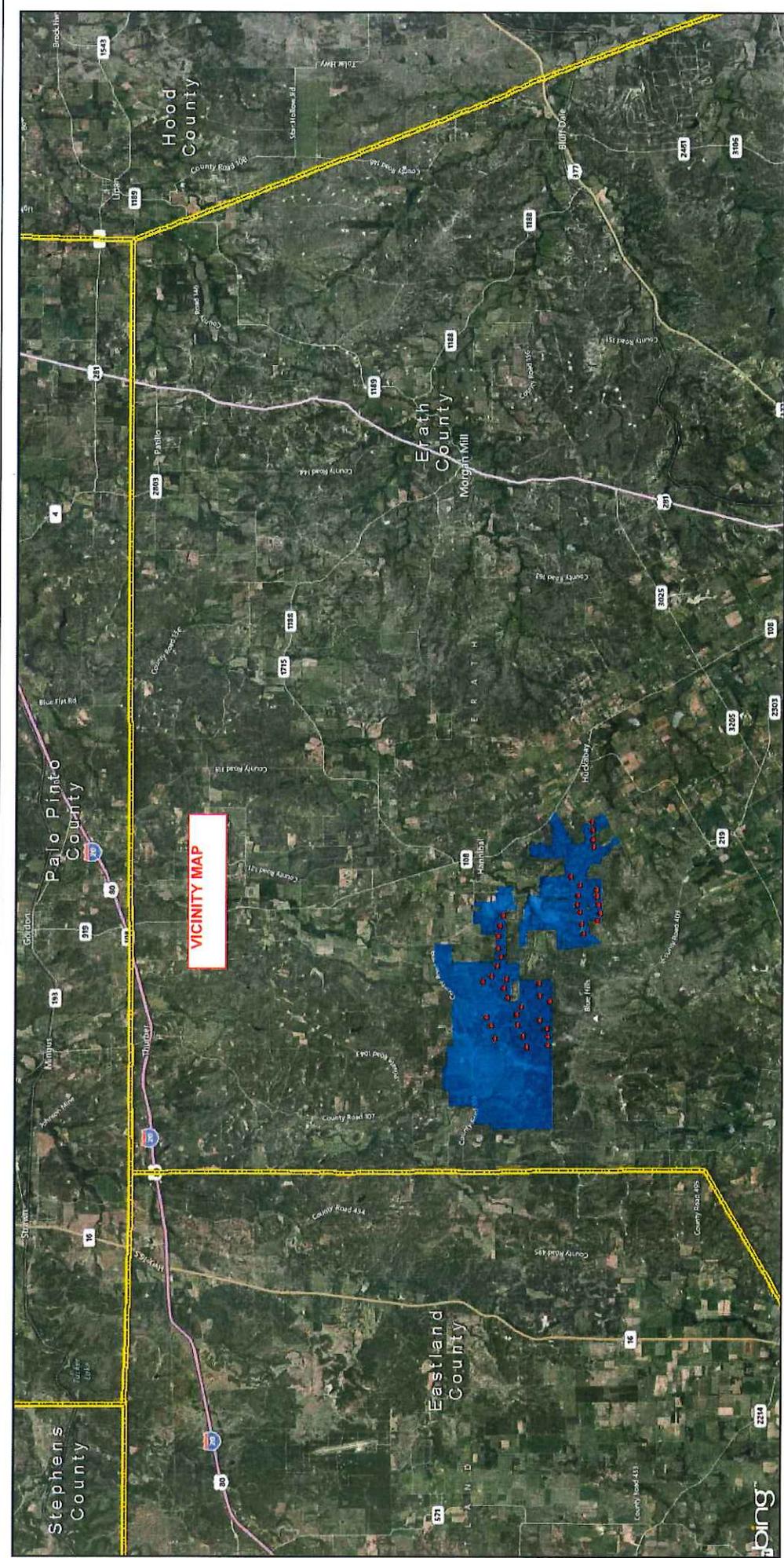
DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

The Reinvestment Zone was originally created on December 17, 2014, by action of the the Board of Trustees. As a result of the action, all of the following real property within Erath County, Texas is located within the boundaries of the *THE BUCKTHORN WIND REINVESTMENT ZONE*. A map of the Reinvestment Zone is attached as the last page of this **EXHIBIT 1**. The legal description of the is as follows:

**Buckthorn Wind Project Legal Descriptions
July 18, 2014**

Landowner	County	Acres	Survey
Stewart, GW and D	Erath County	522	H.E. & W.T.R.R. Co Survey No. 5
Stewart, GW and D	Erath County	78	J.A. De La Garza Survey
Stewart, George	Erath County	474.22	J.A. De La Garza Survey A-287 and H.E. & W.T.R.R. Co Survey A-979
Carey, LB	Erath County	295.99	S.A. & M.G RR Co Surveys 37 A-372 and 40 A-370
Carey, LB	Erath County	200	S.A. & M.G RR Co Surveys 37 A-372 and J.A. De La Garza Survey A-287
Stewart, Montie and J	Erath County	428.84	J.A. De La Garza Survey A-286, J.A. De La Garza Survey A-287, and N.E. RR Co. Survey A-979
Tate, Lonnie	Erath County	272	Hood County School Land Survey, Abstract 1078
Tate, Lonnie	Erath County	132.89	Henry Barker Survey, Certificate No. 1105
Tate, Lonnie	Erath County	100	Henry Barker Survey, Certificate No. 1105
Tate, Lonnie	Erath County	60.85	Henry Barker Survey, Certificate No. 1105
Stone_R and Jones_L	Erath County	169.32	H.K. Zimmerman Survey Abstract No. 861
Stone_R and Jones_L	Erath County	73.07	Girard Stewart Survey, Abstract No. 1031
Stone_R and Jones_L	Erath County	6.46	T. Mencke Survey Abstract No 548
Stone_R and Jones_L	Erath County	83.92	Hood County School Land Survey, Abstract No. 1078
Stone_R and Jones_L	Erath County	40.57	J. L. Watson Survey, Abstract No. 856
Stone_R and Jones_L	Erath County	1.08	H.E. & W. T. Railroad Company Survey No. 5, Abstract No. 979
Stone_R and Jones_L	Erath County	3.59	W.A. Johnson Survey, Abstract No. 1021
Stone_R and Jones_L	Erath County	513.89	Deed from Ben Chambers et ux to Larry Forrest et ux, Recorded in Volume 931, Page 663
Stone_R and Jones_L	Erath County	3.61	Deed from James C. Buck et usx to Larry Forrest et ux, Recorded in Volume 954, Page 27
Brown, Troy and D	Erath County	142.422	J. Latham Survey, Abstract No. 489
Brown, Troy and D	Erath County	8.7	James Latham Survey, Abstract No. 489
D&V Terrell Ranch, LLC	Erath County	22.30	S.J. Robinson Survey, A-637
D&V Terrell Ranch, LLC	Erath County	217.18	Hood County School Land Survey, A-1078
D&V Terrell Ranch, LLC	Erath County	47.05	W.A. Johnson survey, A-1021
Greene, Robert	Erath County	32.00	W.A Grady School, A-310
Greene, Robert	Erath County	3.09	J.L. Watson Survey, A-1078
Greene, Robert	Erath County	0.29	Hood County School Land Survey, A-1078
Buck, James	Erath County	9.17	J.L. Watson Survey, A-856
Buck, James	Erath County	53.79	Hood County Land Survey, A-1078
Buck, James	Erath County	51.86	W.A. Johnson Survey, A-1021

Buck, James	Erath County	3.61	W.A. Johnson Survey, A-1021
Earley, David	Erath County	105.35	W.A Grady Survey, A-370
Coffman, Daniel	Erath County	100.00	S.A and M.G. Railroad Company Survey, Section 37, A-732
Spain, June	Erath County	614.97	J.A. Guzman Survey A-286, J.A De La Garza Survey A-287, J.W. Allison Survey A-1279, and the W.L. Kenney Survey A-1416
Fambro, Alex	Erath County	624.00	David Change Survey, A-1070
Fambro, Alex	Erath County	208.00	J. Cash Survey A-161
Fambro, Alex	Erath County	439.00	G.S. Jones Survey A-439
Fambro, Alex	Erath County	80.00	J. P. Allen Survey A-862
Fambro, Alex	Erath County	82.00	S.H. Allen Survey, A-1034
Fambro, Alex	Erath County	319.00	F.R. Lubbock Survey, A-497
Fambro, Alex	Erath County	98.00	J.B. Caro Survey, A-1138
Fambro, Alex	Erath County	317.00	J. Bancroft Survey, A-107
Fambro, Alex	Erath County	82.00	O.A. Smith Survey, A-1378
Fambro, Alex	Erath County	727.00	Wm. Graham Survey, A-288
Fambro, Alex	Erath County	195.00	H.T.& B. RR Co Survey, A-400
Fambro, Alex	Erath County	26.00	J. Sweeney Survey, A-1225
Fambro, Alex et al.	Erath County	690.00	M. Soloman Survey, A-1124
Fambro, Alex et al.	Erath County	160.00	J.H. Hawkins Survey, A-873
Fambro, Alex et al.	Erath County	662.00	J.A. Frey Survey, A-1104
Fambro, Alex et al.	Erath County	168.80	J.A. Guzman Survey, A-285
Fambro, Alex et al.	Erath County	160.00	G.T. Petty Survey, A-945
Fambro, Alex et al.	Erath County	89.75	J.W. Allison Survey, A-1279
Fambro, Alex et al.	Erath County	84.00	H.B. Kite Survey, A-1321
Fambro, Alex et al.	Erath County	445.00	H.T.&B. RR Co Survey A-400
Fambro, Alex et al.	Erath County	673.00	David Chance Survey A-1070
Fambro, Alex et al.	Erath County	106.00	Wm. Graham Survey, A-288
Pedros Twelve Point LTD	Erath County	557.23	J.A. Guzman Survey, Abstract No. 286, J.F. Torey and Company Survey, Abstract No. 790, D.R. Thornton Survey, Abstract No. 1348, and K. Pemberton Survey, Abstract No. 1417

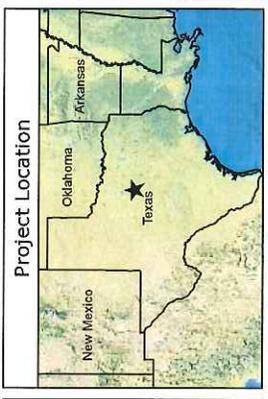


Reference

NAD 1983 UTM Zone 14N

Miles

CONFIDENTIAL

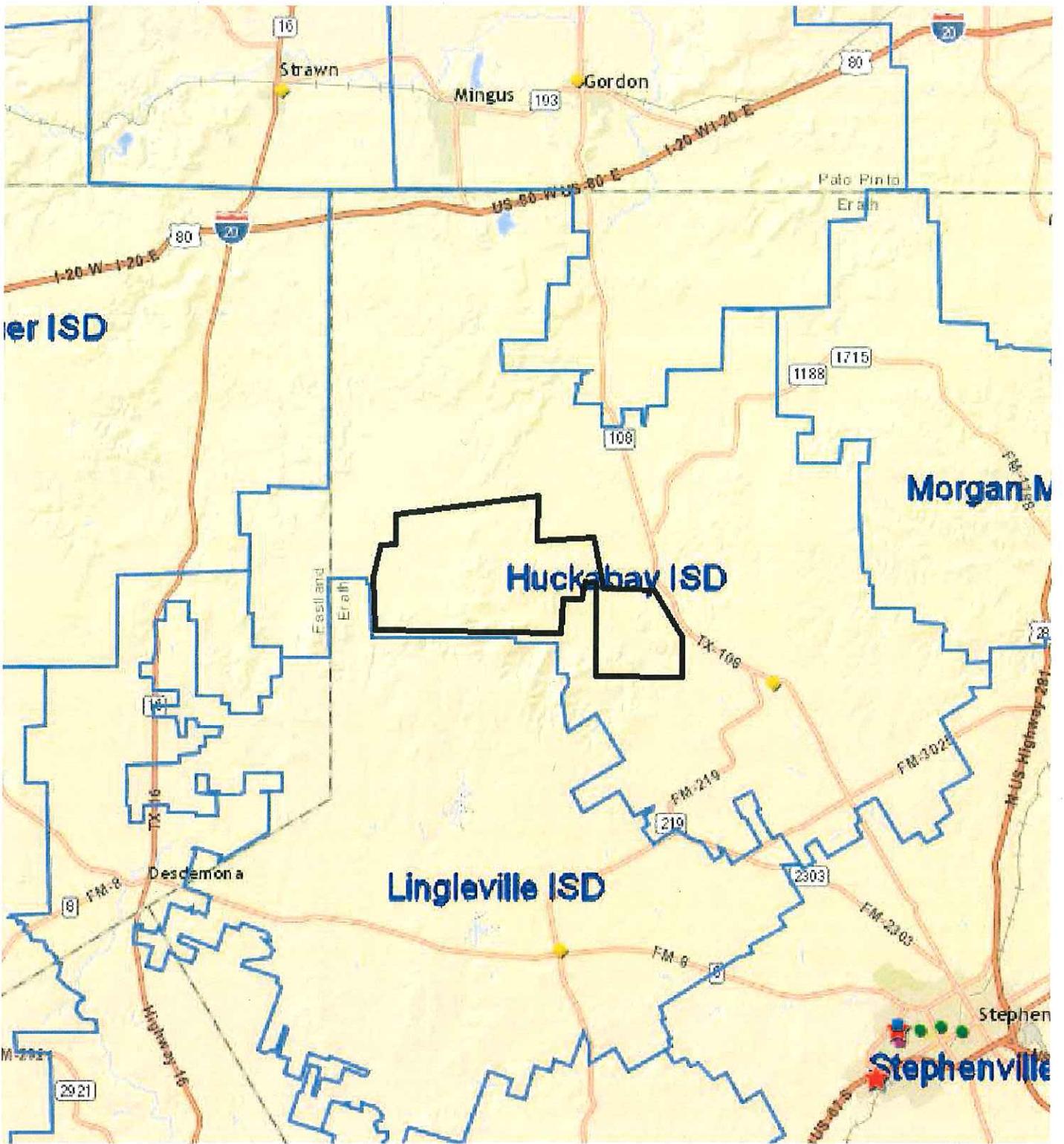


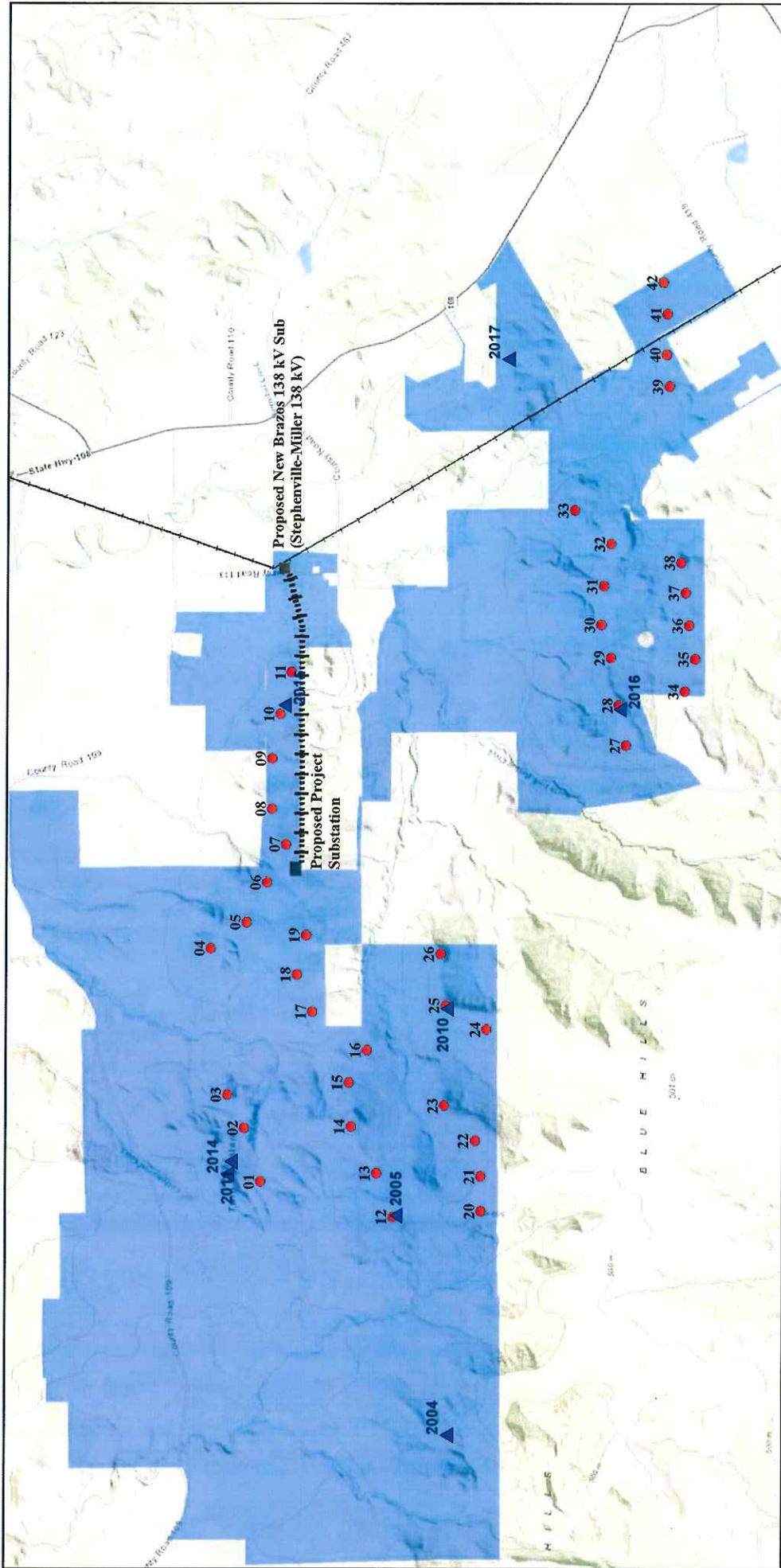
Legend

- GE 2.3-107 Array (96.6 MW)
- Wind Farm Boundary/Reinvestment Zone
- County Borders

Buckthorn Wind Project

07/29/2014



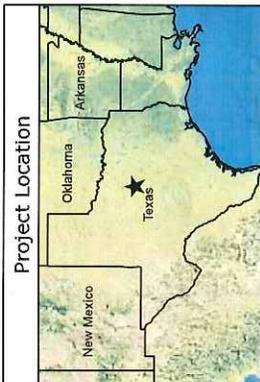


Reference

NAD 1983 UTM Zone 14N

0 0.25 0.5 0.75 1 1.25 Miles

CONFIDENTIAL



Legend

- Met Towers
- GE 2.3-107 Array (96.6 MW)
- Proposed Project 138 kV OHTL
- Existing Transmission (Stephenville-Miller 138 kV)
- Wind Farm Boundary

INFINITY WIND POWER

Buckthorn Wind Project

06/20/2014

EXHIBIT 2

DESCRIPTION AND LOCATION OF THE APPLICANT'S QUALIFIED INVESTMENT

All Qualified Property owned or leased by the Applicant and located within the boundaries of both the Huckabay Independent School District and the *Buckthorn Wind Reinvestment Zone* first placed in service after September 8, 2014 will be included in and subject to this Agreement. Specifically, all Qualified Property of the Applicant located in the sections of land identified in **EXHIBIT 1**.

EXHIBIT 3

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

This Agreement covers all qualified property within Huckabay ISD necessary for the commercial operations of the proposed manufacturing facility described in Tab 4 of the Application. Qualified property includes, but is not limited to:

Buckthorn Wind Project, LLC plans to construct a 96 MW wind farm in Erath County. Approximately 42 wind turbines will be located in Erath County and Huckabay ISD. Turbine selection is ongoing at this time and has not been finalized. For purposes of this application, the project anticipates using either 2.3 MW turbines manufactured by GE or 2.3 MW turbines manufactured by Siemens, although final turbine selection may change.

Buckthorn Wind will also be constructing a generation transmission tie line in Erath County and Huckabay ISD which is estimated to be 2 miles in length.

This application covers all qualified property within Huckabay ISD necessary for the commercial operations of the wind farm. Qualified Investment includes, but is not limited to, turbines, turbine transformers (pad-mounts), towers, foundations, underground collection systems, electrical substation(s), generation transmission tie lines, electrical interconnections, met towers, roads, operations & maintenance buildings, spare parts, and control systems necessary for commercial generation of electricity.

The map in Attachment 11 of the Application shows the proposed project area with the proposed improvement locations. The exact placement of turbines is subject to ongoing planning, wind studies, engineering, and discussions with landowners and turbine manufacturers. The final location of turbines, transmission lines, and supporting structures will be determined before construction begins.