

September 30<sup>th</sup>, 2014

Kenedy Independent School District  
Mr. Thomas Brad Lane  
Superintendent  
401 FM 719  
Kenedy, TX 78119

**RE: Application for Section 313 – Value Limitation Agreement**

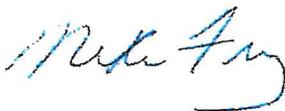
ETC Texas Pipeline, LTD is considering plans to build a Cryogenic Gas Facility for the manufacture of industrial gases in Karnes County, within the Kenedy Independent School District. This will be a 200mmcf/d gas processing plant. The estimated investment for this project will be approximately \$120mm, with estimated completion in 2016.

The positive economic impact stretches beyond the investment by providing a number of jobs during the construction phase, and at least 7 full time local jobs once construction is complete.

ETC Texas Pipeline, LTD is committed to the growth and welfare of the community. We believe our investment in Karnes County affirms our dedication to maintaining a considerable presence in the area.

Attached is our application for property tax limitation. We respectfully request this 10 year limitation under The Appraised Value Limitation on Qualified Property (Chapter 313 of the Texas Tax Code). Please feel free to contact me if you have any questions. I can be reached via telephone 469-298-1594 or by email [mfry@keatax.com](mailto:mfry@keatax.com).

Sincerely,



Mike Fry

# **TAB 01**

**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 not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

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

## SECTION 1: School District Information

### 1. Authorized School District Representative

9/30/14

Date Application Received by District

Thomas Brad

Lane

First Name

Last Name

Superintendent

Title

Kenedy Independent School District

School District Name

401 FM 719

Street Address

401 FM 719

Mailing Address

Kenedy

TX

78119

City

State

ZIP

(830) 583-4100

(830) 583-9950

Phone Number

Fax Number

blane@kenedy.isd.tenet.edu

Email Address

Mobile Number (optional)

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/](http://www.TexasAhead.org/tax_programs/chapter313/)

50-296-A • 05-14/2

**SECTION 1: School District Information (continued)**

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

George First Name	Grimes Last Name
Attorney Title	
Walsh, Anderson, Gallegos, Green and Trevino, P.C. Firm Name	
(210) 979-6633 Phone Number	(210) 979-7024 Fax Number
	ggrimes@wabsa.com Email Address
Mobile Number (optional)	

4. On what date did the district determine this application complete? ..... 10/20/14
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)**

Megan First Name	McKavanagh Last Name
Assistant Controller Title	Energy Transfer Partners, L.P. Organization
800 E. Sonterra Blvd., Suite 400 Street Address	
800 E. Sonterra Blvd., Suite 400 Mailing Address	
San Antonio City	Texas State
210-572-0457 Phone Number	78258-3941 ZIP
	210-403-6664 Fax Number
	megan.mckavanagh@energytransfer.com Business Email Address
Mobile Number (optional)	

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

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

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

**SECTION 2: Applicant Information (continued)**

**4. Authorized Company Consultant (If Applicable)**

Mike Fry  
 First Name Last Name  
 Authorized Agent  
 Title  
 K E Andrews 1900 Dalrock Road; Rowlett, Texas 75088  
 Firm Name  
 469-298-1594 469-298-1619  
 Phone Number Fax Number  
 mfry@keatax.com  
 Business Email Address

**SECTION 3: Fees and Payments**

1. Has an application fee been paid to the school district?  Yes  No  
 The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.  
 1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.  
 For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.
2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)?  Yes  No  N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)?  Yes  No  N/A

**SECTION 4: Business Applicant Information**

1. What is the legal name of the applicant under which this application is made? ETC Texas Pipeline, LTD
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 10505324664
3. List the NAICS code 325110
4. Is the applicant a party to any other pending or active Chapter 313 agreements?  Yes  No  
 4a. If yes, please list application number, name of school district and year of agreement  
Ganado ISD #225, Glasscock ISD #379 and Kenedy ISD #234;

**SECTION 5: Applicant Business Structure**

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Texas Limited Partnership
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, contracts or letters of intent 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 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. Is the applicant evaluating other locations not in Texas for the proposed project?  Yes  No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities?  Yes  No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project?  Yes  No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?  Yes  No

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

# Application for Appraised Value Limitation on Qualified Property

## SECTION 9: Projected Timeline

1. Application approval by school board ..... February 2015
2. Commencement of construction ..... July 2015
3. Beginning of qualifying time period ..... January 2016
4. First year of limitation ..... 2016
5. Begin hiring new employees ..... August 2015
6. Commencement of commercial operations ..... January 2016
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? .....  Yes  No  
**Note:** Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? ..... January 2016

## SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Karnes County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Karnes County CAD
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: Karnes County, .1157 -100% City: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Hospital District: Karnes Co Hospital, .1073- 100% Water District: Evergreen UWCD, .006 -100%  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Other (describe): Karnes Co Rural Fire, .0151- 100% Other (describe): San Antonio River Authority,.017798-100%  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
Karnes Co Road, .0313- 100% Kenedy ISD, 1.1799 - 100%  
(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/](http://www.texasahead.org/tax_programs/chapter313/).

1. At the time of application, what is the estimated minimum qualified investment required for this school district? ..... 20,000,000.00
2. What is the amount of appraised value limitation for which you are applying? ..... 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 tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? .....  Yes  No

**SECTION 12: Qualified Property**

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

**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.

# Application for Appraised Value Limitation on Qualified Property

## 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? ..... 7
5. What is the number of new non-qualifying jobs you are estimating you will create? ..... 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? .....  Yes     No
  - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
  - a. Average weekly wage for all jobs (all industries) in the county is ..... 827.00
  - b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 1,288.38
  - c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 831.96
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? ..... 43,261.90
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 43,261.90
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? .....  Yes     No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? .....  Yes     No
  - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? .....  Yes     No
  - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

## SECTION 15: Economic Impact

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

## Application for Appraised Value Limitation on Qualified Property

### 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   
 Print Name (Authorized School District Representative)

BOARD PRESIDENT  
 Title

sign here   
 Signature (Authorized School District Representative)

10/20/14  
 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 Megan McKavanagh  
 Print Name (Authorized Company Representative (Applicant))

Property Tax Manager  
 Title

sign here   
 Signature (Authorized Company Representative (Applicant))

10.6.2014  
 Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

6 day of October, 2014  
Beverly M. Hernandez  
 Notary Public in and for the State of Texas

My Commission expires: 9.3.2018

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

## APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <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"> <li>a) Project vicinity</li> <li>b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Existing property</li> <li>e) Land location within vicinity map</li> <li>f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> 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"> <li>a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone*</li> <li>c) order, resolution or ordinance establishing the reinvestment zone*</li> <li>d) guidelines and criteria for creating the zone*</li> </ul> <p><b>* To be submitted with application or before date of final application approval by school board</b></p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

# **TAB 02**

Proof of Payment of Application Fee

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

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

# **TAB 03**

Documentation of Combined Group Membership

### Texas Franchise Tax Extension Affiliate List

Tcode 13298

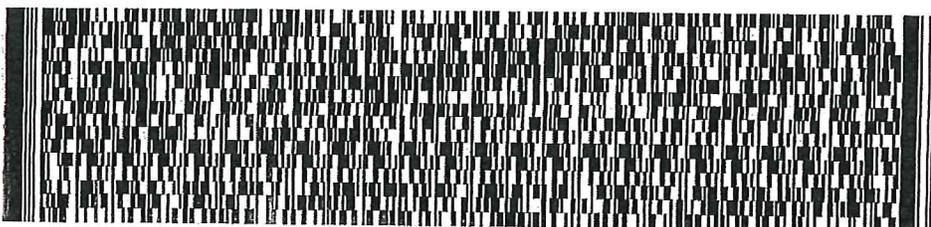
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. ENERGY TRANSFER EQUITY, LP	13001088205	<input type="checkbox"/>
2. ENERGY TRANSFER PARTNERS, LLC	32009602965	<input type="checkbox"/>
3. ENERGY TRANSFER PARTNERS GP, LP	32035928947	<input type="checkbox"/>
4. ENERGY TRANSFER PARTNERS, LP	17314939061	<input type="checkbox"/>
5. ETE GP ACQUIRER LLC	272663248	<input type="checkbox"/>
6. ETE SERVICES COMPANY LLC	273230732	<input checked="" type="checkbox"/>
7. ETE SIGMA HOLDCO, LLC	461111404	<input checked="" type="checkbox"/>
8. REGENCY GP LLC	32018740400	<input type="checkbox"/>
9. REGENCY EMPLOYEES MGMT. HOLDINGS LLC	263818780	<input checked="" type="checkbox"/>
10. REGENCY EMPLOYEES MANAGEMENT LLC	32038474832	<input type="checkbox"/>
11. ETP HOLDCO CORPORATION	383880445	<input checked="" type="checkbox"/>
12. ENERGY TRANSFER EMPLOYEE MGMT COMPANY	32048668597	<input type="checkbox"/>
13. HERITAGE HOLDINGS INC	17313421426	<input checked="" type="checkbox"/>
14. ETE HOLDCO CORPORATION	461476872	<input checked="" type="checkbox"/>
15. SUNOCO PARTNERS LLC	12330968384	<input type="checkbox"/>
16. HERITAGE ETC GP, LLC	262124572	<input checked="" type="checkbox"/>
17. CITRUS ETP FINANCE, LLC	000000000	<input checked="" type="checkbox"/>
18. ETC INTRASTATE PROCUREMENT CO., LLC	32040816962	<input type="checkbox"/>
19. ETC LION PIPELINE LLC	000000000	<input checked="" type="checkbox"/>
20. ENERGY TRANSFER DUTCH HOLDINGS, LLC	000000000	<input checked="" type="checkbox"/>
21. LA GP, LLC	32008328398	<input type="checkbox"/>

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Do not file this form when requesting a second extension.

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

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

10505324730

2014

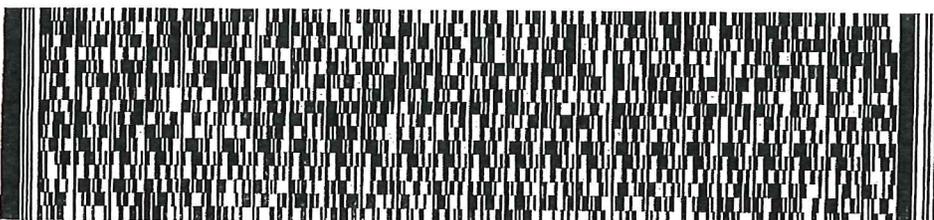
ETC MARKETING, LTD.

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. LA GRANGE ACQUISITION, LP	12700301844	<input type="checkbox"/>
2. FIVE DAWACO, LLC	17526696723	<input type="checkbox"/>
3. ETE COMMON HOLDINGS MEMBER, LLC	462638935	<input checked="" type="checkbox"/>
4. ETE COMMON HOLDINGS, LLC	462641009	<input checked="" type="checkbox"/>
5. TETC, LLC	30119878707	<input type="checkbox"/>
6. TEXAS ENERGY TRANSFER COMPANY, LTD	17527147759	<input type="checkbox"/>
7. LG PL, LLC	32008328323	<input type="checkbox"/>
8. LGM, LLC	32008328273	<input type="checkbox"/>
9. ENERGY TRANSFER FUEL, LP	12010879950	<input type="checkbox"/>
10. ENERGY TRANSFER FUEL GP, LLC	12010879372	<input type="checkbox"/>
11. ET COMPANY I, LTD	32036355710	<input type="checkbox"/>
12. CHALKLEY GATHERING COMPANY, LLC	32036317132	<input type="checkbox"/>
13. WHISKEY BAY GATHERING COMPANY, LLC	17527494011	<input type="checkbox"/>
14. WHISKEY BAY GAS COMPANY, LTD	32036293242	<input type="checkbox"/>
15. ETC TEXAS PIPELINE, LTD	10505324664	<input type="checkbox"/>
16. ETC KATY PIPELINE, LTD	12005806695	<input type="checkbox"/>
17. ETC NEW MEXICO PIPELINE, LP	208345958	<input checked="" type="checkbox"/>
18. TEXAS ENERGY TRANSFER POWER, LLC	32039219558	<input type="checkbox"/>
19. ENERGY TRANSFER RETAIL POWER, LLC	32037649350	<input type="checkbox"/>
20. ETC HYDROCARBONS, LLC	32043825002	<input type="checkbox"/>
21. ETC GATHERING, LLC	32042275977	<input type="checkbox"/>

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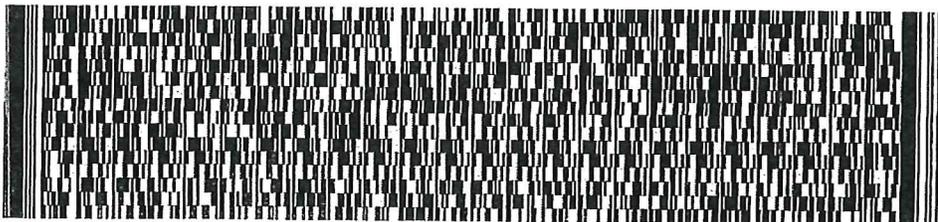
ETC MARKETING, LTD.

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. ETC NGL TRANSPORT, LLC	32043050544	<input type="checkbox"/>
2. ETC NGL MARKETING, LLC	32045171223	<input type="checkbox"/>
3. RICH EAGLEFORD MAINLINE, LLC	32045737890	<input type="checkbox"/>
4. ETC NORTHEAST PIPELINE, LLC	262863396	<input checked="" type="checkbox"/>
5. ETC WATER SOLUTIONS, LLC	271023172	<input checked="" type="checkbox"/>
6. ETC ENDURE ENERGY LLC	32039110427	<input type="checkbox"/>
7. ETC PROLIANCE ENERGY, LLC	463009946	<input checked="" type="checkbox"/>
8. ETC OASIS GP, LLC	32008328356	<input type="checkbox"/>
9. OASIS PIPE LINE, LP	32035638421	<input type="checkbox"/>
10. OASIS PIPE LINE COMPANY	741697911	<input checked="" type="checkbox"/>
11. OASIS PIPE LINE FINANCE COMPANY	17602901427	<input type="checkbox"/>
12. OASIS PARTNER COMPANY	742805537	<input checked="" type="checkbox"/>
13. OASIS PIPE LINE MANAGEMENT COMPANY	17605227754	<input type="checkbox"/>
14. OASIS PIPE LINE COMPANY TEXAS, LP	17605226418	<input type="checkbox"/>
15. HPL HOLDINGS GP, LLC	202218475	<input checked="" type="checkbox"/>
16. HPL HOUSTON PIPE LINE COMPANY, LLC	17109357339	<input type="checkbox"/>
17. HPL GP, LLC	32003574913	<input type="checkbox"/>
18. HPL STORAGE GP, LLC	32016552815	<input type="checkbox"/>
19. HPL ASSET HOLDINGS, LP	17317253676	<input type="checkbox"/>
20. HPL LEASECO, LP	32035468332	<input type="checkbox"/>
21. HOUSTON PIPE LINE COMPANY, LP	15223344779	<input type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

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10505324730

2014

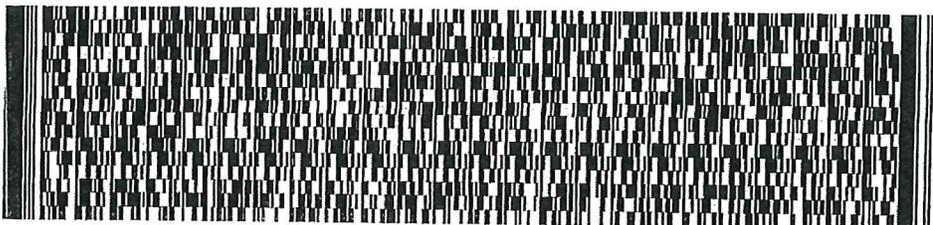
ETC MARKETING, LTD.

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. ENERGY TRANSFER INTL. HOLDINGS, LLC ■	12624625161	■ <input type="checkbox"/>
2. ENERGY TRANSFER PERU, LLC ■	12624628009	■ <input type="checkbox"/>
3. ENERGY TRANSFER MEXICANA, LLC ■	12087711433	■ <input type="checkbox"/>
4. ETC COMPRESSION, LLC ■	32040668116	■ <input type="checkbox"/>
5. SEC ENERGY PRODUCTS & SERVICES, LP ■	13836859648	■ <input type="checkbox"/>
6. SEC-EP REALTY, LTD ■	13201661884	■ <input type="checkbox"/>
7. SEC GENERAL HOLDINGS, LLC ■	13836859630	■ <input type="checkbox"/>
8. ENERGY TRANSFER GROUP, LLC ■	17526185495	■ <input type="checkbox"/>
9. ETC ENERGY TRANSFER LLC ■	32042539679	■ <input type="checkbox"/>
10. ENERGY TRANSFER TECHNOLOGIES, LTD ■	32035797276	■ <input type="checkbox"/>
11. SEC ENERGY REALTY GP, LLC ■	32016638887	■ <input type="checkbox"/>
12. ENERGY TRANSFER INTERSTATE HOLDINGS ■	12084575013	■ <input type="checkbox"/>
13. ETC MIDCONTINENT EXPR. PIPELINE, LLC ■	12084815997	■ <input type="checkbox"/>
14. TRANSWESTERN PIPELINE COMPANY, LLC ■	17412947958	■ <input type="checkbox"/>
15. ETC FAYETTEVILLE EXPR. PIPELINE, LLC ■	12628633435	■ <input type="checkbox"/>
16. ETC FAYETTEVILLE OPERATING CO., LLC ■	12644128402	■ <input type="checkbox"/>
17. ETC TIGER PIPELINE, LLC ■	32038207166	■ <input type="checkbox"/>
18. ETC INTERSTATE PROCUREMENT CO., LLC ■	32040285424	■ <input type="checkbox"/>
19. CROSSCOUNTRY ENERGY LLC ■	200410913	■ <input checked="" type="checkbox"/>
20. CROSSCOUNTRY ALASKA, LLC ■	000000000	■ <input checked="" type="checkbox"/>
21. CROSSCOUNTRY CITRUS, LLC ■	200273331	■ <input checked="" type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

10505324730

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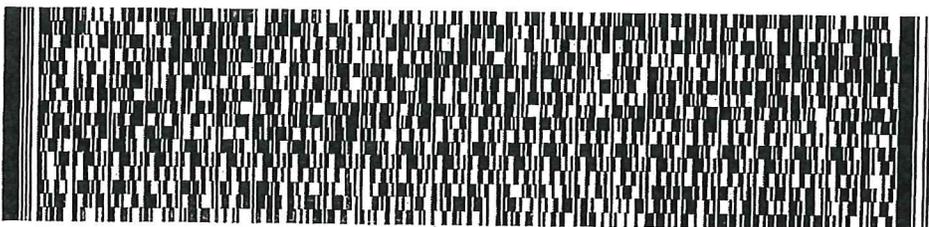
ETC MARKETING, LTD.

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. ETC M A ACQUISITION LLC	300794569	<input checked="" type="checkbox"/>
2. LONE STAR NGL LLC	32043877136	<input type="checkbox"/>
3. LONE STAR NGL ASSET HOLDINGS LLC	32048292661	<input type="checkbox"/>
4. LONE STAR NGL ASSET HOLDINGS II LLC	32044534082	<input type="checkbox"/>
5. LONE STAR NGL ASSET GP LLC	32040707575	<input type="checkbox"/>
6. LONE STAR NGL DEVELOPMENT LP	12025792255	<input type="checkbox"/>
7. LONE STAR NGL PIPELINE LP	12004642067	<input type="checkbox"/>
8. LONE STAR NGL PRODUCT SERVICES LLC	32040502554	<input type="checkbox"/>
9. LONE STAR NGL HATTIESBURG LLC	200784022	<input checked="" type="checkbox"/>
10. LONE STAR NGL MONT BELVIEU GP LLC	32010287475	<input type="checkbox"/>
11. LONE STAR NGL MONT BELVIEU LP	15508151311	<input type="checkbox"/>
12. LONE STAR NGL HASTINGS LLC	32028042987	<input type="checkbox"/>
13. LONE STAR NGL REFINERY SERVICES LLC	32027489684	<input type="checkbox"/>
14. LONE STAR NGL SEA ROBIN LLC	12001184220	<input checked="" type="checkbox"/>
15. LONE STAR NGL FRACTIONATORS LLC	32044534058	<input type="checkbox"/>
16. LONE STAR NGL MARKETING LLC	19008502809	<input type="checkbox"/>
17. ETP NEWCO 1, LLC	452705110	<input checked="" type="checkbox"/>
18. ETP NEWCO 2, LLC	452705184	<input checked="" type="checkbox"/>
19. ETP NEWCO 3, LLC	452705253	<input checked="" type="checkbox"/>
20. ETP NEWCO 4, LLC	452705323	<input checked="" type="checkbox"/>
21. ETP NEWCO 5, LLC	452705382	<input checked="" type="checkbox"/>

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Tcode 13298

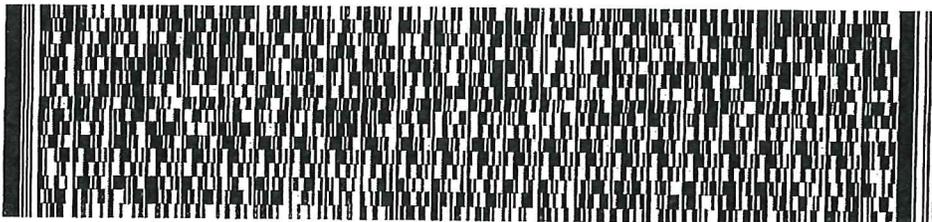
Reporting entity taxpayer number 10505324730	Report year 2014	Reporting entity taxpayer name ETC MARKETING, LTD.
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. ENERGY TRANSFER CRUDE OIL CO., LLC	460990429	<input checked="" type="checkbox"/>
2. ENERGY TRANSFER LNG EXPORT, LLC	461486697	<input checked="" type="checkbox"/>
3. EASTERN GULF CRUDE ACCESS, LLC	32050835142	<input type="checkbox"/>
4. ATLANTIC PETROLEUM (OUT) LLC	233102659	<input checked="" type="checkbox"/>
5. ATLANTIC PETROLEUM CORPORATION	232360187	<input checked="" type="checkbox"/>
6. ATLANTIC PETROLEUM DELAWARE CORP.	260006720	<input checked="" type="checkbox"/>
7. ATLANTIC PIPELINE (OUT) L.P.	32035944472	<input type="checkbox"/>
8. ATLANTIC REFINING & MARKETING CORP.	232360183	<input checked="" type="checkbox"/>
9. SUNOCO, LLC	32052897033	<input type="checkbox"/>
10. EXCEL PIPELINE LLC	364664158	<input checked="" type="checkbox"/>
11. JALISCO CORPORATION	521996257	<input checked="" type="checkbox"/>
12. LESLEY CORPORATION	232269260	<input checked="" type="checkbox"/>
13. LIBRE INSURANCE COMPANY, LTD.	980390343	<input checked="" type="checkbox"/>
14. MASCOT, INC. (MA)	510414753	<input checked="" type="checkbox"/>
15. MID-CONTINENT PIPE LINE (OUT) LLC	12331026612	<input type="checkbox"/>
16. PUERTO RICO SUN OIL COMPANY LLC	986051882	<input checked="" type="checkbox"/>
17. SUN ALTERNATE ENERGY CORPORATION	232376903	<input checked="" type="checkbox"/>
18. SUN ATLANTIC REF. & MARKETING BV INC.	232817087	<input checked="" type="checkbox"/>
19. SUN ATLANTIC REFINING & MARKETING CO.	232523828	<input checked="" type="checkbox"/>
20. SUN CANADA, INC.	232321801	<input checked="" type="checkbox"/>
21. SUN COMPANY, INC.	231891622	<input checked="" type="checkbox"/>

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VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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### Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

10505324730

2014

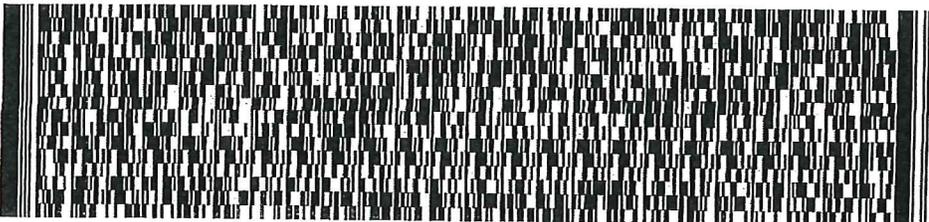
ETC MARKETING, LTD.

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. SUN COMPANY, INC.	510381984	<input checked="" type="checkbox"/>
2. SUN MEXICO ONE, INC.	232764968	<input checked="" type="checkbox"/>
3. SUN MEXICO TWO, INC.	232764967	<input checked="" type="checkbox"/>
4. SUN OIL COMPANY	12318682379	<input type="checkbox"/>
5. SUN OIL EXPORT COMPANY	231868238	<input checked="" type="checkbox"/>
6. SUN OIL INTERNATIONAL, INC.	231614311	<input checked="" type="checkbox"/>
7. SUN PETROCHEMICALS, INC.	12322759577	<input type="checkbox"/>
8. SUN PIPE LINE COMPANY	12331026539	<input type="checkbox"/>
9. SUN PIPE LINE COMPANY OF DELAWARE LLC	12053835893	<input checked="" type="checkbox"/>
10. SUN PIPE LINE DELAWARE (OUT) LLC	32026944572	<input type="checkbox"/>
11. SUN REFINING AND MARKETING COMPANY	232673653	<input checked="" type="checkbox"/>
12. SUN SERVICES CORPORATION	231983954	<input checked="" type="checkbox"/>
13. SUN TRANSPORT, LLC	330997959	<input checked="" type="checkbox"/>
14. SUN-DEL PIPELINE LLC	421707487	<input checked="" type="checkbox"/>
15. SUN-DEL SERVICES, INC.	232075538	<input checked="" type="checkbox"/>
16. SUNMARKS, LLC	232608837	<input checked="" type="checkbox"/>
17. SUNOCO LOGISTICS PARTNERS GP LLC	233102658	<input checked="" type="checkbox"/>
18. SUNOCO LOGISTICS PARTNERS L.P.	233096839	<input checked="" type="checkbox"/>
19. SUNOCO LOGISTICS PARTNERS OPER GP LLC	12331026604	<input type="checkbox"/>
20. SUNOCO LOGISTICS PARTNERS OPER. LP	233102657	<input checked="" type="checkbox"/>
21. SUNOCO OVERSEAS, INC.	231614275	<input checked="" type="checkbox"/>

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# Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

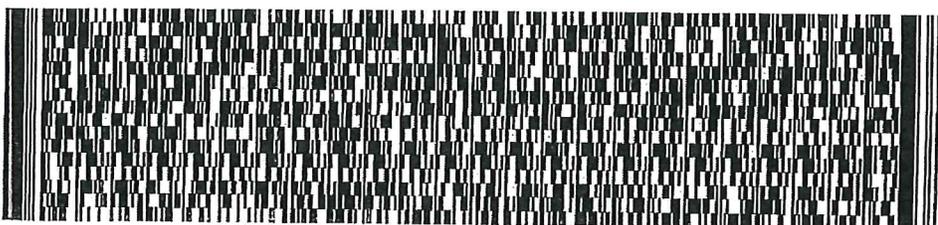
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER <small>(if none, enter FEI number)</small>	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. SUNOCO PARTNERS BUTANE BLENDING LLC ■	32040440029	■ <input type="checkbox"/>
2. SUNOCO PRNRS LEASE ACQ. & MARKETING ■	12331026547	■ <input type="checkbox"/>
3. SUNOCO PRNRS MARKETING & TERMINALS ■	12331026554	■ <input type="checkbox"/>
4. SUNOCO PRNRS REAL ESTATE ACQ. LLC ■	454863906	■ <input checked="" type="checkbox"/>
5. SUNOCO PIPELINE ACQUISITION LLC ■	205036443	■ <input checked="" type="checkbox"/>
6. SUNOCO PIPELINE L.P. ■	12331026562	■ <input type="checkbox"/>
7. SUNOCO POWER GENERATION LLC ■	593776575	■ <input checked="" type="checkbox"/>
8. SUNOCO POWER MARKETING, LLC ■	12328740514	■ <input checked="" type="checkbox"/>
9. SUNOCO RECEIVABLES CORPORATION, INC. ■	233078207	■ <input checked="" type="checkbox"/>
10. SUNOCO, INC. ■	231743282	■ <input checked="" type="checkbox"/>
11. SUNOCO, INC. (R&M) ■	12317432834	■ <input checked="" type="checkbox"/>
12. SUPERFUND MANAGEMENT OPERATIONS LLC ■	464218026	■ <input checked="" type="checkbox"/>
13. THE NEW CLAYMONT INVESTMENT COMPANY ■	364721891	■ <input checked="" type="checkbox"/>
14. SOUTHERN UNION COMPANY ■	17505715924	■ <input type="checkbox"/>
15. SUGAIR AVIATION COMPANY ■	30118251286	■ <input checked="" type="checkbox"/>
16. P.E.C.-S.O.C. MASSACHUSETTS ACQ. ■	10504975375	■ <input checked="" type="checkbox"/>
17. SOUTHERN UNION GAS COMPANY ■	30002759097	■ <input type="checkbox"/>
18. SOUTHERN UNION PANHANDLE, LLC ■	17427719418	■ <input checked="" type="checkbox"/>
19. SU PIPELINE MANAGEMENT, LP ■	32038446053	■ <input checked="" type="checkbox"/>
20. ENHANCED SERVICE SYSTEMS, INC. ■	15104010036	■ <input checked="" type="checkbox"/>
21. ENERGY TRANSFER DATA CENTER, LLC ■	32045827378	■ <input type="checkbox"/>

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■ Tcode 13298

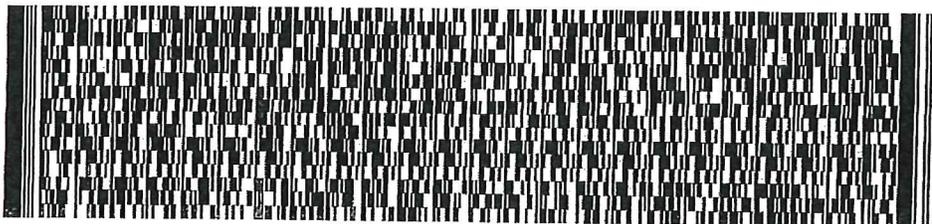
■ Reporting entity taxpayer number 10505324730	■ Report year 2014	Reporting entity taxpayer name ETC MARKETING, LTD.
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. PEI POWER CORPORATION	12329335785	<input checked="" type="checkbox"/>
2. CCE ACQUISITION LLC	32038446061	<input checked="" type="checkbox"/>
3. PANHANDLE EASTERN PIPE LINE CO., LP	14403824700	<input type="checkbox"/>
4. PAN GAS STORAGE, LLC	14311734488	<input type="checkbox"/>
5. PANHANDLE ENERGY LNG SERVICES, LLC	12048999408	<input type="checkbox"/>
6. PANHANDLE STORAGE, LLC	17603185608	<input checked="" type="checkbox"/>
7. PANHANDLE HOLDINGS, LLC	32004413939	<input type="checkbox"/>
8. TRUNKLINE GAS COMPANY, LLC	17411038841	<input type="checkbox"/>
9. TRUNKLINE DEEPWATER PIPELINE, LLC	16305715936	<input checked="" type="checkbox"/>
10. TRUNKLINE OFFSHORE PIPELINE, LLC	16310345893	<input checked="" type="checkbox"/>
11. SEA ROBIN PIPELINE COMPANY, LLC	17206544011	<input checked="" type="checkbox"/>
12. TRUNKLINE LNG COMPANY, LLC	17417689613	<input type="checkbox"/>
13. TRUNKLINE FIELD SERVICES, LLC	17605961907	<input checked="" type="checkbox"/>
14. CCE HOLDINGS, LLC	12012750506	<input checked="" type="checkbox"/>
15. NEW ENGLAND GAS APPLIANCE COMPANY	10460444598	<input checked="" type="checkbox"/>
16. RGP WESTEX G&P I LTD	17524680836	<input type="checkbox"/>
17. LEAPARTNERS, LP	17523243248	<input type="checkbox"/>
18. WEST TEXAS GATHERING COMPANY	17509760942	<input type="checkbox"/>
19. RGP WESTEX GATHERING INC.	17524001447	<input type="checkbox"/>
20. MI VIDA GENPAR, LLC	17528264686	<input type="checkbox"/>
21. RGP WESTEX G&P II LTD	32036219262	<input type="checkbox"/>

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**Texas Franchise Tax Extension Affiliate List**

**Tcode** 13298

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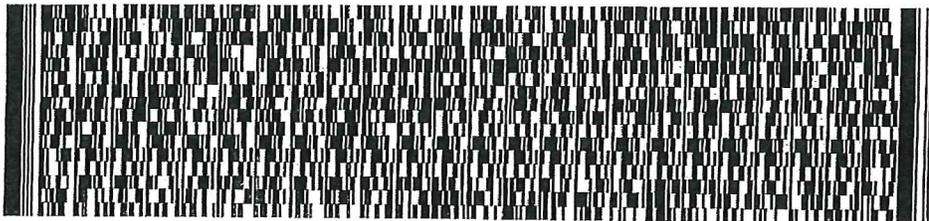
LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. RGU WEST LLC	12000684733	<input type="checkbox"/>
2. SU GAS SERVICES OPERATING CO., INC.	17429588449	<input type="checkbox"/>
3. RGP MARKETING LLC	32033247514	<input type="checkbox"/>
4. RGP HOLDCO II LLC	13202056050	<input checked="" type="checkbox"/>
5. RGP HOLDCO I LLC	17515185316	<input checked="" type="checkbox"/>
6. TRUNKLINE LNG EXPORT, LLC	32050904450	<input type="checkbox"/>
7. LAKE CHARLES LNG EXPORTS, LLC	462057292	<input checked="" type="checkbox"/>
8. SU HOLDING COMPANY, INC	17429395225	<input checked="" type="checkbox"/>
9. PG ENERGY, INC	240717235	<input checked="" type="checkbox"/>
10. PEPL HOLDINGS, LLC	453343570	<input checked="" type="checkbox"/>
11. SUGS HOLDINGS, LLC	000000000	<input checked="" type="checkbox"/>
12. SUCO LLC	000000000	<input checked="" type="checkbox"/>
13. SUCO LP	000000000	<input checked="" type="checkbox"/>
14. CHEMICAL MANUFACTURING OPERATIONS	464140939	<input checked="" type="checkbox"/>
15. EVERGREEN ASSURANCE, LLC	464117496	<input checked="" type="checkbox"/>
16. EVERGREEN CAPITAL HOLDINGS, LLC	320422059	<input checked="" type="checkbox"/>
17. EVERGREEN RESOURCES GROUP, LLC	464258429	<input checked="" type="checkbox"/>
18. EVERGREEN RESOURCES MGMT OPER. LLC	464248748	<input checked="" type="checkbox"/>
19. EXPLORATION & PRODUCTION OPER. LLC	464143752	<input checked="" type="checkbox"/>
20. LEGACY REFINING OPERATIONS LLC	464154132	<input checked="" type="checkbox"/>
21. MACS RETAIL LLC	541766927	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

**Texas Comptroller Official Use Only**

VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
-------	--------------------------	----	--------------------------



1062

Texas Franchise Tax Extension Affiliate List

Tcode 13298

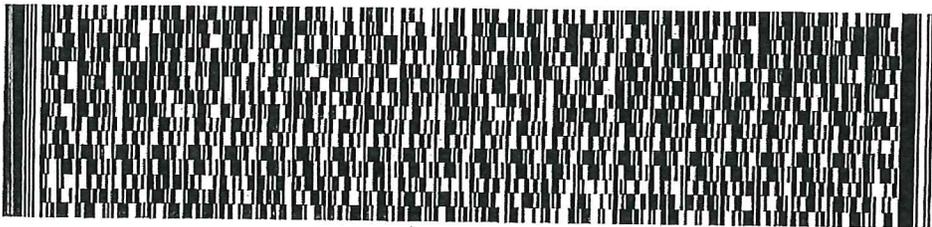
Reporting entity taxpayer number 10505324730	Report year 2014	Reporting entity taxpayer name ETC MARKETING, LTD.
-------------------------------------------------	---------------------	-------------------------------------------------------

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. MARCUS HOOK REFINERY OPERATIONS	464166587	<input checked="" type="checkbox"/>
2. MINING OPERATIONS	464173410	<input checked="" type="checkbox"/>
3. PHILADELPHIA REFINERY OPERATIONS LLC	464184955	<input checked="" type="checkbox"/>
4. PIPELINE OPERATIONS LLC	464194944	<input checked="" type="checkbox"/>
5. REAL PROPERTY OPERATIONS LLC	464203578	<input checked="" type="checkbox"/>
6. RETAIL/SERVICE STATION OPERATIONS LLC	464207229	<input checked="" type="checkbox"/>
7. TERMINAL OPERATIONS LLC	464229079	<input checked="" type="checkbox"/>
8. TPL MANAGEMENT OPERATIONS LLC	464240127	<input checked="" type="checkbox"/>
9. TRUNKLINE LNG HOLDINGS LLC	17606992869	<input type="checkbox"/>
10. HSC ACQUIRER LLC	32052720839	<input type="checkbox"/>
11. WESTEX ENERGY LLC	32050370629	<input type="checkbox"/>
12. SOUTHSIDE OIL, LLC	541904070	<input checked="" type="checkbox"/>
13. MID ATLANTIC CONVENIENCE STORES, LLC	272681601	<input checked="" type="checkbox"/>
14.		<input type="checkbox"/>
15.		<input type="checkbox"/>
16.		<input type="checkbox"/>
17.		<input type="checkbox"/>
18.		<input type="checkbox"/>
19.		<input type="checkbox"/>
20.		<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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1062

# **TAB 04**

Detailed Description of Project

**DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT**  
**KENEDY INDEPENDENT SCHOOL DISTRICT**

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

However, ETC could redirect its expenditures to build plants in other Texas Counties or the following states.

**Kansas**  
**Louisiana**  
**New Mexico**  
**Oklahoma**

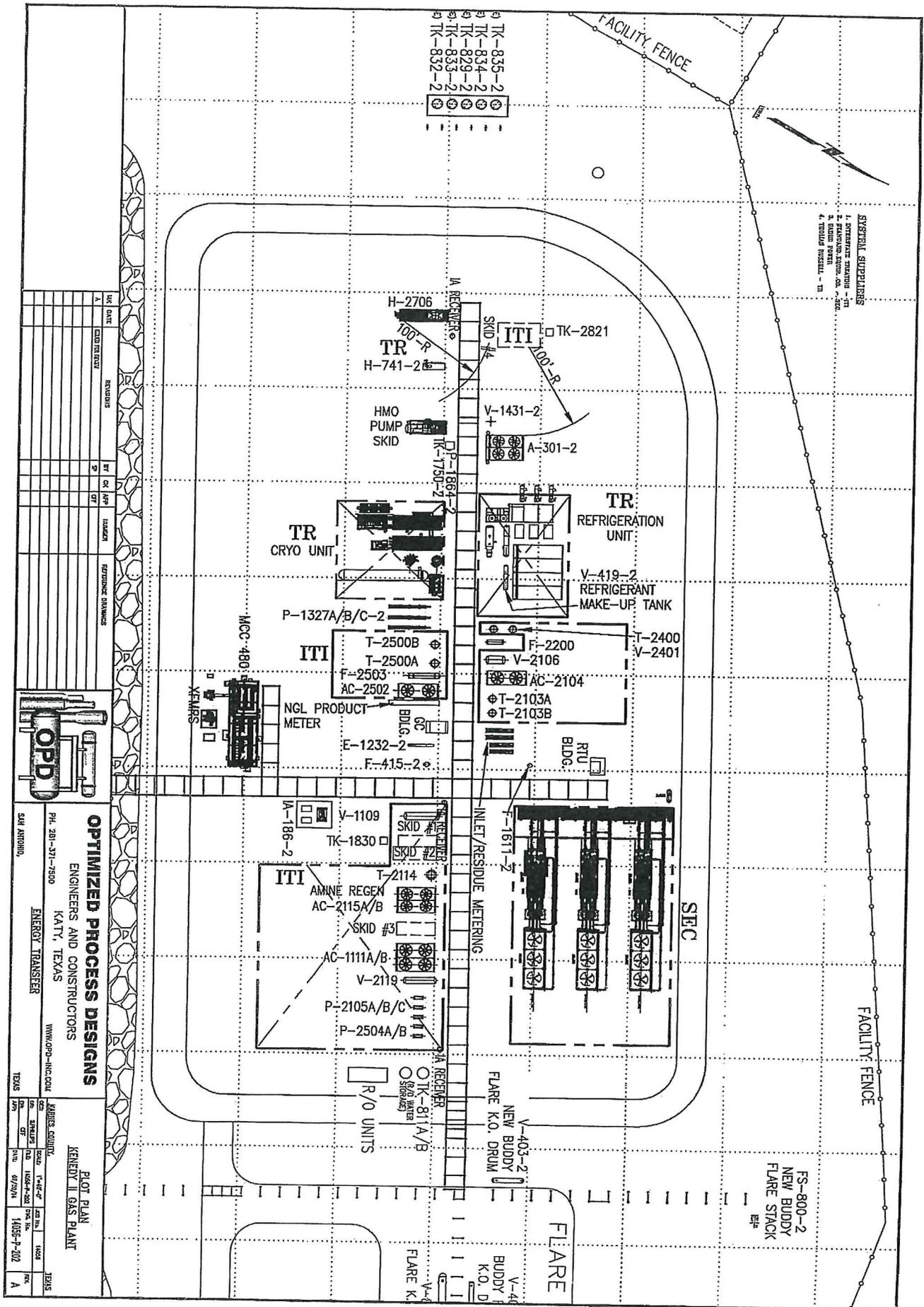
**Proposed Project Description**

ETC Texas Pipeline, LTD proposes to build a new 200 mmscf/d Gas Processing Plant in Kenedy ISD/Karnes County, Texas.

**Cryogenic Natural Gas Processing Plant**

The Kenedy II Plant would include the installation of a refrigerated cryogenic gas plant. If completed, the Kenedy II Gas Processing Plant will be designed to process 200mmcf/d of gas and would include the following components, providing long-term processing, compression and residue gas takeaway:

- Buildings, Foundations, Inlet Separator, Amine Unit, Boilers, Heat Exchangers, Natural Gas/Air/H<sub>2</sub>O Piping, Control
- Valves, Dehydration Units, Knock Out Drums, Slug Catcher, Compressors, Vessels, Heat Exchanger, SCADA plus Controls.
- ENVIRONMENTAL: (A) Flare-Stack, Scrubber, Leak Detection; (L) Liners, Containment.



- SYSTEM SUPPLIERS**
1. PREFERRED MANUFACTURER - ITI
  2. PREFERRED MANUFACTURER - SKID
  3. PREFERRED MANUFACTURER - RTU
  4. PREFERRED MANUFACTURER - RTU

NO.	DATE	REVISIONS	BY	CHK	APP	STATUS	APPROVED DRAWING
1							
2							
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4							
5							
6							
7							
8							
9							
10							

**OPTIMIZED PROCESS DESIGNS**  
**ENGINEERS AND CONSTRUCTORS**  
 KATY, TEXAS  
 ENERGY TRANSFER

PH. 281-371-7500  
 WWW.OPD-INC.COM  
 SAN ANTONIO, TEXAS

NO.	DATE	REVISIONS	BY	CHK	APP	STATUS	APPROVED DRAWING
1							
2							
3							
4							
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10							

**PILOT PLAN**  
**KENERDY II GAS PLANT**

DATE: 10/24/11  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 APPROVED BY: [Name]

# **TAB 05**

Limitation as Determining Factor

**Ability to locate or relocate:**

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

However, ETC could redirect its expenditures to build plants in other Texas Counties or the following states.

**Kansas**  
**Louisiana**  
**New Mexico**  
**Oklahoma**

**TAB 06**

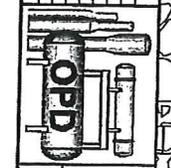
**N/A**

**TAB 07**

**GENERAL SUPPLIERS**  
 1. INSTRUMENT TRANSDUCERS - ITI  
 2. VALVES - FLOCON, CO. - FLOCON  
 3. PUMPS - FLOCON, CO. - FLOCON  
 4. THERMAL INSULATION - IN

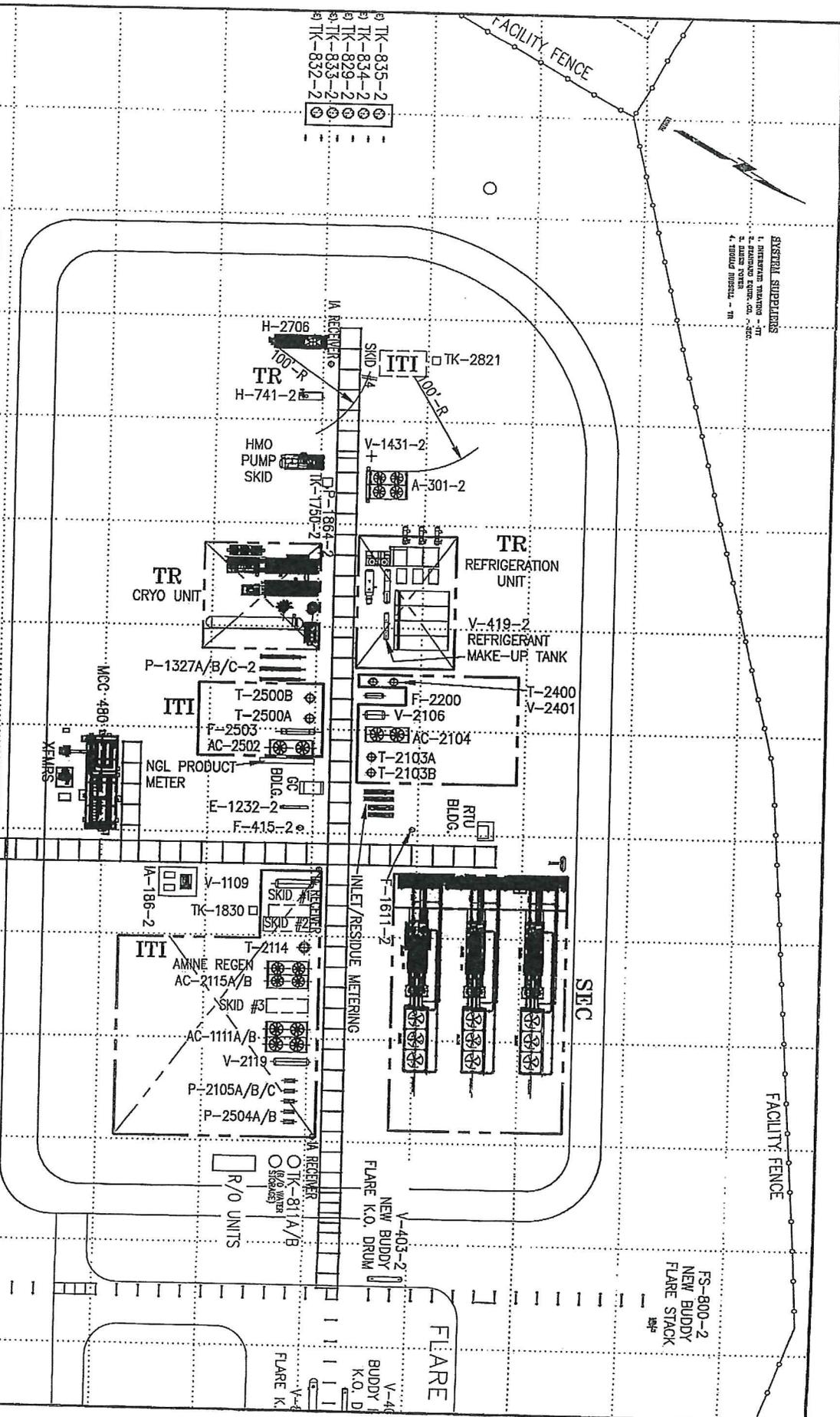
- TK-835-2
- TK-834-2
- TK-829-2
- TK-833-2
- TK-832-2

REV	DATE	BY	CHK	APP	REVISIONS
1					
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**OPTIMIZED PROCESS DESIGNS**  
 ENGINEERS AND CONSTRUCTORS  
 KATY, TEXAS  
 ENERGY TRANSFER  
 WWW.OPD-INC.COM  
 PH: 281-571-7500  
 5411 AMBROS

NO.	REVISED	DATE	BY	CHK	APP	REVISIONS
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**PLANT PLAN**  
 KENEDY II GAS PLANT  
 TEXAS  
 SHEET NO. 14856-P-202  
 DATE 07/20/74

**DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT**  
**KENEDY INDEPENDENT SCHOOL DISTRICT**

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

However, ETC could redirect its expenditures to build plants in other Texas Counties or the following states.

**Kansas**  
**Louisiana**  
**New Mexico**  
**Oklahoma**

**Proposed Project Description**

ETC Texas Pipeline, LTD proposes to build a new 200 mmscf/d Gas Processing Plant in Kenedy ISD/Karnes County, Texas.

**Cryogenic Natural Gas Processing Plant**

The Kenedy II Plant would include the installation of a refrigerated cryogenic gas plant. If completed, the Kenedy II Gas Processing Plant will be designed to process 200mmcf/d of gas and would include the following components, providing long-term processing, compression and residue gas takeaway:

- Buildings, Foundations, Inlet Separator, Amine Unit, Boilers, Heat Exchangers, Natural Gas/Air/H<sub>2</sub>O Piping, Control
- Valves, Dehydration Units, Knock Out Drums, Slug Catcher, Compressors, Vessels, Heat Exchanger, SCADA plus Controls.
- ENVIRONMENTAL: (A) Flare-Stack, Scrubber, Leak Detection; (L) Liners, Containment.

# **TAB 08**

Please refer to Tab 07

**TAB 09**

### GENERAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORD: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DATE: January 20, 2012

GRANTOR: **PEGGY SUE'S LLC,**  
a Texas limited liability company

GRANTOR'S MAILING ADDRESSES:  
5825 Tammy Drive  
Manvel, Brazoria County, Texas 77578

GRANTEE: **ETC TEXAS PIPELINE, LTD.,**  
a Texas limited partnership

GRANTEE'S MAILING ADDRESS:  
Attention: Land & ROW Department  
711 Louisiana, Suite 900  
Houston, Harris County, Texas 77002

CONSIDERATION: Ten dollars cash and other good and valuable considerations (\$10.00 & OVC), the receipt and sufficiency of which are hereby acknowledged.

PROPERTY (including all improvements): All of those certain tracts or parcels of land containing 319.98 acres, more or less, the First Tract being 143.28 acres situated in the J. O'Donovan Survey, A-222, together with the Second Tract of 176.7 acres, being 93.7 acres situated in the A. Aulander Survey, A-20, and 83 acres situated in the Frisbie Survey, A-115, Karnes County, Texas, and being the same lands described in that certain Correction Special Warranty Deed dated October 28, 2009, from Michele M. Becker, individually and as Administratrix, to Peggy Sue's LLC, a Texas limited liability company, filed for record on November 6, 2009, and recorded in Volume 909, at Page 535, Official Public Records, Karnes County, Texas, the same also being more particularly described by metes and bounds within EXHIBIT "A", and depicted upon the Survey Plat identified as EXHIBIT "B", both attached hereto and made a part hereof for all purposes.

Initials: MS

*Said lands may be further identified collectively by Karnes County Tax Property ID Numbers 67160, 67161 and 67162 (Property ID Numbers for information only).*

RESERVATIONS FROM CONVEYANCE: None.

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. standby fees, taxes and assessments by any taxing authority for the year 2012 and subsequent years, and subsequent taxes and assessments for that and prior years due to change in land usage, the payment of all of which Grantee assumes;
2. validly existing easements and rights-of-way manifested among the public records in the office of the County Clerk of Karnes County, Texas; and
3. recorded reservations, transfers or leases of oil, gas and/or other minerals.

GRANT: GRANTOR, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to GRANTEE the PROPERTY, together with all and singular the rights and appurtenances thereto in any way belonging to Grantee, its successors and assigns forever, to have and to hold the Property to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the PROPERTY to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty set forth above.

GRANTOR:

**PEGGY SUE'S LLC,**  
a Texas limited liability company

BY:

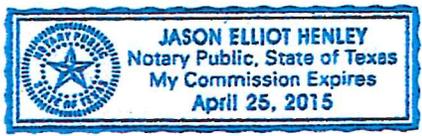


**MICHELE M. BECKER**  
PRESIDENT & SOLE MEMBER

STATE OF TEXAS )  
COUNTY OF Harris )

20<sup>th</sup> The foregoing Warranty Deed was acknowledged before me on this, the day of January, 2012, by MICHELE M. BECKER, as President and Sole Member and for and on behalf of PEGGY SUE'S LLC, a Texas limited liability company.

*Jason Elliot Henley*  
NOTARY PUBLIC  
In and for the State of Texas



After recording, return to:  
ETC TEXAS PIPELINE, LTD.  
Attention: Land & ROW Dept.  
711 Louisiana, Suite 900  
Houston, TX 77002

**EXHIBIT "A"**

*Attached to and made a part of that certain Warranty Deed from PEGGY SUE'S LLC to ETC TEXAS PIPELINE, LTD.*

FIRST TRACT:

All that certain tract or parcel of land lying and being situated in the County of Karnes, State of Texas, and being a part of the J. O'Donovan Grant or Survey, being Lot No. One (1), Block A, of the Subdivision of the S. C. Butler Ranch lands, and described by metes and bounds as follows, to-wit:

BEGINNING at a stake standing in the Southwest boundary of the James Priest League of land;  
THENCE North 20 degrees West with Southwest line of said James Priest Survey 1486 varas to a stake for a corner;  
THENCE West across said J. O'Donovan Survey 310 varas to a stake for corner in the East boundary line of the A. Aulander Survey;  
THENCE South with the East line of said A. Aulander Survey and C. Frisbie Survey 1329 varas to a stake for corner standing in the North margin of a 30 foot road;  
THENCE East with the North margin of said road 812 varas to the place of BEGINNING; CONTAINING 143.28 acres of land.  
Being the same land conveyed by G. N. Lynch and wife, to J. W. Tompkins by Deed dated November 22, 1923, and recorded in Volume 70, Page 600, of the Deed Records of Karnes County, Texas, to which reference is hereby made for all purposes.

SECOND TRACT:

All that certain tract or parcel of land lying and being situated in Karnes County, Texas, and described as follows, to-wit:

BEGINNING at a stake standing West 310 varas from the Northeast corner of a 5700 acres of land allotted to S. C. Butler out of the W. G. Butler Estate.  
THENCE South with the division line of the J. O'Donovan and A. Aulander Surveys and the O'Donovan and Frisbie Surveys 1400.9 varas to a stake for the Southeast corner of this tract set in North margin of a road;  
THENCE North 89 degrees West with the North margin of said road, 715.5 varas, to a stake for Southwest corner of this tract;  
THENCE North at 575 varas the North line of the Chas. Frisbie Survey in all 1396 varas, to a stake for Northwest corner of this tract;  
THENCE East 713 varas to the place of BEGINNING; CONTAINING 176-7/10 acres of land. 93-7/10 acres out of the Aulander Survey and 83 acres out of the Frisbie Survey, situated in Karnes County, Texas, about 12 miles Southwest from Karnes City, and same being Lot 2, Block A of the Subdivision of the S. C. Butler Ranch.

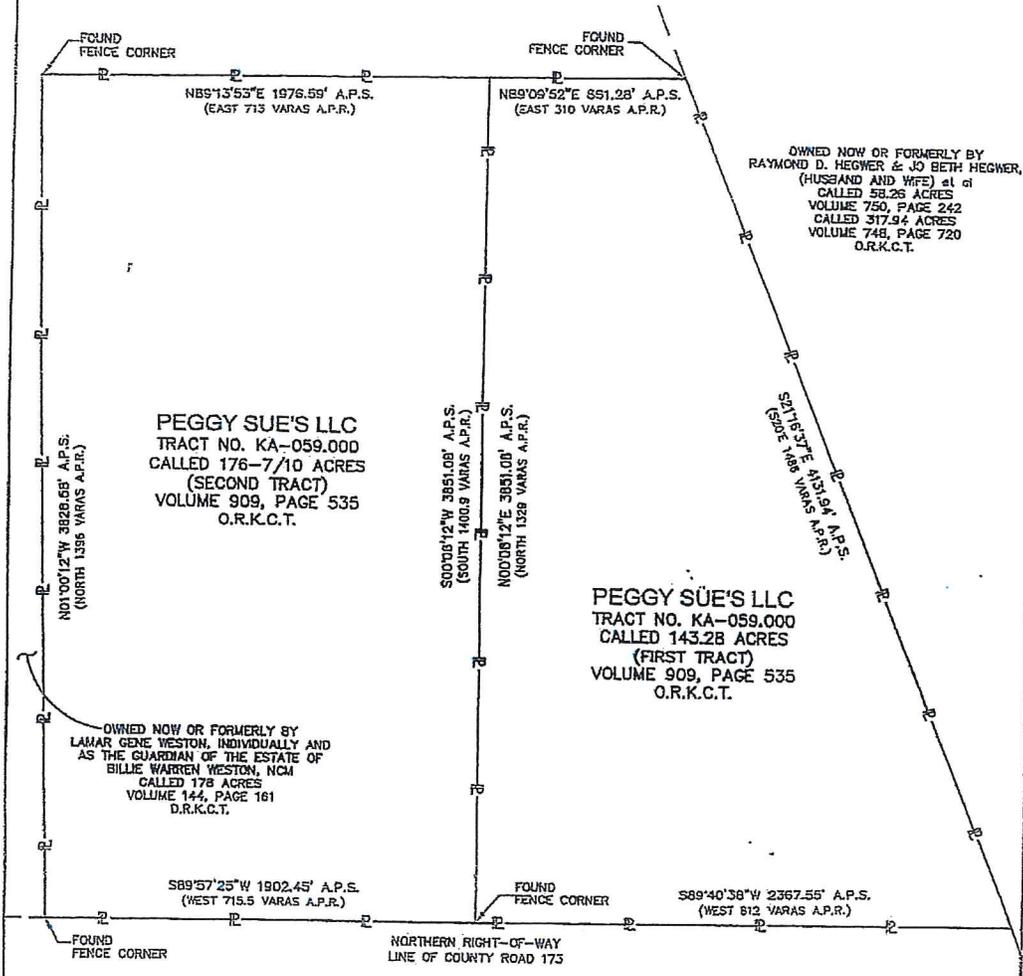
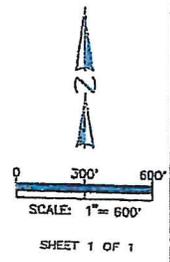
Initials: NS

**LEGEND**

- P. PROPERTY LINE
- T. TEXAS
- R. RIGHT OF WAY
- H. HIGHWAY
- C. CONC.
- M. MON.
- F. FND.
- A.P.S. AS PER SURVEY
- A.P.R. AS PER RECORD
- O.R.K.C.T. OFFICIAL RECORDS KARNES COUNTY, TEXAS
- D.R.K.C.T. DEED RECORDS KARNES COUNTY, TEXAS

**EXHIBIT "B"**

LANDS LYING WITHIN AND BEING A PART OF THE J. O'DONOVAN SURVEY, A-222, THE A. AULANER SURVEY, A-20 AND THE FRISBIE SURVEY, A-115  
KARNES COUNTY, TEXAS



**NOTES:**

1. NORTH IS DERIVED FROM STATIC TIES TO EXISTING NGS MONUMENTS AND TRANSFORMED INTO THE TEXAS SOUTH CENTRAL STATE PLANE COORDINATE SYSTEM, NAD 83, U.S. SURVEY FOOT BY MEANS OF A GLOBAL POSITIONING SYSTEM (GPS) SURVEY PERFORMED BY HATCH MOTT MACDONALD.
2. INFORMATION DEPICTED HEREON IS BASED ON DEEDS SUPPLIED BY CLIENT.
3. TITLE RESEARCH PERFORMED BY OTHERS.
4. THIS IS AN EXHIBIT DRAWING AND IS NOT INTENDED TO REPRESENT A BOUNDARY SURVEY.

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

*Chris J. Broussard* 1/10/12  
DATE: \_\_\_\_\_

CHRIS J. BROUSSARD  
RPLS NO. 6107  
PHONE (832)736-9530  
FAX (832)736-9580



Hatch Mott MacDonald  
2850 Cullen Pkwy, Suite 201, Pearland, TX 77584  
T: (832) 736-9500 • F: (832) 736-9530

RICH EAGLEFORD MAINLINE 30" PIPELINE PROJECT KARNES COUNTY, TEXAS		ENERGY TRANSFER	
DESIGNED BY	CD	DATE	01/10/12
CHECKED BY	CD	DATE	01/10/12
APPROVED BY	CD	DATE	01/10/12
PROJECT NO.	45101510	SCALE	1" = 600'
REV.	DATE	REVISION	

Initials:  
*MS*

UNANIMOUS WRITTEN CONSENT OF MEMBERS  
OF  
PEGGY SUE'S LLC

Pursuant to the Texas Business Organization Codes, the undersigned, being the sole member of Peggy Sue's LLC (the "Company"), authorizes, by her signature below, the following resolutions:

Sale of Karnes County Property

WHEREAS, the Company is the owner and shall sell its two tracts of land in Karnes County, Texas; First Tract being 143.28 acres of land, more or less, being a part of the J. O'Donovan Grant or Survey, and Second Tract being 176.7 acres of land, being comprised of 93.7 acres out of the Aulander Survey and 83.0 acres out of the Frisbie Survey (the "Property") to ETC Texas Pipeline, Ltd. pursuant to the contract dated January 9, 2012; and

WHEREAS, sole Member Michele M. Becker is authorized to execute all contracts, closing documents and any other documents necessary to conclude the sale of the Property.

Resolutions

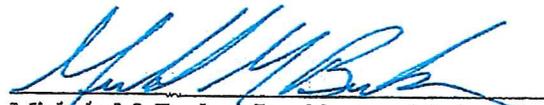
NOW, THEREFORE, be it:

RESOLVED, that the sale of the Company's Property in Karnes County, Texas to ETC Texas Pipeline, Ltd., is hereby ratified and approved; and

RESOLVED FURTHER, that Michele M. Becker is hereby authorized and directed to execute all documents, including, but not limited to, contracts, deeds, closing statements, and all other documents that are necessary to conclude the sale of the Property.

This consent may be executed in one or more parts, all of which together shall constitute the same instrument.

Dated: January 20<sup>th</sup>, 2012

  
Michele M. Becker, President and Sole  
Member

# Karnes County Appraisal District

Chief Appraiser - Jesse Hubbell



Official Website

Hosted By Pritchard & Abbott, Inc.



## General Real Estate Property Information

[New Property Search](#)

[Go To Previous Page](#)

Property ID: 67160

Account / Geo Number:  
10561000000000

Property Legal Description:  
AB 222 J O DONOVAN TR A  
(1026/548)  
(CORR 909/535)

Survey / Sub Division Abstract:  
AB 222 J O DONOVAN

Block:

Property Location:  
0 CR 171  
TX

Section / Lot:  
TR A

Owner Information:  
ETC TEXAS PIPELINE LTD  
ATTENTION LAND & ROW DEPARTMENT  
711 LOUISIANA SUTE 900  
HOUSTON TX 77002

[View Building Detail Information](#)

[View Land Detail Information](#)

Previous Owner:  
PEGGY SUES LLC

[View Previous Owner Information](#)

Deed Information:  
Volume: 1026  
Page: 548  
File Number:  
Deed Date: 1/23/2012

Property Detail:  
Agent: None  
Property Exempt:  
Category/SPTB Code: D1  
Total Acres: 143.280  
Total Living Sqft: See Detail

[View GIS Map](#)

The map link above is not affiliated with this website. It is a 3rd party GIS link to provide additional information only.

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	9,320
Land Market Value:	210,920
Improvement Value:	52,399
Property Market Value:	263,319

[Homestead Form](#)

[Ag Form 1-d-1](#)

[Timber Form 1-d-1](#)

[\\* View 5 Year Value History](#)

Agency	Description	Market Value	Homestead Exemption	Net Value
KCAD	KARNES CO APPR DISTRICT	263,319	0	61,719
CK	KARNES CO M&O	263,319	0	61,719
CKIS	KARNES CO I&S	263,319	0	61,719
X2	CO WIDE RURAL FIRE	263,319	0	61,719
X3	CO WIDE HOSPITAL	263,319	0	61,719
X4	EVERGREEN UWCD	263,319	0	61,719
X5	SAN ANTONIO RIVER AUTHORITY	263,319	0	61,719
X1	CO WIDE RD & BRIDGE	263,319	0	61,719
SG	KENEDY ISD M&O	263,319	0	61,719
SGIS	KENEDY ISD I&S	263,319	0	61,719

[New Property Search](#)

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Real Estate Appraisal Information is the 2014 CERTIFIED Appraisal Values. © KARNES COUNTY APPRAISAL DISTRICT | Last Data Update: 08/04/2014



**PRITCHARD & ABBOTT, INC.**  
VALUATION CONSULTANTS

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Version 1.9.7

# Karnes County Appraisal District

Chief Appraiser - Jesse Hubbell



Official Website

Hosted By Frisched & Abbott, Inc.



## General Real Estate Property Information

[New Property Search](#)

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Property ID:

Account / Geo Number:

Property Legal Description:

Survey / Sub Division Abstract:

Block:

Section / Lot:

Property Location:

Owner Information:

[View Building Detail Information](#)

[View Land Detail Information](#)

Deed Information:

Volume:

Page:

File Number:

Deed Date:

Previous Owner:

[View Previous Owner Information](#)

[View GIS Map](#)

The map link above is not affiliated with this website. It is a 3rd party GIS link to provide additional information only.

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

Property Detail:

Agent:

Property Exempt:

Category/SPTB Code:

Total Acres:

Total Living Sqft:

Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	5,716
Land Market Value:	140,550
Improvement Value:	0
Property Market Value:	140,550

Ag Form 1-d-1

Timber Form 1-d-1

[\\* View 5 Year Value History](#)

KCAD	KARNES CO APPR DISTRICT	140,550	0	5,716
CK	KARNES CO M&O	140,550	0	5,716
CKIS	KARNES CO I&S	140,550	0	5,716
X2	CO WIDE RURAL FIRE	140,550	0	5,716
X3	CO WIDE HOSPITAL	140,550	0	5,716
X4	EVERGREEN UWCD	140,550	0	5,716
X5	SAN ANTONIO RIVER AUTHORITY	140,550	0	5,716
X1	CO WIDE RD & BRIDGE	140,550	0	5,716
SG	KENEDY ISD M&O	140,550	0	5,716
SGIS	KENEDY ISD I&S	140,550	0	5,716

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VALUATION CONSULTANTS

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Version 1.0.0

# Karnes County Appraisal District

Chief Appraiser - Jesse Hubbell



Official Website

Hosted By Fritchard & Abbott, Inc.



## General Real Estate Property Information

[New Property Search](#)

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Property ID:

Account / Geo Number:

Property Legal Description:

Survey / Sub Division Abstract:

Property Location:

Block:

Owner Information:

Section / Lot:

Previous Owner:

[View Building Detail Information](#)

[View Land Detail Information](#)

[View Previous Owner Information](#)

Deed Information:  
Volume:   
Page:   
File Number:   
Deed Date:

### Property Detail:

Agent:   
Property Exempt:   
Category/SPTB Code:   
Total Acres:   
Total Living Sqft:

[View GIS Map](#)

The map link above is not affiliated with this website. It is a 3rd party GIS link to provide additional information only.

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	0
Land Market Value:	249,000
Improvement Value:	390,663
Property Market Value:	639,663

Homestead Form

[\\* View 5 Year Value History](#)

KCAD	KARNES CO APPR DISTRICT	639,663	0	639,663
CK	KARNES CO M&O	639,663	0	639,663
CKIS	KARNES CO I&S	639,663	0	639,663
X2	CO WIDE RURAL FIRE	639,663	0	639,663
X3	CO WIDE HOSPITAL	639,663	0	639,663
X4	EVERGREEN UWCD	639,663	0	639,663
X5	SAN ANTONIO RIVER AUTHORITY	639,663	0	639,663
X1	CO WIDE RD & BRIDGE	639,663	0	639,663
SG	KENEDY ISD M&O	639,663	0	639,663
SGIS	KENEDY ISD I&S	639,663	0	639,663

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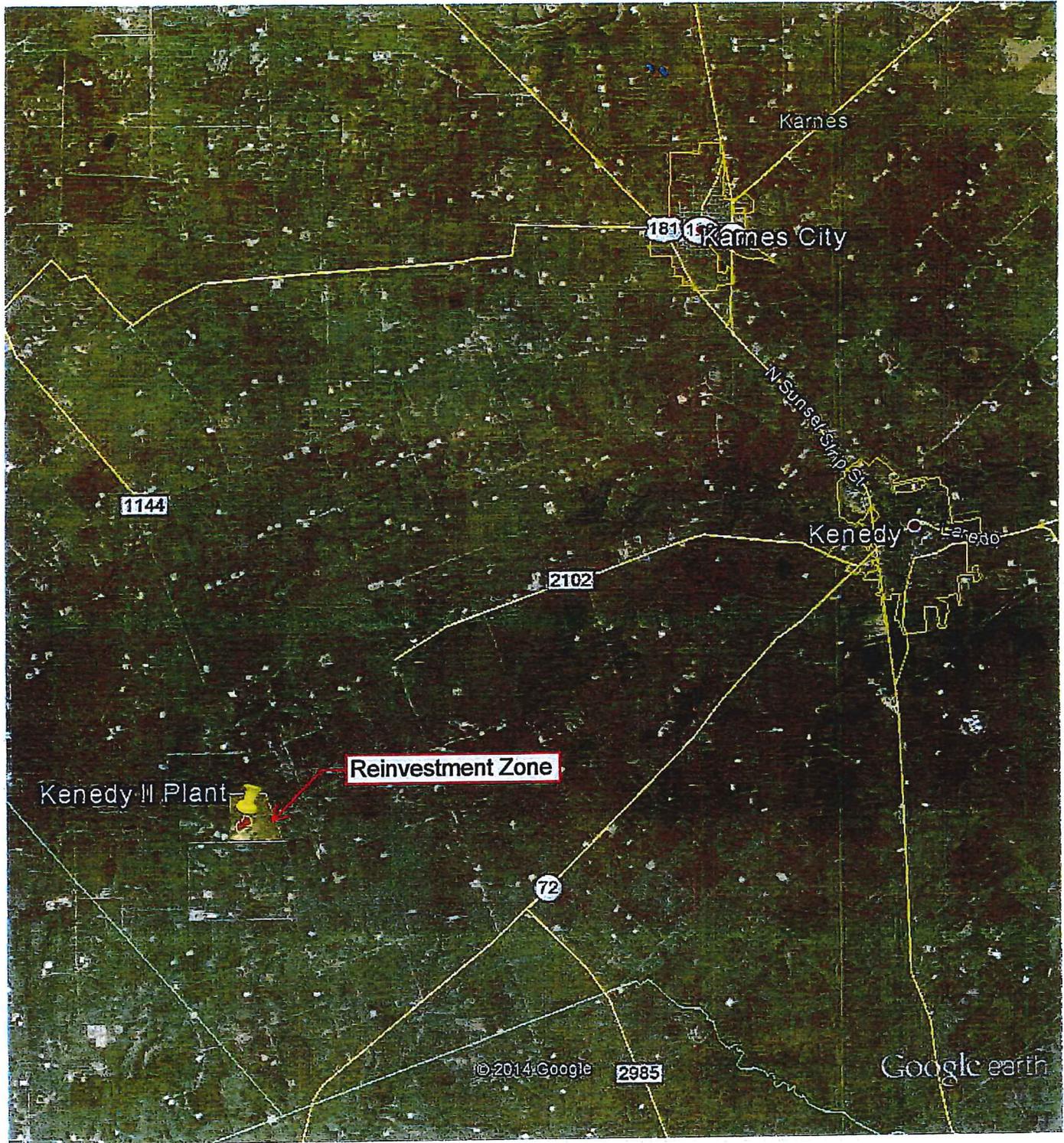
## **TAB 10**

### Description of Existing Improvements

There are no existing improvements related to the proposed project at this site.

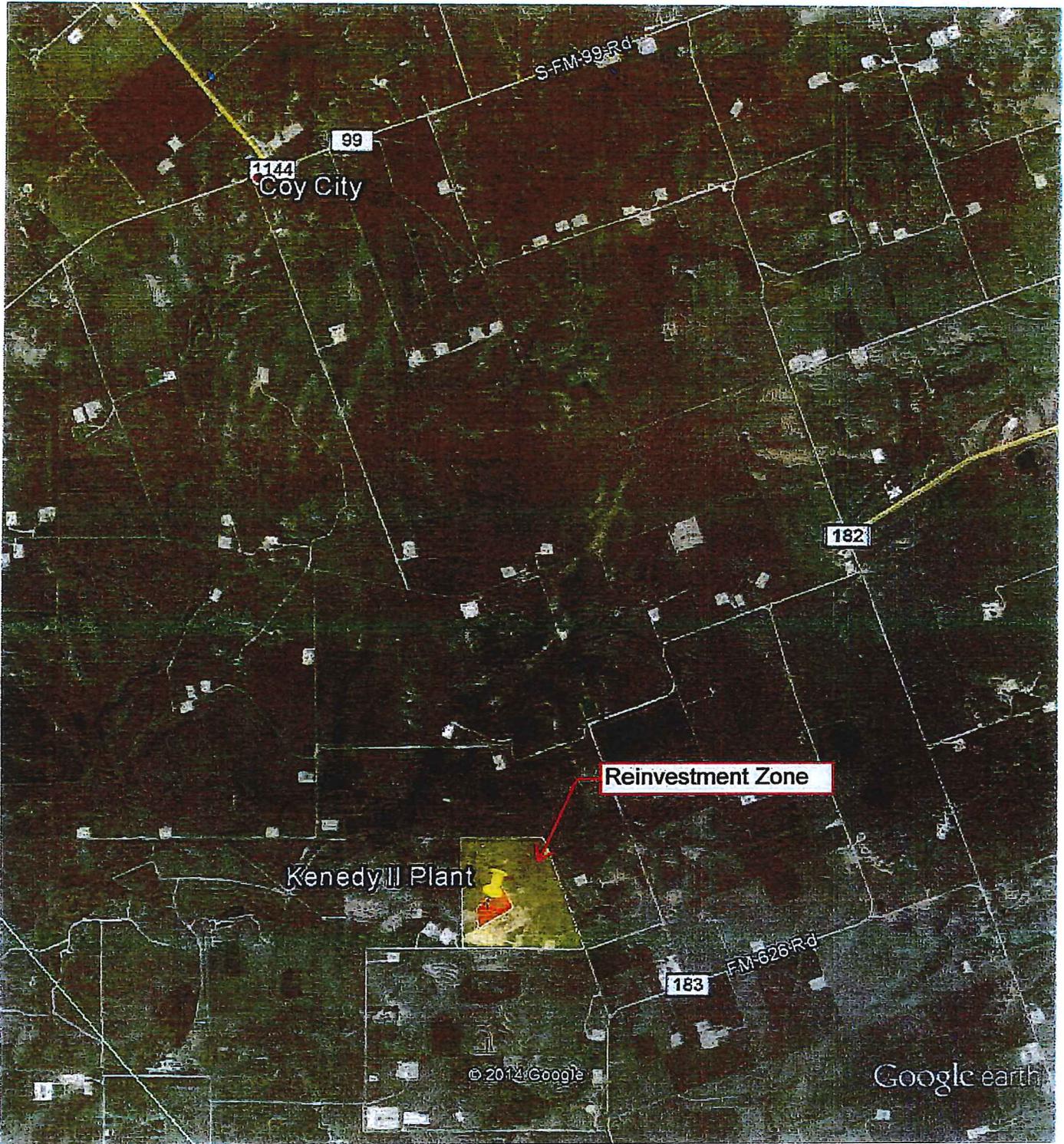
# **TAB 11**

## **Maps**



Google earth





Google earth





Reinvestment Zone

Kenedy II Plant

173  
143

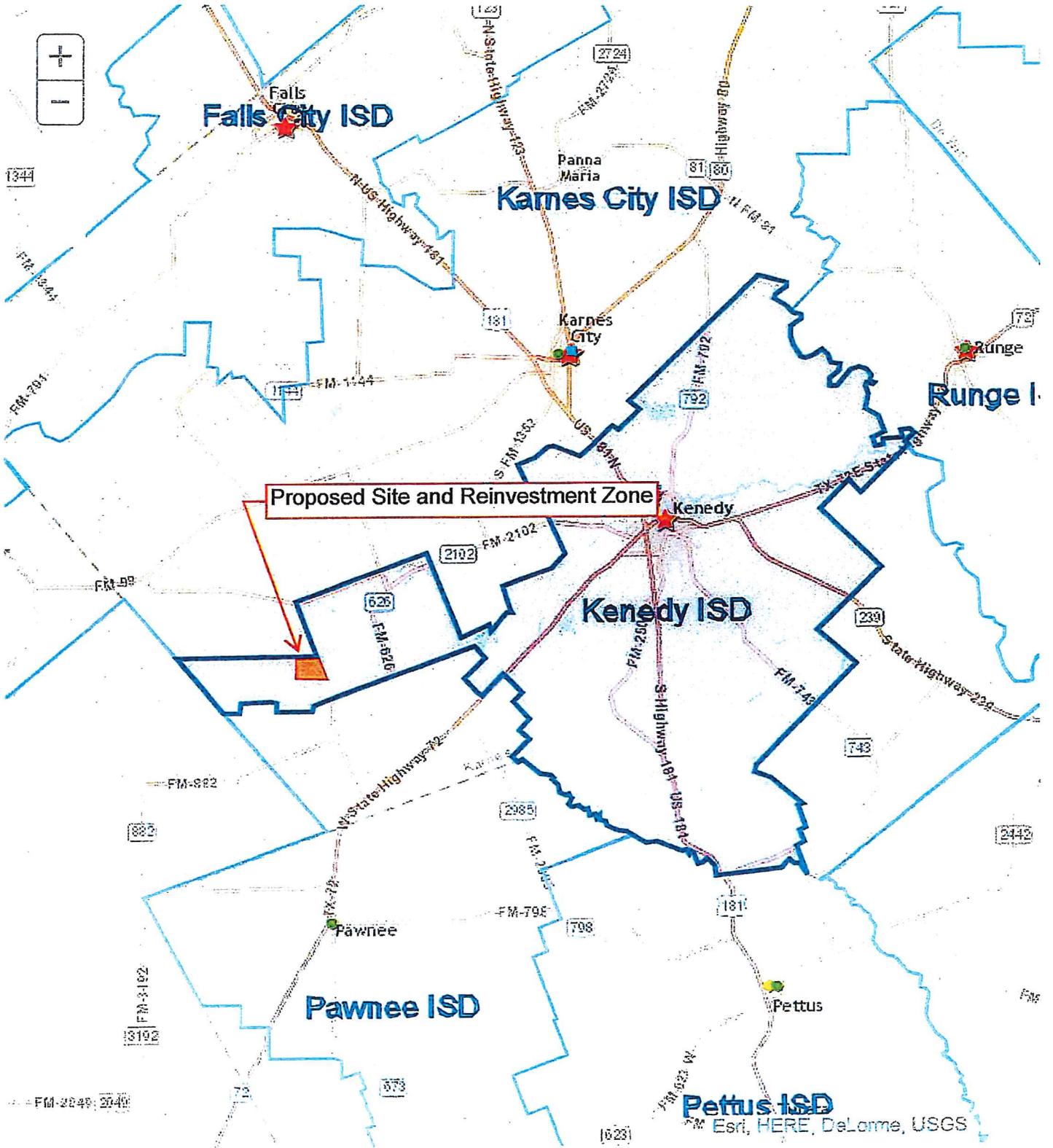
© 2014 Google

Google earth

Google earth

feet  
meters





Proposed Site and Reinvestment Zone

Falls City ISD

Karnes City ISD

Kenedy ISD

Pawnee ISD

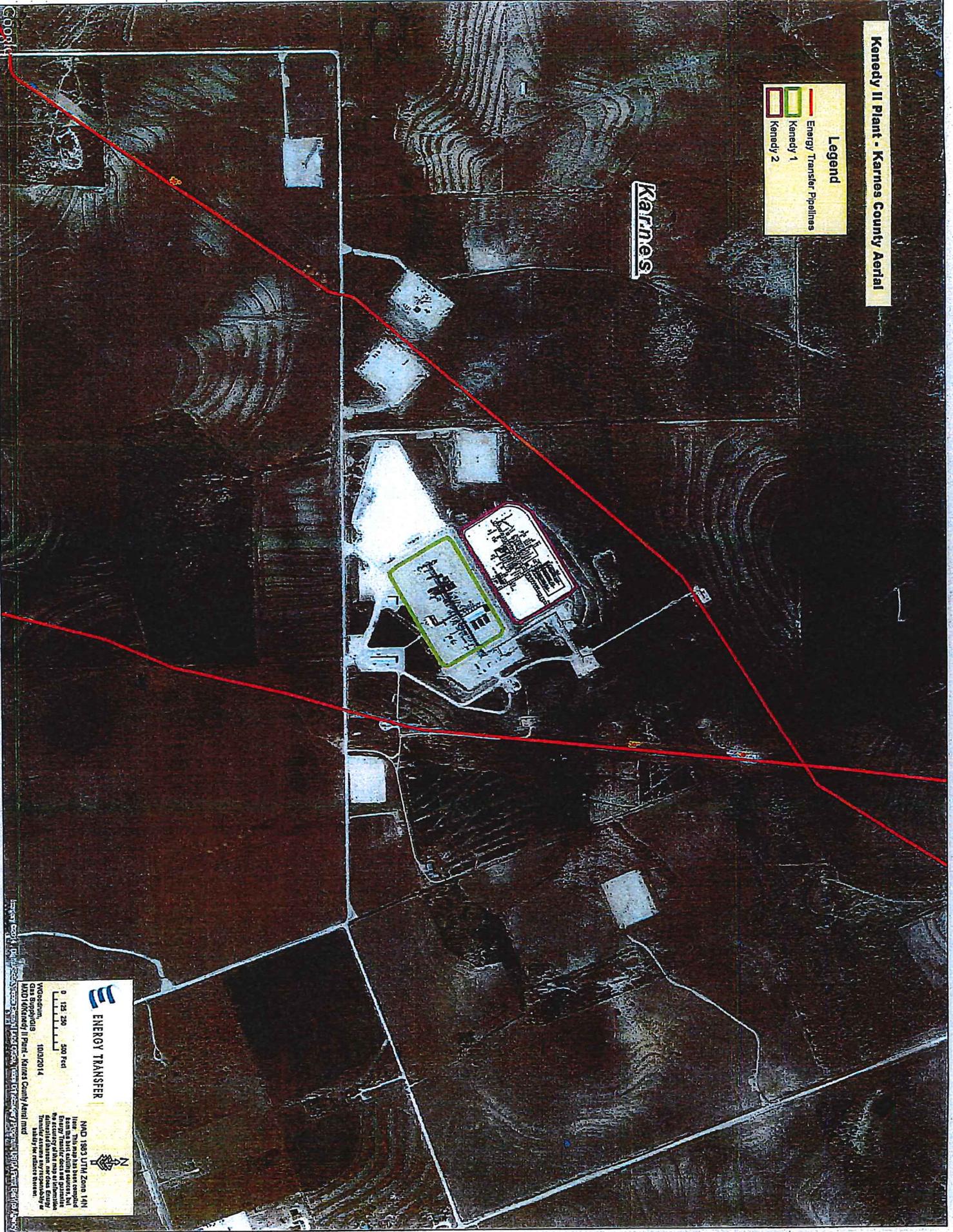
Pettus ISD

Kennedy II Plant - Karnes County Aerial

**Legend**

- Energy Transfer Pipelines
- Kennedy 1
- Kennedy 2

**Karnes**



**ENERGY TRANSFER**



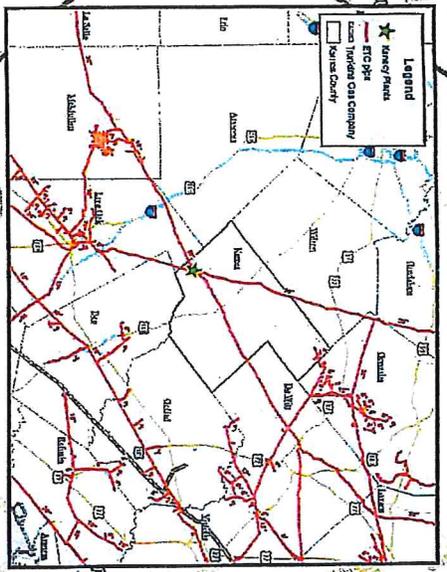
Waggoner, MOJO Winkler II Plant - Karnes County Aerial (10/2/2014)

NAD 1983 UTM Zone 14N  
This map has been compiled  
from various sources and is not  
guaranteed to be accurate.  
The accuracy of the map is  
guaranteed only for the  
purpose for which it was  
prepared.



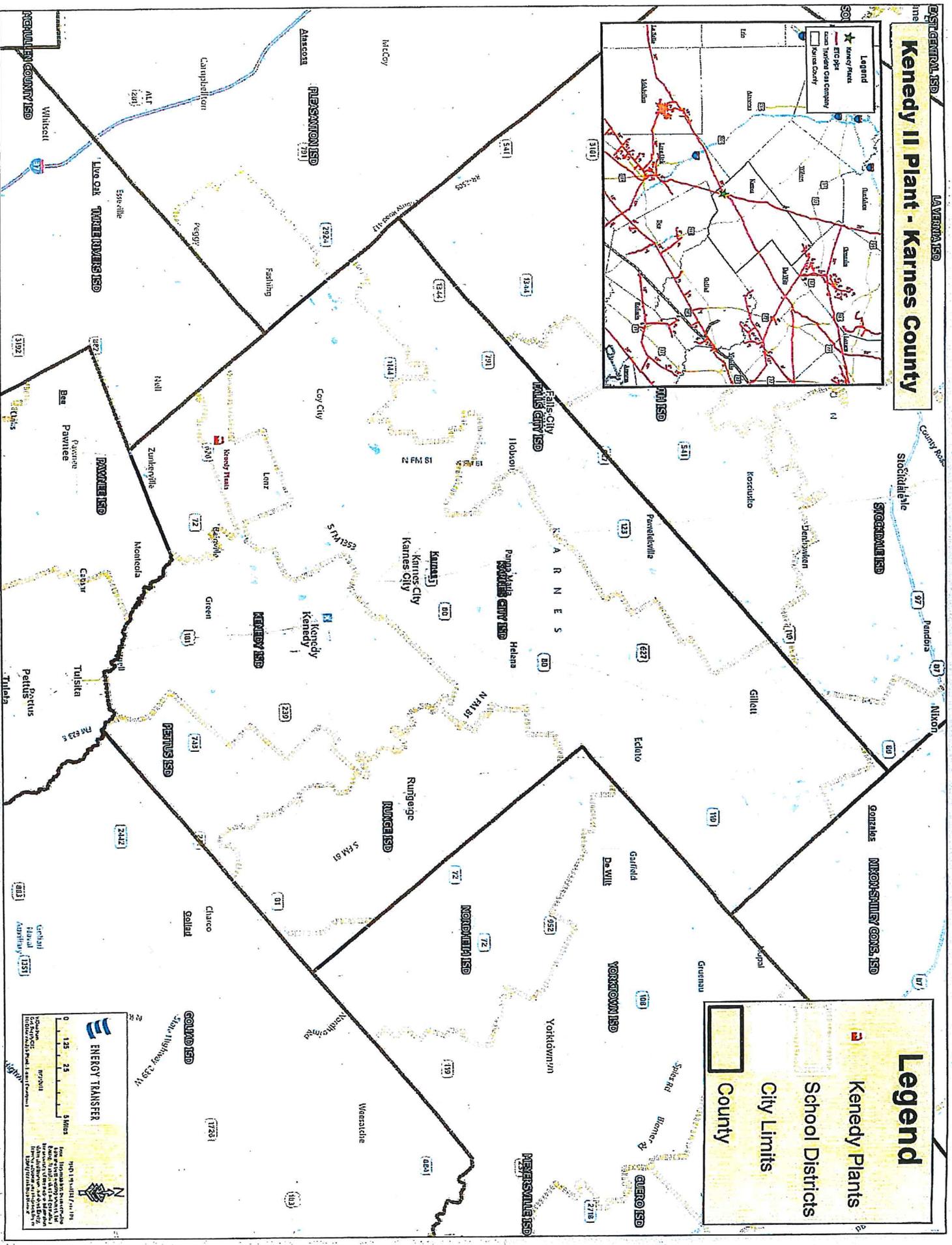
Copyright © 2014 Energy Transfer Partners LP. All rights reserved. This map is for informational purposes only and does not constitute an offer of securities. See prospectus for more information.

# Kennedy II Plant - Karnes County



### Legend

- Kennedy Plants
- School Districts
- City Limits
- County



**ENERGY TRANSFER**

0 1.25 2.5 5 Miles

0 1.25 2.5 5 Kilometers

Map Scale: 1 inch = 1.25 miles

Map Date: 11/15/11

Map Author: [Name]

Map Title: Kennedy II Plant - Karnes County

# **TAB 12**

**Request for Job Waiver**

## **REQUEST FOR WAIVER OF JOB CREATION REQUIREMENT**

For our application for Appraised Value Limitation on Qualified Property to Kenedy ISD under Chapter 313 of the Texas Tax Code, ETC Texas Pipeline, LTD is requesting a contemporaneous waiver of the requirement to create ten full-time jobs. The proposed 200/mmcf facility will create seven (7) new, full-time qualifying jobs for operators, which is the number of employees reasonably necessary for the operation of the facility. The waiver under Tex. Tax Code Section 313.025 (f-1) states that the job yield exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility that the property owner described in the application.

Based on the universal industry standard and background information, the nature and scope of this project will require less than ten permanent jobs. In total, the new manufacturing facility will create seven (7) new full-time employees. ETC Texas Pipeline, LTD would kindly request that the Kenedy ISD board grant the waiver request.

Technological advances utilized by ETC Texas Pipeline, LTD have limited the need for full time employees as evidenced by the declining number of operators necessary for the operation of facilities of this size (200mmcf/d).

# **TAB 13**

## **Calculation of Wage Requirements**

Calculation of Wage Information - Based on Most Recent Data Available

Karnes County, TX

110% of County Average Weekly Wage for all Jobs

2014	1Q	\$	836
2013	2Q	\$	790
2013	3Q	\$	777
2013	4Q	\$	905

$$\begin{aligned} \$ 3,308 /4 &= && \$827 \text{ average weekly salary} \\ &&& \underline{\times 1.1 (110\%)} \\ &&& \$ 909.70 \end{aligned}$$

110% of County Average Weekly Wage for Manufacturing Jobs in County

2014	1Q	\$	1,120
2013	2Q	\$	1,196
2013	3Q	\$	1,113
2013	4Q	\$	1,256

$$\begin{aligned} \$ 4,685 /4 &= && \$1,171 \text{ average weekly salary} \\ &&& \underline{\times 1.1 (110\%)} \\ &&& \$ 1,288.38 \end{aligned}$$

110% of County Average Weekly Wage for Manufacturing Jobs in Region

\$39,329.00 per year

X1.10 (110%)

\$43,261.90

\$831.96 Average weekly

## Quarterly Census of Employment and Wages

Series Id: ENU4825540510

State: Texas

Area: Karnes County, Texas

Industry: Total, all industries

Owner: Private

Size: All establishment sizes

Type: Average Weekly Wage

 xlsx

Year	Qtr1	Qtr2	Qtr3	Qtr4	Annual
2013	768	790	777	905	811
2014	836(P)				

P : Preliminary.

## Quarterly Census of Employment and Wages

Series Id: ENU482554051013

State: Texas

Area: Karnes County, Texas

Industry: Manufacturing

Owner: Private

Size: All establishment sizes

Type: Average Weekly Wage

 .xlsx

Year	Qtr1	Qtr2	Qtr3	Qtr4	Annual
2013	1096	1196	1113	1256	1166
2014	1120(P)				

P : Preliminary.

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

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

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.

# **TAB 14**

Schedules A1 - D



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

Applicant Name ETC Texas Pipeline, LTD  
ISD Name Kennedy ISD

PROPERTY INVESTMENT AMOUNTS												
(Estimated Investment in each year. Do not put cumulative totals.)												
Year	School Year (YYYY-YYYY) below	Tax Year (Fill in actual tax year YYYY below)	Column A		Column B		Column C		Column D		Column E	
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonmovable components of buildings that will become Qualified Property	Other investment made during this year that will not become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)	Other investment made during this year that will not become Qualified Property (SEE NOTE)	Total Investment (A+B+C+D)			
Total investment from Schedule A1*			110,000,000.00								\$ 110,000,000.00	
Each year prior to start of value limitation period** <i>(Insert as many rows as necessary)</i>												
Each year prior to start of value limitation period** <i>(Insert as many rows as necessary)</i>			110,000,000.00								\$ 110,000,000.00	
Value limitation period**												
Total investment made through limitation			110,000,000.00								\$ 110,000,000.00	
Continue to maintain viable presence												
Additional years for 25 year economic impact as required by 313.025(g)(1)												

\* 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: 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 nonmovable 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.

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

ETC Texas Pipeline, LTD  
Kennedy ISD

Applicant Name  
ISD Name

Form 50-296A  
Revised Feb 2014

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year)	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	2014-2015	2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0	2015-2016	2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	2016-2017	2016	\$ -	\$ -	\$ 95,000,000.00	\$ 95,000,000.00	\$ 95,000,000.00	\$ 95,000,000.00	\$ 20,000,000.00
2	2017-2018	2017	\$ -	\$ -	\$ 92,150,000.00	\$ 92,150,000.00	\$ 92,150,000.00	\$ 92,150,000.00	\$ 20,000,000.00
3	2018-2019	2018	\$ -	\$ -	\$ 89,300,000.00	\$ 89,300,000.00	\$ 89,300,000.00	\$ 89,300,000.00	\$ 20,000,000.00
4	2019-2020	2019	\$ -	\$ -	\$ 86,450,000.00	\$ 86,450,000.00	\$ 86,450,000.00	\$ 86,450,000.00	\$ 20,000,000.00
5	2020-2021	2020	\$ -	\$ -	\$ 83,600,000.00	\$ 83,600,000.00	\$ 83,600,000.00	\$ 83,600,000.00	\$ 20,000,000.00
6	2021-2022	2021	\$ -	\$ -	\$ 80,750,000.00	\$ 80,750,000.00	\$ 80,750,000.00	\$ 80,750,000.00	\$ 20,000,000.00
7	2022-2023	2022	\$ -	\$ -	\$ 77,900,000.00	\$ 77,900,000.00	\$ 77,900,000.00	\$ 77,900,000.00	\$ 20,000,000.00
8	2023-2024	2023	\$ -	\$ -	\$ 75,050,000.00	\$ 75,050,000.00	\$ 75,050,000.00	\$ 75,050,000.00	\$ 20,000,000.00
9	2024-2025	2024	\$ -	\$ -	\$ 72,200,000.00	\$ 72,200,000.00	\$ 72,200,000.00	\$ 72,200,000.00	\$ 20,000,000.00
10	2025-2026	2025	\$ -	\$ -	\$ 69,350,000.00	\$ 69,350,000.00	\$ 69,350,000.00	\$ 69,350,000.00	\$ 20,000,000.00
11	2026-2027	2026	\$ -	\$ -	\$ 66,500,000.00	\$ 66,500,000.00	\$ 66,500,000.00	\$ 66,500,000.00	\$ 66,500,000.00
12	2027-2028	2027	\$ -	\$ -	\$ 63,650,000.00	\$ 63,650,000.00	\$ 63,650,000.00	\$ 63,650,000.00	\$ 63,650,000.00
13	2028-2029	2030	\$ -	\$ -	\$ 60,800,000.00	\$ 60,800,000.00	\$ 60,800,000.00	\$ 60,800,000.00	\$ 60,800,000.00
14	2029-2030	2031	\$ -	\$ -	\$ 57,950,000.00	\$ 57,950,000.00	\$ 57,950,000.00	\$ 57,950,000.00	\$ 57,950,000.00
15	2030-2031	2030	\$ -	\$ -	\$ 55,100,000.00	\$ 55,100,000.00	\$ 55,100,000.00	\$ 55,100,000.00	\$ 55,100,000.00
16	2031-2032	2031	\$ -	\$ -	\$ 52,250,000.00	\$ 52,250,000.00	\$ 52,250,000.00	\$ 52,250,000.00	\$ 52,250,000.00
17	2032-2033	2032	\$ -	\$ -	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00
18	2033-2034	2033	\$ -	\$ -	\$ 46,550,000.00	\$ 46,550,000.00	\$ 46,550,000.00	\$ 46,550,000.00	\$ 46,550,000.00
19	2034-2035	2034	\$ -	\$ -	\$ 43,700,000.00	\$ 43,700,000.00	\$ 43,700,000.00	\$ 43,700,000.00	\$ 43,700,000.00
20	2035-2036	2035	\$ -	\$ -	\$ 40,850,000.00	\$ 40,850,000.00	\$ 40,850,000.00	\$ 40,850,000.00	\$ 40,850,000.00
21	2036-2037	2036	\$ -	\$ -	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00
22	2037-2038	2037	\$ -	\$ -	\$ 35,150,000.00	\$ 35,150,000.00	\$ 35,150,000.00	\$ 35,150,000.00	\$ 35,150,000.00
23	2038-2039	2038	\$ -	\$ -	\$ 32,300,000.00	\$ 32,300,000.00	\$ 32,300,000.00	\$ 32,300,000.00	\$ 32,300,000.00
24	2039-2040	2039	\$ -	\$ -	\$ 29,450,000.00	\$ 29,450,000.00	\$ 29,450,000.00	\$ 29,450,000.00	\$ 29,450,000.00
25	2040-2041	2040	\$ -	\$ -	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00

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**

Applicant Name: ETC Texas Pipeline, LTD  
ISD Name: Kennedy ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTEs 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	2014-2015	2014	0	\$ -	N/A	0	N/A	
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015	175 FTE	\$ 43,261.90	N/A	0	N/A	
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2016-2017	2016			N/A	7	\$ 43,261.90	
	2	2017-2018	2017			N/A	7	\$ 43,261.90	
	3	2018-2019	2018			N/A	7	\$ 43,261.90	
	4	2019-2020	2019			N/A	7	\$ 43,261.90	
	5	2020-2021	2020			N/A	7	\$ 43,261.90	
	6	2021-2022	2021			N/A	7	\$ 43,261.90	
	7	2022-2023	2022			N/A	7	\$ 43,261.90	
	8	2023-2024	2023			N/A	7	\$ 43,261.90	
	9	2024-2025	2024			N/A	7	\$ 43,261.90	
	10	2025-2026	2025			N/A	7	\$ 43,261.90	
Years Following Value Limitation Period	11 through 26	2026-2027	2026			N/A	7	\$ 43,261.90	

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)**

Applicant Name: ETC Texas Pipeline, LTD  
 ISD Name: Kenedy ISD

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Kames (Application Pending)	2016	2020	\$ 232,765.00	Avg 50% Per Yr	\$ 116,382.50
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 232,765.00		\$ 116,382.50

Additional information on incentives for this project:

# **TAB 15**

## **Economic Impact Study**

**Pending**

## **TAB 16**

### **Description of Reinvestment Zone**

**COUNTY OF KARNES**

**STATE OF TEXAS**

**AN ORDER DESIGNATING AN APPROXIMATE 320 ACRE TRACT OF LAND, OWNED BY ETC TEXAS PIPELINE, LTD. & DESCRIBED AS 319.98 ACRES, MORE OR LESS, THE FIRST TRACT BEING 143.28 ACRES SITUATED IN THE J. O'DONOVAN SURVEY, A-222, TOGETHER WITH THE SECOND TRACT, 176.7 ACRES, BEING 93.7 ACRES SITUATED IN THE A. AULANDER SURVEY, A-20, AND 83 ACRES SITUATED IN THE FRISBIE SURVEY, A-115, KARNES COUNTY, TEXAS AS A REINVESTMENT ZONE PURSUANT TO CHAPTER 312 OF THE TEXAS TAX CODE; MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE**

WHEREAS, the Commissioners Court of the County of Karnes desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in distressed areas of the County and to provide employment opportunities within such areas; and

WHEREAS, the Commissioners Court finds that the 320 acre tract indicated on Exhibit "A" and Exhibit "B" ("the property"), which are incorporated herein for all purposes, is within the County of Karnes; and

WHEREAS, the Commissioners Court finds that the improvements planned for the property are feasible and practical and would be a benefit to the area after expiration of any subsequent tax abatement agreement; and

WHEREAS, the Commissioners Court finds that the designation of the area as a reinvestment zone is likely to contribute to the retention and expansion of primary employment, and is likely to attract major investment in the area; and

WHEREAS, after notice was published in accordance with Texas Tax Code 312.401(b) and 312.201(d), a public hearing was held to consider this order on March 31, 2010; and

WHEREAS, the Commissioners Court finds that it is in the County's interest to designate the property as a reinvestment zone pursuant to Texas Tax Code 312.401;

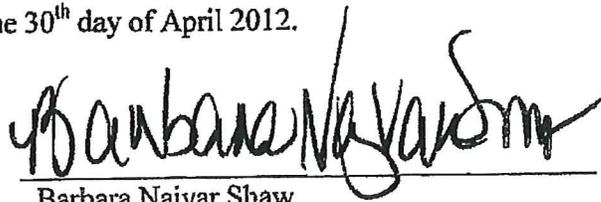
**NOW, THEREFORE BE IT ORDERED BY THE COMMISSIONERS COURT OF THE COUNTY OF KARNES, TEXAS:**

Section 1. That the County hereby designates the 319.98-acre tract of real property located in Karnes County and described in the metes and bounds description and survey map attached hereto as Exhibit "A" and Exhibit "B" respectively, and legally described as: Approximately 320 acres, more or less, the first tract being 143.28 acres situated in the J. O'Donovan

Survey, A-222, together with the second tract, 176.7 acres, being 93.7 acres situated in the A. Aulander Survey, A-20, and 83 acres situated in the Frisbie Survey, A-115, Karnes County, Texas, and being that certain tract of land described in a general warranty deed from Peggy Sue's LLC to ETC Pipeline, Ltd, Dated January 20, 2012, and recorded in Volume 1026, Page 548 of the Official Public Records of Karnes County, Texas, as a reinvestment zone.

- Section 2. That the County finds that the designation of the area as a reinvestment zone is likely to contribute to the retention and expansion of primary employment, and is likely to attract major investment in the area, and will contribute to the economic development of the County.
- Section 3. That the County finds that the property meets the legal qualifications necessary to receive designation as a reinvestment zone pursuant to Chapter 312 of the Texas Tax Code.
- Section 4. That this order shall take effect from and after its passage as the law in such case provides.
- Section 5. If any clause or provision of this order shall be deemed to be unenforceable for any reason, such unenforceable clause of provision shall be severed from the remaining portions of the order, which shall continue to have full force and effect.

PASSED AND APPROVED on the 30<sup>th</sup> day of April 2012.



Barbara Najvar Shaw  
County Judge, Karnes County

ATTEST:



Carol Swize, County Clerk

**EXHIBIT "A"**

*Attached to and made a part of that certain Warranty Deed from  
PEGGY SUE'S LLC to ETC TEXAS PIPELINE, LTD.*

**FIRST TRACT:**

All that certain tract or parcel of land lying and being situated in the County of Karnes, State of Texas, and being a part of the J. O'Donovan Grant or Survey, being Lot No. One (1), Block A, of the Subdivision of the S. C. Butler Ranch lands, and described by metes and bounds as follows, to-wit:

BEGINNING at a stake standing in the Southwest boundary of the James Priest League of land;

THENCE North 20 degrees West with Southwest line of said James Priest Survey 1486 varas to a stake for a corner;

THENCE West across said J. O'Donovan Survey 310 varas to a stake for corner in the East boundary line of the A. Aulander Survey;

THENCE South with the East line of said A. Aulander Survey and C. Frisbie Survey 1329 varas to a stake for corner standing in the North margin of a 30 foot road;

THENCE East with the North margin of said road 812 varas to the place of BEGINNING; CONTAINING 143.28 acres of land.

Being the same land conveyed by G. N. Lynch and wife, to J. W. Tompkins by Deed dated November 22, 1923, and recorded in Volume 70, Page 600, of the Deed Records of Karnes County, Texas, to which reference is hereby made for all purposes.

**SECOND TRACT:**

All that certain tract or parcel of land lying and being situated in Karnes County, Texas, and described as follows, to-wit:

BEGINNING at a stake standing West 310 varas from the Northeast corner of a 5700 acres of land allotted to S. C. Butler out of the W. G. Butler Estate.

THENCE South with the division line of the J. O'Donovan and A. Aulander Surveys and the O'Donovan and Frisbie Surveys 1400.9 varas to a stake for the Southeast corner of this tract set in North margin of a road;

THENCE North 89 degrees West with the North margin of said road, 715.5 varas, to a stake for Southwest corner of this tract;

THENCE North at 575 varas the North line of the Chas. Frisbie Survey in all 1396 varas, to a stake for Northwest corner of this tract;

THENCE East 713 varas to the place of BEGINNING; CONTAINING 176-7/10 acres of land. 93-7/10 acres out of the Aulander Survey and 83 acres out of the Frisbie Survey, situated in Karnes County, Texas, about 12 miles Southwest from Karnes City, and same being Lot 2, Block A of the Subdivision of the S. C. Butler Ranch.

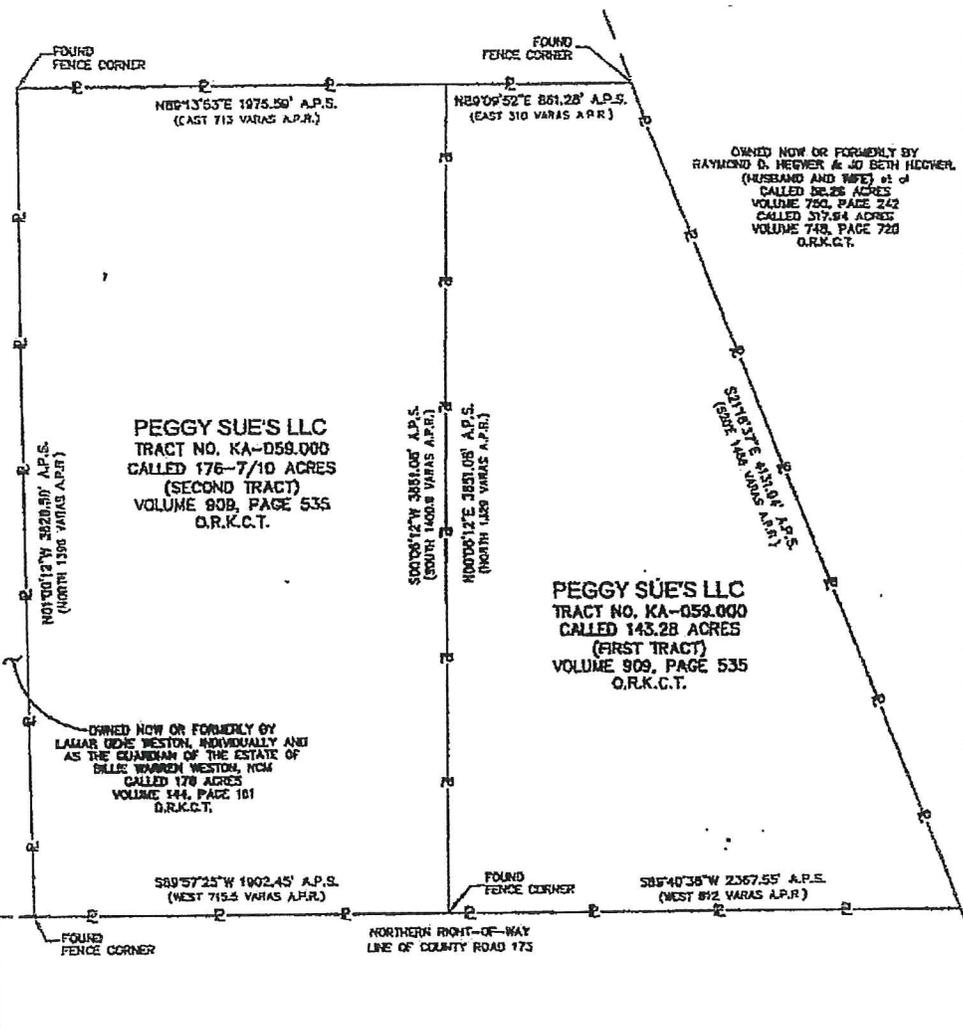
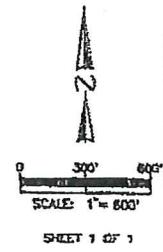
Initials:

**LEGEND**

P. PROPERTY LINE  
 TX. TEXAS  
 R/W. RIGHT OF WAY  
 HWY. HIGHWAY  
 CONC. CONCRETE  
 MCH. MEMENT  
 FND. FOUND  
 A.P.S. AS PER SURVEY  
 A.P.R. AS PER RECORD  
 O.R.K.C.T. OFFICIAL RECORDS KARNES COUNTY, TEXAS  
 D.R.K.C.T. DEED RECORDS KARNES COUNTY, TEXAS

**EXHIBIT "B"**

LANDS LYING WITHIN AND BEING A PART OF THE J. O'DONOVAN SURVEY, A-222, THE A. AULANER SURVEY, A-20 AND THE FRISBIE SURVEY, A-115  
 KARNES COUNTY, TEXAS



**NOTES:**

1. NORTH IS DERIVED FROM STATIC TIES TO EXISTING HGS MONUMENTS AND TRANSFORMED INTO THE TEXAS SOUTH CENTRAL STATE PLANE COORDINATE SYSTEM, NAD 83, U.S. SURVEY FOOT BY MEANS OF A GLOBAL POSITIONING SYSTEM (GPS) SURVEY PERFORMED BY HATCH MOTT MACDONALD.
2. INFORMATION OBTAINED HEREIN IS BASED ON DEEDS SUPPLIED BY CLIENT.
3. TITLE RESEARCH PERFORMED BY OTHERS.
4. THIS IS AN EXHIBIT DRAWING AND IS NOT INTENDED TO REPRESENT A BOUNDARY SURVEY.

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

*Chris J. Broussard*  
 CHRIS J. BROUSSARD DATE:  
 RPLS NO. 8107  
 PHONE: (832)736-8280  
 FAX: (832)736-8280



		RICH EAGLEFORD MARSHLINE 90' PIPELINE PROJECT KARNES COUNTY, TEXAS		ENERGY TRANSFER																
2350 Dulles Place, Suite 201, Houston, TX 77247 T: (832) 736-9500 F: (832) 736-9500	<table border="1"> <tr> <th>DATE</th> <th>BY</th> <th>CHK</th> <th>APP</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>	DATE	BY	CHK	APP					<table border="1"> <tr> <th>DATE</th> <th>BY</th> <th>CHK</th> <th>APP</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>	DATE	BY	CHK	APP					APPROVED BY: _____ DATE: 01/10/12	REV: KA-059.000 EXHIBIT
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Initials:  
*MB*

**Tax Abatement Guidelines and Criteria  
For Karnes County**

Modified on 2/12/10 by:

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## Section 1 - Definitions

ABATEMENT means the full or partial exemption from ad valorem taxes of certain real property in a reinvestment zone designated by the County or City for economic development purposes.

AGREEMENT means a contractual agreement between a property owner and/ or lessee and the affected jurisdiction for the purpose of tax abatement.

AFFECTED JURISDICTION means Karnes County and any city and school district located in Karnes County that levies ad valorem taxes upon and/ or provides services to property located within the proposed or existing reinvestment zone designated by Karnes County or the City of XXXX.

AQUACULTURE/AGRICULTURE FACILITY means building, structures and major earth structure improvements, including fixed machinery and equipment, the primary purpose of which is the hatching, incubation, nursing, maturing and/ or processing to marketable size aquatic culture in commercially marketable quantities or the processing, refining, packaging, and distribution of food and/ or fiber products in commercially marketable quantities.

AVERAGE HOURLY WAGE means the total annual hourly wages (including base pay, shift differential and overtime) divided by total annual hours worked (full-time and full-time equivalent). Wages paid and hours worked are restricted to the XXXX facility. Highly compensated employees hours and wages will be excluded from this calculation.

BASE YEAR VALUE means improvements necessary for continued operations that do not improve productivity or alter the process technology.

CAPITAL INVESTMENT means the value of new, expanded, replaced or upgraded facilities and fixtures as appraised and established by the Karnes County Appraisal District for ad valorem tax purposes.

CITY means City of XXXX.

COMMERCIAL ENTERPRISE means a business unit whose primary function is retail commercial or service sector oriented and is legally operating within Karnes County.

COMMITTEE shall mean the Karnes County Economic and Community Development Corporation's (KCE & CDC's) Executive Committee.

COUNTY means Kames County.

DEFERRED MAINTENANCE means improvements necessary for continued operations that do not improve productivity or alter the process technology.

DISTRIBUTION CENTER is the same term as DISTRIBUTION CENTER FACILITY.

DISTRIBUTION CENTER FACILITY means building and structures, including machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility, from which a majority of the revenues generated by the activity at the facility are derived from outside Kames County.

ECONOMIC LIFE means the number of years a property improvement is expected to be in service in a facility.

ENTERTAINMENT/TOURISM FACILITY means buildings and structures, including machinery and equipment, used or to be used to provide entertainment and/ or tourism related services.

EXPANSION means the addition of building, structures, machinery or equipment for purposes of increasing production capacity.

FACILITY means property improvements completed or in the process of construction which together comprise an integral whole.

FULL-TIME EQUIVALENT (FTE) means permanent employment for at least 624 hours or more per year or 12 hours or more per week per person on an annualized basis. Two half time or three one third time jobs equal one full-time job.

FULL-TIME JOB is defined by the State of Texas as permanent employment for 1820 hours or more per year or 35 hours or more per week per person on an annualized basis.

HIGHLY COMPENSATED EMPLOYEES as defined by the Fair Labor Standards Act hours and wages will be excluded from the calculation of the facility's overall average hourly wage.

INDUSTRIAL ENTITY (or INDUSTRIAL FACILITY) means a business unit whose primary function is manufacturing and/ or distribution only.

INITIATING GOVERNING BODY shall be either the XXXX City Council or the Karnes County Commissioner's Court depending on whether Applicant's project is located in the City of XXXX or within Karnes County but outside the City of XXXX.

JOB (or JOBS) means a permanent position held by one employee or multiple full-time equivalent employees.

MANUFACTURING FACILITY means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

MODERNIZATION means the upgrading and or replacement of existing facilities which increases the productive input or cost of operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

MULTI-FAMILY HOUSING FACILITY means a building or business containing dwelling units designed to be leased to residential tenants. To qualify as a "multi-family housing facility" the facility must provide not less than two (2) housing units for lease.

NEW FACILITY means a property previously undeveloped which is placed in to service by means other than or in conjunction with expansion or ill Modernization.

OFFICE BUILDING means office building.

OTHER BASIC INDUSTRY means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside the County and result in the creation of new permanent jobs and create new wealth into the county.

PETROCHEMICAL FACILITY means a business or industrial unit whose primary function is the processing, refining, or transportation of petroleum-based products.

PRODUCTIVE LIFE means the number of years a property improvement is expected to be in service in a facility.

REGIONAL SERVICE FACILITY means buildings and structures, including machinery and equipment used or to be used to service goods where a majority of the goods being serviced are domiciled at least 25 miles from the facility's location in Karnes County.

REGIONAL TELECOMMUNICATIONS OR DATA PROCESSING FACILITY Means buildings or structures used to consolidate and/ or coordinate telecommunications or data processing transactions that are initiated from locations outside the territorial boundaries of the applicable taxing jurisdiction.

REINVESTMENT ZONE means an area of the City of XXXX or County of Karnes designated as a reinvestment zone in accordance with the criteria and procedures set forth in Chapter 312 of the Texas Tax Code.

RESEARCH FACILITY means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

RETAIL FACILITY means a business unit whose primary function is the sale of goods, products, or services to the public at large.

SCHOOL DISTRICT means XXXX Independent School District.

SERVICE FACILITY means buildings and structures, including fixed machinery and equipment, used to provide a service.

TOURISM ENTITY means a business unit whose primary function is entertainment, recreation or education leading to the promotion of tourism.

Section 2 - Abatements Authorized

- A. Eligible Facilities: A Facility may become eligible for abatement if it is Located within a designated Reinvestment Zone and is a:
1. Manufacturing or Industrial Facility.
  2. Research Facility.
  3. Distribution Center Facility.
  4. Regional Service Facility.

5.

6. Regional Entertainment or Tourist Facility Including Hotels and Motels.
6. Other Basic Industry.
7. Multi-Family Housing Facility.
8. Office Building or Office
9. Aquaculture or Agriculture Facility.
10. Petrochemical Facility
11. Regional Telecommunication or Data Processing Facility.
12. Retail Facility, including Restaurants, Health Care and Financial Institutions.

B. Effect of Commencement of Construction: A reinvestment zone or a tax abatement agreement shall not be established if it is found that the application for designation of a reinvestment zone and/or the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.

C. Abatement of New Value: Abatement may only be granted for the additional value of eligible property improvements made subsequent to an application for tax abatement. Eligible property improvements must be in the abatement application and must be included in the tax abatement agreement between the governmental entity and the property owner and lessee, subject to such limitation as the governmental entity may require.

D. New and Existing Facilities: Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

E. Property Value Eligible for Abatement: Abatement may be extended to the value of improvements to Real Property as defined by the Karnes County Appraisal District including building, structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility. The taxing jurisdictions may also agree for the abatement of the following:

- 1) Inventories
- 2) Supplies
- 3) Tools

F. Ineligible Property: The following types of property shall be fully taxable and ineligible for abatement:

1. Land.
2. Furnishings and other forms of movable personal property.
3. Vehicles.
4. Watercraft.
5. Aircraft.
6. Deferred Maintenance Investments.
7. Property to be rented or leased except as provided in Section 2, G.
8. Improvements for the generation and transmission of electrical energy the majority of which is not consumed by a new facility or expansion.
9. Any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility.
10. Property owned or used by the State of Texas, Federal, or Foreign government or one of their political subdivisions.
11. Property owned by any organization that is owned, operated or directed by a political subdivision.

G. Owned or Leased Facilities: If a leased facility is granted abatement, the agreement shall be executed with the lessor and lessee.

- H. Economic Qualification: In order to be eligible for tax abatement, the planned new facility or planned expansion of an existing facility must;
1. Be reasonably expected to increase the value of the property a minimum of \$75,000.00 after completion of construction or within two years after the abatement agreement is entered into, whichever is earlier.
  2. Be reasonably expected to prevent the loss of employment, retain, or create employment for at least five (5)\* people on a full time permanent basis at the site of the eligible facility.
  3. Be necessary because capacity cannot be provided efficiently utilizing existing improved property.
  4. Be reasonably expected to contribute to the economic development of the reinvestment zone and the City and County.
  5. Must not be expected to solely or primarily have the effect of transferring employment from one part of Karnes County to another.

\*Minimum number of jobs may be waived for Multi-Family Housing Facility.

- I. Abatement Considerations: Abatement may be granted for up to 100% of the value of eligible property. The following factors will be considered in determining the percentage of the abatement:
1. Number of jobs and type created or retained (permanent full time qualifying for Abatement percentages plus part timers or temporary hires) in excess of the minimum required herein.
  2. Capital investment amounts, type and expected economic life of eligible property in excess of the minimum required here.
  3. Level of wages to be paid to employees and whether new jobs created will be filled by persons residing in or projected to reside in Karnes County.
  4. Capital investment amounts, type and expected economic life of new taxable property to be included in the project.
  5. Sales Taxes, hotel taxes or other incomes or projected population growth that would be generated by the project to the benefit of governmental entities.
  6. Off site infrastructure investment by applicant.

7. Off site infrastructure investment by County, City, or other public entities in order to serve the project.
8. Use of City utilities where available (i.e. water, wastewater).
9. Whether proposed improvements compete with existing businesses to the detriment of the local economy or adversely impact the business opportunities of existing businesses.
10. Whether the project is environmentally compatible with the community.

The applicable governmental entity shall have the authority to determine the percentage of tax abatement according to the above criteria in order to:

1. Accomplish their economic development goals;
2. Insure that governmental entities are not hampered in their delivery of services; and
3. Insure that the property tax burden is not shifted to present taxpayers without offsetting advancement of a public purpose.

J. Denial of Abatement: No Abatement Agreement shall be authorized if it is determined that:

- (1) There would be a substantial adverse affect on the tax base or costs associated with the providing of government services.
- (2) The applicant has insufficient financial capacity, which reasonably could be expected to jeopardize the success of the undertaking.
- (3) The planned or potential use of the property would constitute a hazard to public safety, health or morals.
- (4) Granting an Abatement might lead to the violation of other codes or laws.
- (5) For any other reason deemed appropriate by KCE & CDC's Executive Committee, or applicable governmental entity.

K. Review: C E & CDC's Executive Committee will review tax abatement applications and make recommendations on the percentage, duration

and supplemental performance requirements (if any) of the proposed Abatement to the appropriate governmental entities for approval.

L. Term of Abatement: Abatement shall be granted for a term of up to ten (10) consecutive years, effective with January 1 valuation date immediately following the date of execution of the Abatement Agreement.

M. Abatement Guidelines: KCE & CDC's Executive Committee in determining the recommended Abatement will use the following guidelines:

Number of New Jobs or New Capital Investment		Abatement Amounts Per Year					
		1	2	3	4	5	6-10
5* to 10	\$75,000 to \$150,000	100	75	50	30	15	0
11 to 25	\$150,001 to \$300,000	100	80	60	40	20	0
26 to 50	\$300,001 to \$600,000	100	90	70	50	25	15
51 & Above	\$600,001 & Above	100	100	75	50	50	25

\* 200 & Above; \$6,000,000 & Above      95(1) 90(2) 85(3) 80(4) 75(5)  
70(6) 65(7) 60(8) 55(9) 50(10)

Once the minimum number of new jobs (5)\* and/ or the minimum capital investment level (\$75,000) is met, the abatement percentage amounts to be recommended may be based either on the number of new jobs or the new capital investment level.

In addition to the abatement percentages cited above, an additional 1% may be added for each payroll unit of \$25,000 or more (i.e. each employee earning \$25,000 per year) up to a maximum of 25%. Abatement amounts may not exceed 100% or go beyond ten years with the maximum abatement for the tenth year being 50%.

\*Minimum number of jobs may be waived for Multi Family Housing Projects.

In addition to the criteria cited above, KCE & CDC's Executive Committee may recommend and each applicable governmental entity may individually approve adding or subtracting abatement percentage amounts based on Abatement Considerations cited in Section 2, 1.

N. Taxability: From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:

1. The value of the ineligible property as described in Section 2, F shall be fully taxable.
  
  
  
  
  
  
  
  
  
  
2. The base year value of existing eligible properties as determined

- each year shall be fully taxable.
3. The additional value of eligible properties shall be taxable at the non-abated percentage of their value as determined by the applicable governmental entity based on recommendations made by KCE & CDC's Executive Committee and the guidelines cited above and shall be fully taxable at the end of the Abatement period.

### Section 3 - Application

- A. Written Application: Any present or potential owner of taxable property in an affected jurisdiction may request the creation of a Reinvestment Zone and Tax Abatement by filing a written request with the affected jurisdictions and attaching a plat and metes and bounds description effectively describing said Reinvestment Zone. Applicants may request Tax Abatement by filing a written application with the City Administrator, City Secretary, or County Clerk (or his/her designated representative) of the appropriate jurisdiction. Appropriate jurisdictional staff will review the application for completeness and accuracy and submit it to KCE & CDC's Executive Committee for consideration. KCE & CDC's Executive Committee will then meet to consider the application and develop a recommendation to the appropriate jurisdictions.
- B. Contents of Application: The application shall consist of;
  1. A completed application form accompanied by a general description of the new improvements to be undertaken.
  2. A descriptive list of the improvements for which the Abatement is requested.
  3. A list of the kind, number, and location of all proposed improvements of the property.
  4. A map and property description.
  5. A time schedule for undertaking and completing the proposed improvements.

In the case of a modernization or expansion project, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the taxing jurisdiction deems appropriate for evaluating

the financial capacity and other relevant factors of the applicant.

- C. Written Notification to Governmental Bodies: Upon receipt of a completed application, the City Administrator, City Secretary, or County Clerk (or his/her designated representative) of the appropriate jurisdiction shall forward a copy of the application to the presiding officer of the governmental jurisdictions having jurisdiction of the property covered by the applications.
- D. Feasibility: After receipt of an application for tax abatement, the taxing jurisdiction, KCE & CDC's Executive Committee, and the Karnes County Chief Appraiser shall jointly consider the feasibility and the impact of the proposed Tax Abatement. The review of feasibility shall include, but not be limited to, an estimate of the economic effect of the Abatement of taxes and the benefit to the governmental jurisdictions and property to be covered by such Abatement.

#### Section 4 - Agreement

- A. Contents of Tax Abatement Agreement: The Tax Abatement Agreement with the owners of the facility shall include:
  - 1. A list of the kind, number, and location of all proposed improvements of the property.
  - 2. Provision for access to and authorized inspection of the property by municipal or county employees to ensure that the improvements or repairs are made according to the specifications and conditions of the Agreement. All inspections shall be conducted in a manner that does not unreasonably interfere with the construction or operation of the facility; provided, however, the City or County may conduct inspections without advance notification to applicant. A representative of applicant shall have the right to be present during any such inspection. Any inspection shall be conducted in accordance with accepted safety standards.
  - 4. Provisions to limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of

the Reinvestment Zone during the period that property tax exemptions are in effect.

5. Provisions for recapturing property tax revenue lost as a result of the Agreement if the owner of the property fails to make the improvements or repairs as provided by the Agreement.
5. The estimated value to be subject to Abatement.
6. The percentage of value to be abated each year as provided in Section 2.
7. The commencement date, and termination date of the Agreement.
8. The proposed use of the facility, nature of construction, time schedule, and map property description, as provided in the application.
9. The amount of capital investment, and minimum number of jobs created by the project.
10. Reporting requirements, including periodic capital investment reports during construction and periodic manpower reports from applicant's personnel officer confirming the number of additional employees added and retained as a result of the capital investment.
11. Applicant shall warrant that the information provided to the taxing jurisdictions are true and correct, and that any materially false or misleading information that is provided on the application or, in any periodic report to the taxing jurisdictions, may be grounds for the termination of the existing Tax Abatement and possible liability for the capture of past taxes normally due.
12. If the applicant is a City utility customer, the applicant agrees to remain a City utility customer during the abated period, and maintain currency on City utility bill payment for the period of the Abatement.

Agreements with multiple owners in a single designated Reinvestment Zone must have identical terms.

- B. Additional Fees: Extraordinary additional fees incurred by governmental bodies in preparation of Tax Abatement Agreements will be paid by the applicant upon execution of the Agreement.
- C. Notice of Agreement: Not later than the seventh day before the date on which the City Council or County considers an agreement, the City Administrator, City Secretary, or County Clerk (or his/her designated representative) shall deliver to the presiding officer of the governing body of each taxing jurisdiction in which the property is located, a written notice that the City / County intends to enter into the Agreement. The notice must include a copy of the proposed Agreement and shall be hand delivered or sent by certified mail.

#### Section 5. Recapture

- A. In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of six (6) months during the Abatement period, then the Abatement Agreement shall terminate and so shall the Abatement of the taxes for the current and any future calendar year during which the facility no longer produces. The taxes that were to be abated for that calendar year shall be paid to the affected jurisdictions within 60 days from the date of termination.
- B. Should the governing body determine that the company or individual is in default according to the terms and conditions of its Agreement, the governing body shall notify- the company or individual in writing at the address stated in the Agreement, and if such is not cured within 60 days from the date of such notice (Cure Period), then the Agreement may be terminated.
- C. In the event that the company or individual (1) allows its unabated ad valorem taxes owed any of the affected jurisdictions to become delinquent and fails to timely and properly follow the legal procedures for their protest and/ or contest, or (2) violates any of the terms and conditions of the Abatement Agreement with any of the affected jurisdictions and fails to cure during the Cure Period, the Agreement then may be terminated by every affected jurisdiction and all taxes previously abated by virtue of every Agreement will be recaptured by each affected jurisdiction and shall be paid by the applicant to each affected jurisdiction within 60 days of the termination.

Section 6 - Administration

- A. The Chief Appraiser of the Karnes County Appraisal District shall annually determine an assessment of the real and personal property comprising the Reinvestment Zone. Each year the company or individual receiving Abatement shall furnish the assessor with such information as may be necessary for Abatement, including the number of new or retained employees associated with the facility. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions, which levies taxes on the amount of the assessment.
- B. The Agreement shall stipulate that employees *and/or* designated representatives of the jurisdiction establishing the Reinvestment Zone and entering into a Tax Abatement Agreement will have access to the Reinvestment Zone during the term of the Abatement to inspect the facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/ or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
1. Upon completion of construction, the jurisdiction establishing the Reinvestment Zone and entering into a Tax Abatement Agreement shall annually evaluate each facility and report possible violations of the contract and Agreement to each affected jurisdiction.
  2. All proprietary information acquired by any affected jurisdictions for purposes of monitoring compliance with the terms and conditions of an Abatement Agreement shall be considered confidential.

Section 7- Assignment:

- A. The Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval of resolution of each affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the

Abatement Agreement are guaranteed by the execution of a new contractual Agreement with each affected jurisdiction.

- B. The contractual Agreement with the new owner or lessee shall not exceed the termination date of the Abatement Agreement with the original owner and/or lessee.
- C. No assignment or transfer shall be approved if the parties to the existing Agreement, the new owner or new lessee are liable to any affected jurisdiction for outstanding taxes or other liabilities.
- D. Approval shall not be unreasonably withheld.

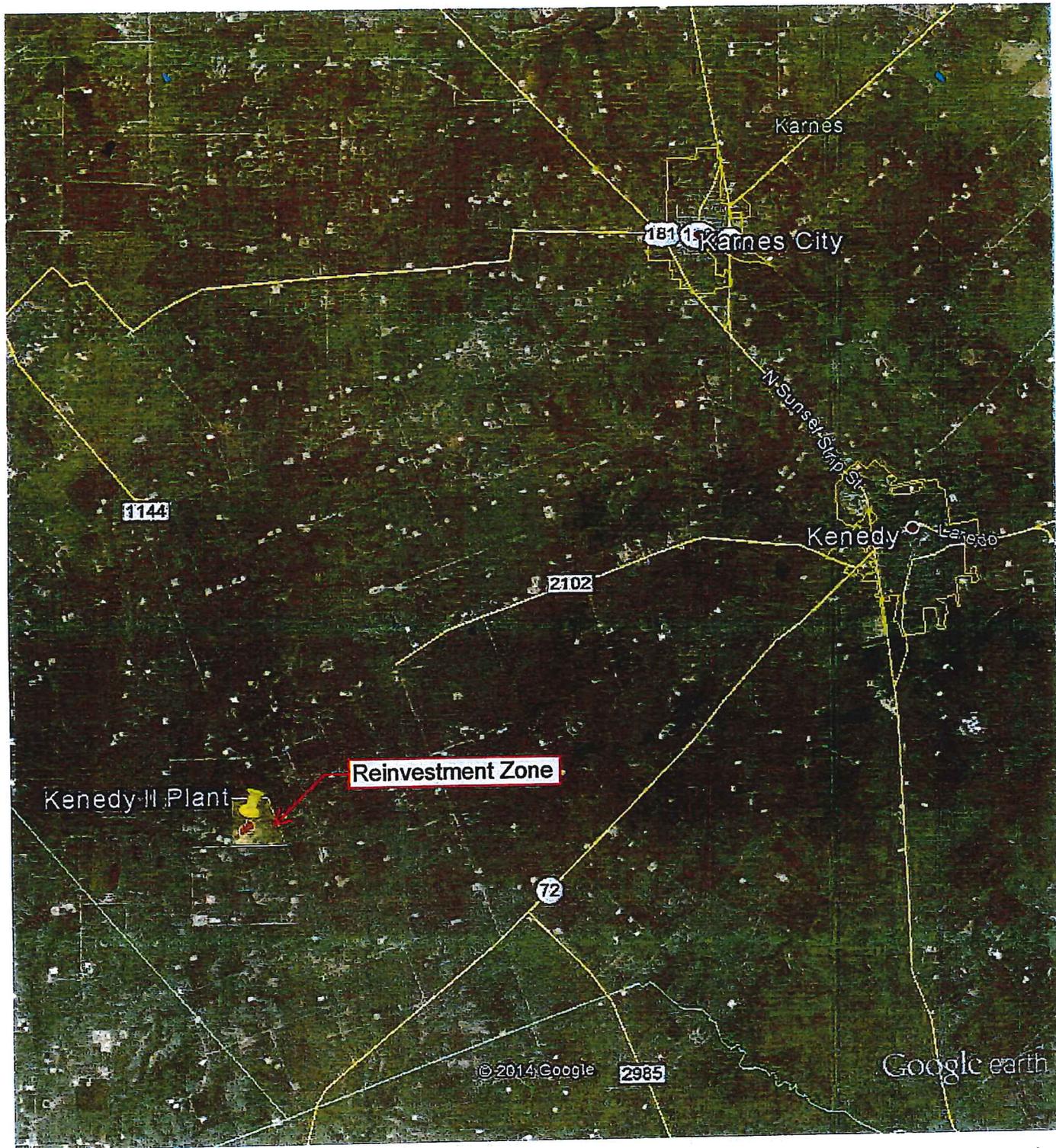
**Section 8 - Sunset Provision**

- A. These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, at which time all Reinvestment Zones and Tax Abatement contracts created pursuant to its provisions will be reviewed by the governing body to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria may be modified, renewed or eliminated providing that such actions shall not affect existing contracts.
- B. These guidelines and criteria do not apply to Industrial District Contracts entered into in accordance with chapter 42 of the Texas Local Government code.

Section 9 - Severability and Limitations

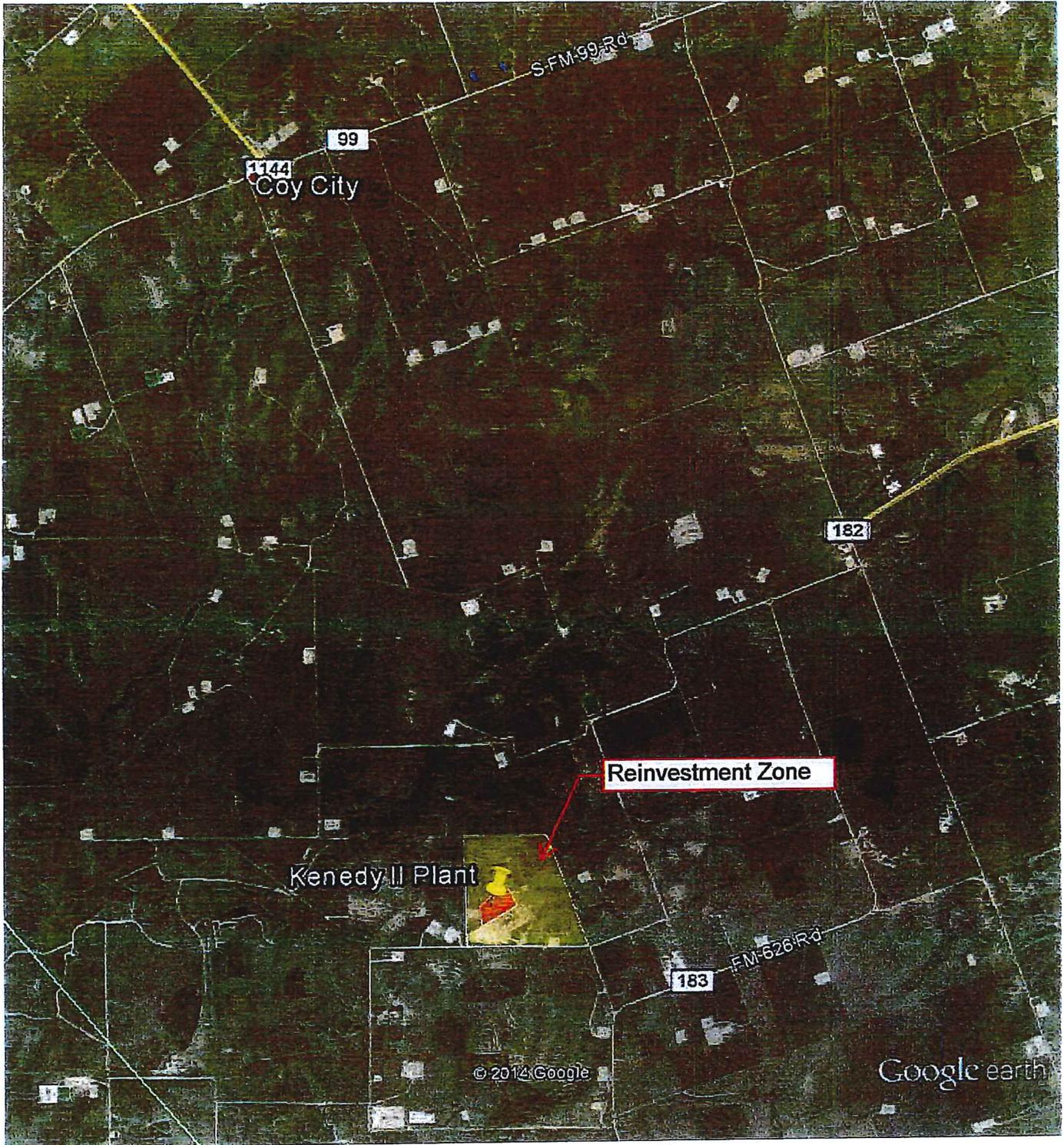
- A. In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall, for any reason be adjudged by any court of competent jurisdiction to be invalid such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
  
- B. If these Guidelines and Criteria have omitted any mandatory requirements of the applicable Tax Abatement laws of the State of Texas, then such requirements are hereby incorporated as a part of these Guidelines and Criteria.

Signed and Approved This



Google earth





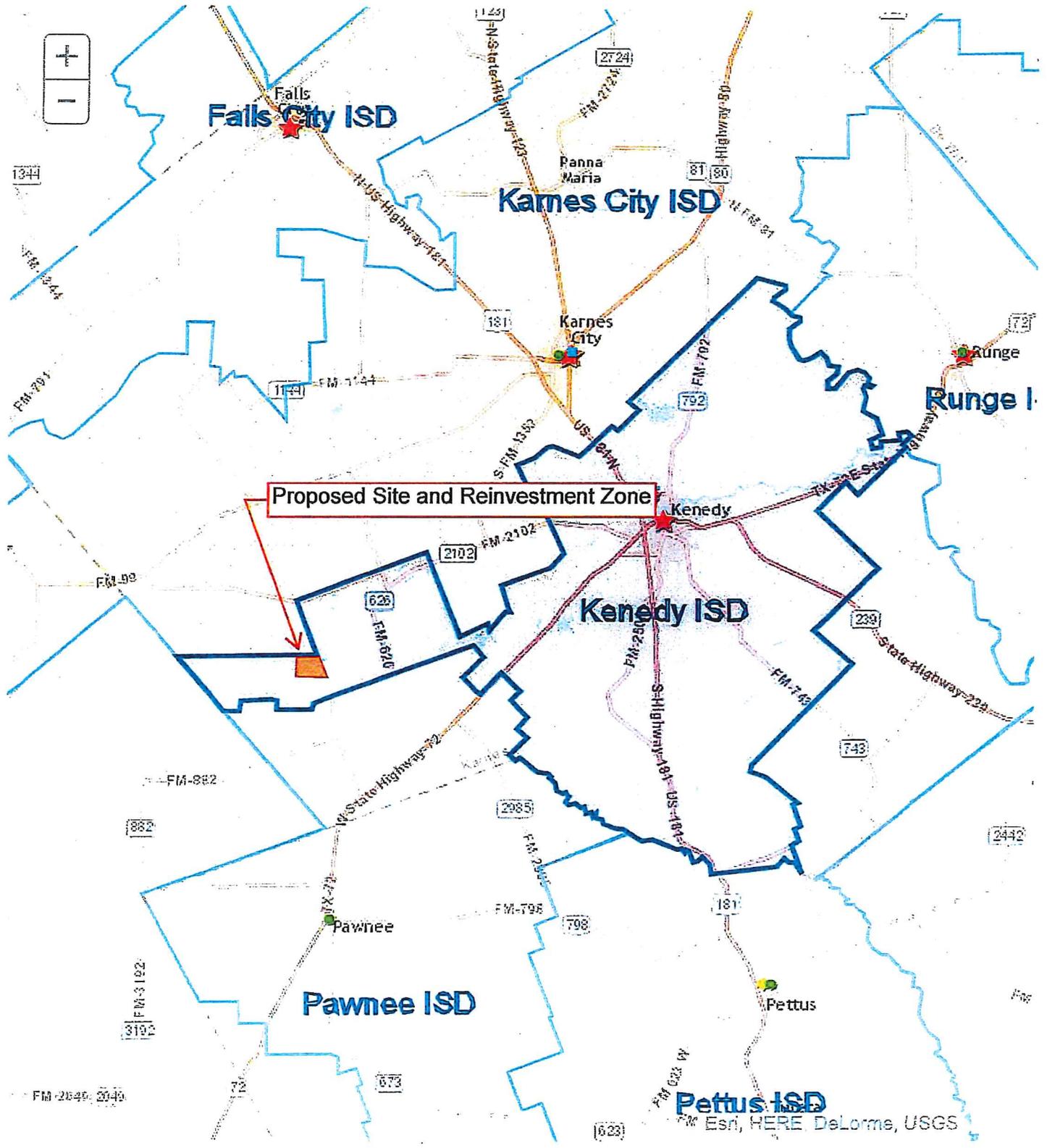
Google earth

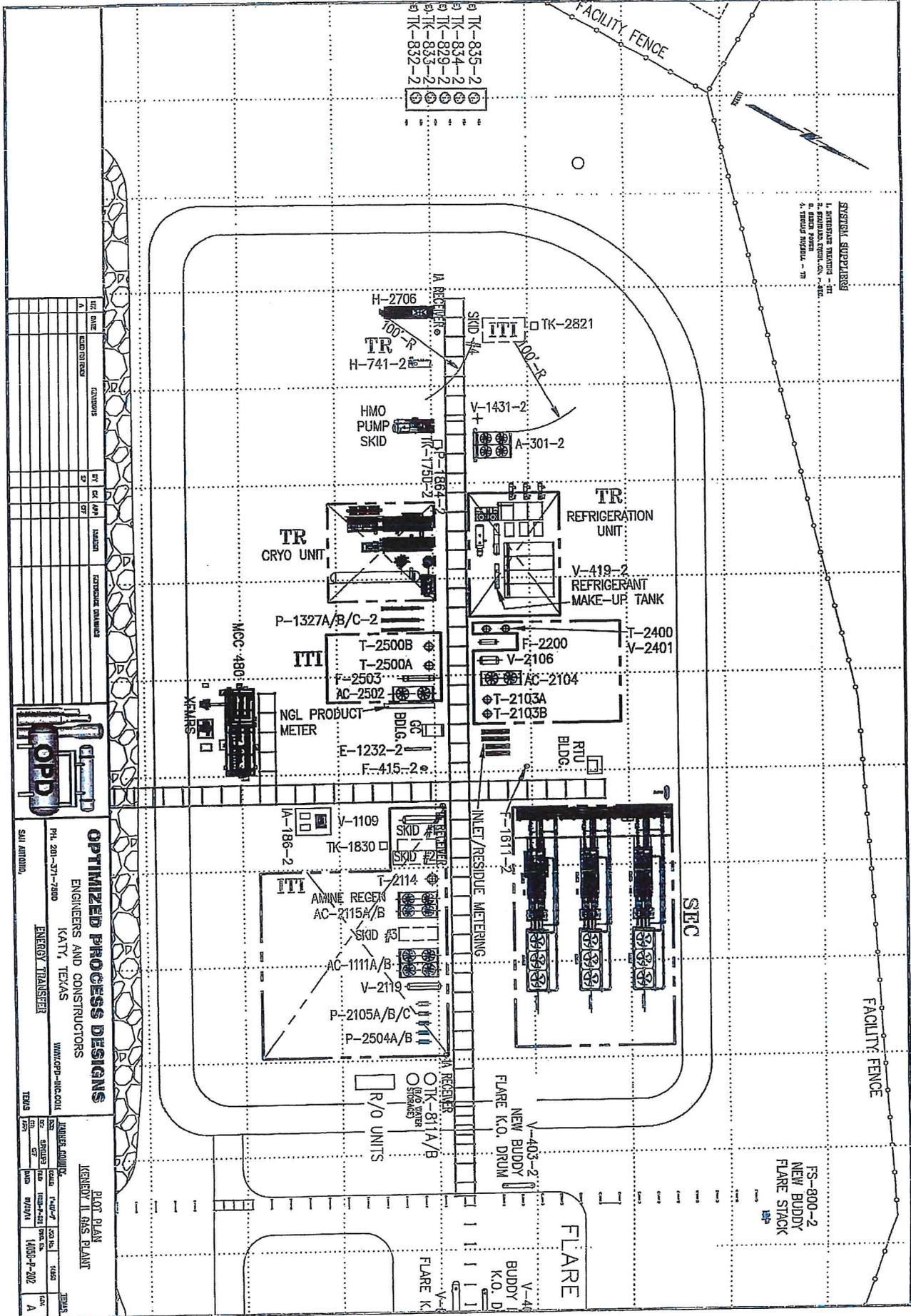




Google earth







REV	DATE	BY	CHKD	DESCRIPTION
1				ISSUED FOR CONSTRUCTION
2				
3				
4				
5				
6				
7				
8				
9				
10				

**OPTIMIZED PROCESS DESIGNS**  
ENGINEERS AND CONSTRUCTORS  
KATY, TEXAS

**ROT PLAN**  
KENNEDY GAS PLANT

WVW/CPD - IHC/COIL  
12/28/98

DATE	12/28/98	BY	WVW
DATE	12/28/98	BY	WVW
DATE	12/28/98	BY	WVW
DATE	12/28/98	BY	WVW

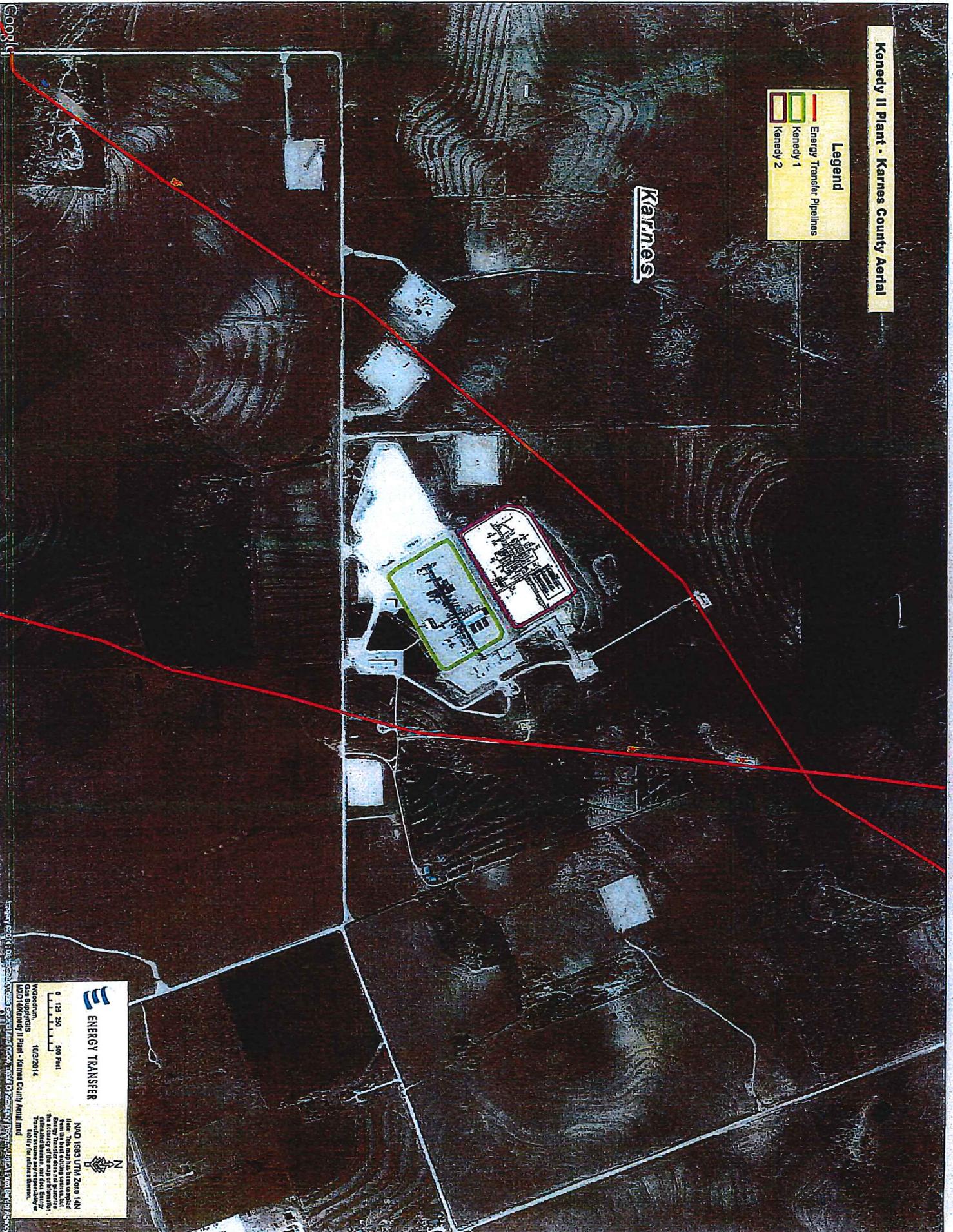
12/28/98

Kennedy II Plant - Karnes County Aerial

**Legend**

- Energy Transfer Pipelines
- Kennedy 1
- Kennedy 2

**Karnes**



**ENERGY TRANSFER**

Map Scale: 0 125 250 500 Feet

Map Date: 10/20/14

Map Title: Kennedy II Plant - Karnes County Aerial

Map Projection: NAD 1983 UTM Zone 14N

Map Accuracy: This map has been compiled from aerial photography and ground truth data. The accuracy of the map is not guaranteed. Energy Transfer and its subsidiaries are not responsible for any errors or omissions. Liability for reliance on this map is limited to the extent of the information provided.



# **TAB 17**

**Signature and Certification Page**



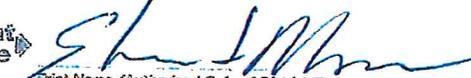
# Application for Appraised Value Limitation on Qualified Property

## 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   
Print Name (Authorized School District Representative)

BOARD PRESIDENT  
Title

sign here   
Signature (Authorized School District Representative)

10/20/14  
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   
Print Name (Authorized Company Representative (Applicant))

Property Tax Manager  
Title

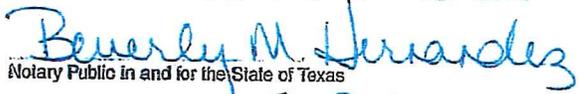
sign here   
Signature (Authorized Company Representative (Applicant))

10.6.2014  
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

6 day of October 2014  
  
Notary Public in and for the State of Texas

My Commission expires: 9.3.2018

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.