

O'HANLON, McCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

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

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

JUSTIN DEMERATH

June 30, 2015

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

RE: Application to the Point Isabel Independent School District from Annova LNG, LLC

(First Qualifying Year 2019)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Point Isabel Independent School District is notifying Annova LNG, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered. The Applicant has requested that the value limitation begin in 2021.

The Applicant submitted the Application to the school district on June 16, 2015. The Board voted to accept the application on June 16, 2015. The application has been determined complete as of June 30, 2015. Please prepare the economic impact report.

The Applicant has requested a portion of Tab 7 and Tab 11 of the Application be kept confidential. In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the supplemental materials submitted with the application, that is.

The materials are protected by the trade secret exception set forth in Texas Government Code § 552.110. The determination of whether specific material is protected as a trade secret is a question of fact. While not defined in the statute, Texas has long recognized the definition of trade secrets set forth in the Restatement of Torts. See, *Hyde v. Huffings*, 314 S.W. 2d 763, 776 (Tex. 1957), cert denied, 358 U.S. 898 (1958). The Texas Attorney General's office has consistently applied the Restatement of Torts in determining whether information submitted to

Texas governmental agencies is exempt from disclosure in response to Open Records requests under the "trade secret" doctrine. See e.g., Open Records Decision No. 652, pp. 3-5 (1997); See also, OR2002-2871 (May 28, 2002). The Restatement of Torts lists six factors to be utilized in determining whether material is, in fact a trade secret. These factors will be discussed below.

1. Extent to which information is known outside of Annova LNG, LLC;
2. Extent to which information is known by employees.
3. Security Measures.
4. Value of Information.
5. Effort Expended.
6. Ease of Duplication.

Annova LNG, LLC maintains security on the internal item specifications. This type of information is held to be a trade secret by Annova LNG, LLC. In fact, the maintenance of confidentiality of this type of information is the industry standard among all of the companies engaged in this industry.

Project confidentiality is maintained inside the company and with the consultants engaged to prepare the application. Annova LNG, LLC requires confidentiality of all employees and contractual confidentiality provisions with its consultants. The chemical manufacturing industry is highly competitive. Annova LNG, LLC feels that secure information cannot be duplicated without access to its proprietary processes. The release of any information regarding these proprietary processes would give competitors of Annova LNG, LLC an unfair competitive position.

Section 552.104

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

The public release of this information would reveal information which the company considers to be a trade secret. Furthermore, the public production of this information would cause the company to suffer substantial competitive harm and weaken its position in competitive siting decisions.

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

Sincerely,

Letter to Local Government Assistance & Economic Analysis Division

June 30, 2015

Page 3 of 3

A handwritten signature in black ink, appearing to read 'Kevin O'Hanlon', with a stylized flourish at the end.

Kevin O'Hanlon
School District Consultant

Cc: Cameron County Appraisal District

Annova LNG, LLC

Annova LNG Brownsville Project

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313)



The Applicant has requested Tab 7 and Tab 8 of the Application be kept confidential. In accordance with 34 TAC 9.1053 (e), the information that is the subject of this request is segregated from the supplemental materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the details of the capital investment associated with the project. The public release of this information would reveal information which the company considers to be a trade secret. Furthermore, the public production of this information would cause the company to suffer substantial competitive harm.

1) Application for Appraised Value Limitation on Qualified Property

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



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/. 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

June 16, 2015

Date Application Received by District

Lisa

First Name

Garcia

Last Name

Superintendent

Title

Point Isabel Independent School District

School District Name

101 Port Road

Street Address

same as above

Mailing Address

Port Isabel

City

956-943-0005

Phone Number

TX

State

78578

ZIP

Fax Number

lgarcia@pi-isd.net

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/

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Kevin _____ O'Hanlon _____
 First Name Last Name
 Partner _____
 Title _____
 O'Hanlon, McCollom & Demerath _____
 Firm Name _____
 512-494-9949 _____
 Phone Number Fax Number
 515-633-1491 _____ kohanlon@808west.com _____
 Mobile Number (optional) Email Address

4. On what date did the district determine this application complete?
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)

David _____ Chung _____
 First Name Last Name
 President _____ Annova LNG, LLC _____
 Title Organization
 4 Houston Center, 1221 Lamar Street, Suite 750 _____
 Street Address
 same as above _____
 Mailing Address _____
 Houston TX 77010 _____
 City State ZIP
 713-201-1700 _____
 Phone Number Fax Number
 Mobile Number (optional) Business Email Address
 david.chung@annovalng.com _____

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

David _____ Wang _____
 First Name Last Name
 Manager, Property Tax _____ Exelon Corporation _____
 Title Organization
 10 South Dearborn Street, 51st floor _____
 Street Address
 same as above _____
 Mailing Address _____
 Chicago IL 60603 _____
 City State ZIP
 312-394-7410 _____
 Phone Number Fax Number
 Mobile Number (optional) Business Email Address
 david.wang@exeloncorp.com _____

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)

Gabe	Sanders
First Name	Last Name
Senior Manager, Business Incentives	
Title	
EY	
Firm Name	
312-879-3049	
Phone Number	Fax Number
gabe.sanders@ey.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? Annova LNG, LLC and affiliated entities related to the Project, including but not limited to, it's named affiliates in Exhibit A (collectively "the Company")
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) See Exhibit A
3. List the NAICS code 325120
4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

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

n/a

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 | November 2015 |
| 2. Commencement of construction | 2017 |
| 3. Beginning of qualifying time period | 2018 |
| 4. First year of limitation | 2021 estimate* Limitation to start after the date commercial operations begin at the site of the project pursuant to 313.027(a-1)(2)(c). |
| 5. Begin hiring new employees | 2020 |
| 6. Commencement of commercial operations | 2020 |
| 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date <i>(date your application is finally determined to be complete)</i> ? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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? | 2020 |

SECTION 10: The Property

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

County: <u>Cameron, 0.399291%, 100%</u> <small><i>(Name, tax rate and percent of project)</i></small>	City: <u>N/A</u> <small><i>(Name, tax rate and percent of project)</i></small>
Hospital District: <u>N/A</u> <small><i>(Name, tax rate and percent of project)</i></small>	Water District: <u>Brownsville Navigation District, 0.042%, 100%</u> <small><i>(Name, tax rate and percent of project)</i></small>
Other <i>(describe)</i> : <u>Point Isabel I.S.D., 1.081634%, 100%</u> <small><i>(Name, tax rate and percent of project)</i></small>	Other <i>(describe)</i> : <u>South Texas I.S.D., 0.0492%, 100%</u> <small><i>(Name, tax rate and percent of project)</i></small>
5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 20,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 25,000,000.00

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

SECTION 12: Qualified Property

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

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): _____ \$ N/A
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): _____ \$ N/A

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 2015
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

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

5. What is the number of new non-qualifying jobs you are estimating you will create? 80

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 597.25
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 895.40
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 696.11

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? 36,197.72

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 36,197.72

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 applications 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 *Lisa Garcia*
Print Name (Authorized School District Representative)

Superintendent
Title

sign here *Lisa Garcia*
Signature (Authorized School District Representative)

6/29/15
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 *DAVID CHUNG*
Print Name (Authorized Company Representative (Applicant))

PRESIDENT
Title

sign here *David Chung*
Signature (Authorized Company Representative (Applicant))

4/2/2015
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the
2nd day of April, 2015.
Laura Sims Negri
Notary Public in and for the State of Texas
My Commission expires: 10/19/15

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 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"> a) Project vicinity 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 c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Exhibit A

Annova LNG, LLC and affiliated entities related to the Project, including but not limited to:

<u>Entity Name</u>	<u>Taxpayer ID Number</u>
Annova LNG, LLC	32051433350
Annova LNG Common Infrastructure, LLC ("ACI")	32054389633
Annova LNG Brownsville A, LLC	TBD
Annova LNG Brownsville B, LLC	TBD
Annova LNG Brownsville C, LLC	TBD

2) 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)*

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

To date, the entities listed in Appendix A have not filed a tax return with the State of Texas and are not listed in the included 2013 Texas Franchise Tax Extension Affiliate List provided. Exelon Generation intends to include the entities on prospective returns, as required.

****PLEASE CHECK YOUR ID NUMBERS FOR TYPOS****
Texas Franchise Tax Extension Affiliate List

TX2014

05-165

Ver. 5.0

(Rev. 9-11/3)

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX I AFFILIATE DOES HAVE NEXUS IN *
1. Exelon Business Services Company, LLC	12330632196	<input type="checkbox"/>
2. Exelon Generation Company, LLC	12330642195	<input type="checkbox"/>
3. Exelon Nuclear Security, LLC	261248912	<input checked="" type="checkbox"/>
4. Exelon New England Holdings LLC	133990658	<input checked="" type="checkbox"/>
5. Exelon Wyman LLC	133990643	<input checked="" type="checkbox"/>
6. Exelon Framingham LLC	133990656	<input checked="" type="checkbox"/>
7. Exelon West Medway Development LLC	134007941	<input checked="" type="checkbox"/>
8. Exelon West Medway LLC	133990646	<input checked="" type="checkbox"/>
9. Exelon New Boston LLC	133990654	<input checked="" type="checkbox"/>
10. Exelon Edgar LLC	133990641	<input checked="" type="checkbox"/>
11. Exelon Framingham Development LLC	134007932	<input checked="" type="checkbox"/>
12. Exelon New England Development LLC	134007931	<input checked="" type="checkbox"/>
13. Exelon Hamilton LLC	134162964	<input checked="" type="checkbox"/>
14. ENEH Services LLC.	900183684	<input checked="" type="checkbox"/>
15. ExTex Retail Services Co., LLC	13714667022	<input type="checkbox"/>
16. Exelon Generation Consolidation, LLC	331073118	<input checked="" type="checkbox"/>
17. Limerick 1 NQF, LLC	030530190	<input checked="" type="checkbox"/>
18. Limerick 2 NQF, LLC	030530194	<input checked="" type="checkbox"/>
19. PeachBottom 1 NQF, LLC	331073119	<input checked="" type="checkbox"/>
20. Peach Bottom 2 NQF, LLC Regulated	331073120	<input checked="" type="checkbox"/>
21. Peach Bottom 3 NQF, LLC Regulated	331073122	<input checked="" type="checkbox"/>

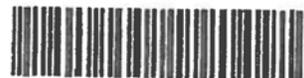
Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE FM



1023

Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX I AFFILIATE DOES HAVE NEXUS IN TX
1. Dresden 1 NQF, LLC	331073123	<input checked="" type="checkbox"/>
2. Dresden 2 NQF, LLC	331073124	<input checked="" type="checkbox"/>
3. Dresden 3 NQF, LLC	331073125	<input checked="" type="checkbox"/>
4. LaSalle 1 NQF, LLC	331073126	<input checked="" type="checkbox"/>
6. LaSalle 2 NQF, LLC	331073128	<input checked="" type="checkbox"/>
6. Byron 1 NQF, LLC	331073130	<input checked="" type="checkbox"/>
7. Byron 2 NQF, LLC	331073133	<input checked="" type="checkbox"/>
8. Braidwood 1 NQF, LLC	331073134	<input checked="" type="checkbox"/>
9. Braidwood 2 NQF, LLC	331073136	<input checked="" type="checkbox"/>
10. Quad Cities 1 NQF, LLC	331073137	<input checked="" type="checkbox"/>
11. Quad Cities 2 NQF, LLC	331073139	<input checked="" type="checkbox"/>
12. Salem 1 NQF, LLC	331073141	<input checked="" type="checkbox"/>
13. Salem 2 NQF, LLC	331073143	<input checked="" type="checkbox"/>
14. Zion 1 NQF, LLC	331073144	<input checked="" type="checkbox"/>
15. Zion 2 NQF, LLC	331073146	<input checked="" type="checkbox"/>
16. AmerGen TMI NQF, LLC	522390313	<input checked="" type="checkbox"/>
17. AmerGen Clinton NQF, LLC	522390312	<input checked="" type="checkbox"/>
18. AmerGen Oyster Creek NQF, LLC	522390314	<input checked="" type="checkbox"/>
19. Exelon SHC, LLC (fka Exelon SHC, Inc.)	412114006	<input checked="" type="checkbox"/>
20. Exelon Nuclear Texas Holdings, LLC	12615483737	<input type="checkbox"/>
21. Exelon Solar Chicago LLC	264652327	<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"/>
-------	--------------------------	----	--------------------------



Texas Franchise Tax Extension Affiliate List

Teode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

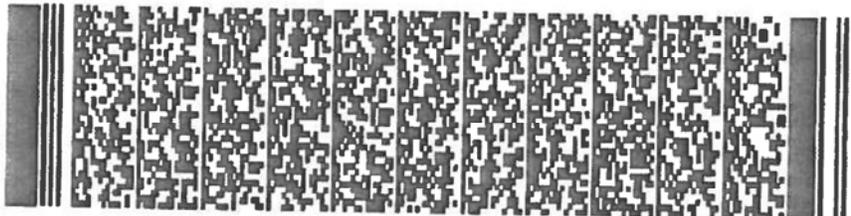
****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX I AFFILIATE DOES HAVE NEXUS IN :
1. Exelon International Commodities LLC	262756997	<input checked="" type="checkbox"/>
2. Exelon Generation Acquisitions, LLC	273921836	<input checked="" type="checkbox"/>
3. Exelon Enterprises Company, LLC	233064476	<input checked="" type="checkbox"/>
4. Exelon Mechanical, LLC	364308998	<input checked="" type="checkbox"/>
5. Exelon Ventures Company, LLC	233064477	<input checked="" type="checkbox"/>
6. F & M Holdings Company, LLC	200241019	<input checked="" type="checkbox"/>
7. UII, LLC	412157620	<input checked="" type="checkbox"/>
8. Scherer Holdings 1, LLC	522241910	<input checked="" type="checkbox"/>
9. Scherer Holdings 2, LLC	522241913	<input checked="" type="checkbox"/>
10. Scherer Holdings 3, LLC	522241914	<input checked="" type="checkbox"/>
11. Wansley Holdings 1, LLC	522241917	<input checked="" type="checkbox"/>
12. Wansley Holdings 2, LLC	522241918	<input checked="" type="checkbox"/>
13. Spruce Holdings G.P. 2000, LLC	32002465477	<input type="checkbox"/>
14. Spruce Holdings L.P. 2000, LLC	15222419036	<input checked="" type="checkbox"/>
15. Spruce Equity Holdings, LP	32036148446	<input type="checkbox"/>
16. Spruce Holdings Trust	15165177138	<input type="checkbox"/>
17. Exelon Peaker Development General, LLC	12330697181	<input type="checkbox"/>
18. Exelon Energy Delivery Company, LLC	233078398	<input checked="" type="checkbox"/>
19. Exelon Peaker Development Limited, LLC	233069714	<input checked="" type="checkbox"/>
20. Exelon Wind, LLC	12736870291	<input type="checkbox"/>
21. Cassia Gulch Wind Park LLC	203585937	<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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYP0S****

2014

Exelon Corporation

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX I AFFILIATE DOES HAVE NEXUS IN TX
1. Cassia Wind Farm, LLC	203585501	<input checked="" type="checkbox"/>
2. Bennet Creek Windfarm, LLC	205801722	<input checked="" type="checkbox"/>
3. Hot Springs Farm LLC	202251256	<input checked="" type="checkbox"/>
4. Tuana Springs Energy, LLC	262317618	<input checked="" type="checkbox"/>
5. Greensburg Wind Farm LLC		<input checked="" type="checkbox"/>
6. Harvest Windfarm LLC	203192555	<input checked="" type="checkbox"/>
7. Michigan Wind 1 LLC	203233549	<input checked="" type="checkbox"/>
8. Blue Breezes, LLC	200262042	<input checked="" type="checkbox"/>
9. Blue Breezes II, LLC	200258058	<input checked="" type="checkbox"/>
10. CP Wind Farms LLC	571241411	<input checked="" type="checkbox"/>
11. CR Clearing, LLC	205118755	<input checked="" type="checkbox"/>
12. Cow Branch Wind Power, LLC	204662997	<input checked="" type="checkbox"/>
13. Loess Hills Wind Farm LLC	205689107	<input checked="" type="checkbox"/>
14. Four Corners Windfarm, LLC	261375305	<input checked="" type="checkbox"/>
15. Four Mile Canyon Windfarm, LLC	261375200	<input checked="" type="checkbox"/>
16. Threemile Wind I	205050171	<input checked="" type="checkbox"/>
17. Bellevue Wind Energy, LLC		<input checked="" type="checkbox"/>
18. Exelon Wind 1, LLC	32022586542	<input type="checkbox"/>
19. Exelon Wind 2, LLC	32022586559	<input type="checkbox"/>
20. Exelon Wind 3, LLC	32022586575	<input type="checkbox"/>
21. Exelon Wind 4, LLC	32022586583	<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates Form 05-184 (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 FM



Texas Franchise Tax Extension Affiliate List

Reporting entity taxpayer number **Tcode 13298**

Reporting entity taxpayer number **12329901909**

Report year **2014**

Reporting entity taxpayer name **Exelon Corporation**

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX AFFILIATE DOES HAVE NEXUS IN
1. Exelon Wind 5, LLC	32022586609	<input type="checkbox"/>
2. Exelon Wind 6, LLC	32022586625	<input type="checkbox"/>
3. Exelon Wind 7, LLC	32028368564	<input type="checkbox"/>
4. Exelon Wind 8, LLC	32025984827	<input type="checkbox"/>
5. ExTex LaPorte LP	12330697199	<input type="checkbox"/>
6. Exelon Wind 9, LLC	32025984785	<input type="checkbox"/>
7. Exelon Wind 10, LLC	32025984744	<input type="checkbox"/>
8. Exelon Wind 11, LLC	32025984371	<input type="checkbox"/>
9. Blissfield Wind Energy, LLC	272876376	<input checked="" type="checkbox"/>
10. Harvest II Windfarm, LLC	453319170	<input checked="" type="checkbox"/>
11. Michigan Wind 2, LLC	453323391	<input checked="" type="checkbox"/>
12. Elbridge Wind Farm, LLC		<input checked="" type="checkbox"/>
13. WhiteTail Wind Energy, LLC	32040595871	<input type="checkbox"/>
14. Exelon AVSR Holdings	453277706	<input checked="" type="checkbox"/>
15. Exelon AVSR, LLC	453277836	<input checked="" type="checkbox"/>
16. AV Solar Ranch 1, LLC	263155532	<input checked="" type="checkbox"/>
17. Exelon Transmission Company, LLC	270953179	<input checked="" type="checkbox"/>
18. RF Holdco	271681355	<input checked="" type="checkbox"/>
19. CE Funding Co		<input checked="" type="checkbox"/>
20. Constellation Energy Resources LLC	043693555	<input checked="" type="checkbox"/>
21. CNEGH Holdings, LLC	264311520	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates Form 05-184 (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 FM



Texas Franchise Tax Extension Affiliate List

Code 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX AFFILIATE DOES HAVE NEXUS IN
1. Exelon Investment Holdings, LLC	830381033	<input checked="" type="checkbox"/>
2. URI, LLC	841661708	<input checked="" type="checkbox"/>
3. Commonwealth Edison Company	360938600	<input checked="" type="checkbox"/>
4. Commonwealth Edison Company of Indiana, Inc.	350224800	<input checked="" type="checkbox"/>
5. EX-FME, INC.	233011448	<input checked="" type="checkbox"/>
6. EX-FM, INC.	130710600	<input checked="" type="checkbox"/>
7. NEWCOSYS, Inc.	233011450	<input checked="" type="checkbox"/>
8. Oldco VSI, Inc.	522236082	<input checked="" type="checkbox"/>
9. Exelon AOG Holdings #1 Inc.	522180995	<input checked="" type="checkbox"/>
10. Exelon AOG Holdings #2 Inc.	522182430	<input checked="" type="checkbox"/>
11. Exelon PowerLabs, LLC	010754473	<input checked="" type="checkbox"/>
12. TEG Holdings, LLC	201384748	<input checked="" type="checkbox"/>
13. Exelon Generation International Inc.	030422387	<input checked="" type="checkbox"/>
14. The Proprietors of the Susquehanna Canal	231624948	<input checked="" type="checkbox"/>
15. PECO Energy Company	230970240	<input checked="" type="checkbox"/>
16. PEC Financial Services, LLC	232995382	<input checked="" type="checkbox"/>
17. ExTel Corporation, LLC	233064280	<input checked="" type="checkbox"/>
18. PECO Wireless, LLC	242940058	<input checked="" type="checkbox"/>
19. PECO Energy Capital Corp.	510355321	<input checked="" type="checkbox"/>
20. Adwin Realty Company	231706179	<input checked="" type="checkbox"/>
21. Bolt Acquisition Corporation	360938600	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates Form 05-184 (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 FM



Texas Franchise Tax Extension Affiliate List

Teode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

2014

Exelon Corporation

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX AFFILIATE DOES HAVE NEXUS IN
1. Baltimore Gas and Electric Company	520280210	<input checked="" type="checkbox"/>
2. Constellation Real Estate Group, Inc.	521589004	<input checked="" type="checkbox"/>
3. COSI Central Wayne, Inc.	522005374	<input checked="" type="checkbox"/>
4. COSI Sunnyside, Inc.	522130014	<input checked="" type="checkbox"/>
5. CP Sunnyside I, Inc.	522130731	<input checked="" type="checkbox"/>
6. Sunnyside II, Inc.	341802273	<input checked="" type="checkbox"/>
7. Sunnyside III, Inc.	721030674	<input checked="" type="checkbox"/>
8. CE Wayne I, Inc.	521743599	<input checked="" type="checkbox"/>
9. CE Wayne II, Inc.	521743600	<input checked="" type="checkbox"/>
10. CD Mammoth Lakes I, Inc.	521662959	<input checked="" type="checkbox"/>
11. CD Mammoth Lakes II, Inc.	521662961	<input checked="" type="checkbox"/>
12. CD Soda SLR, Inc.	521691828	<input checked="" type="checkbox"/>
13. CE Colver I, Inc.	521775807	<input checked="" type="checkbox"/>
14. CE Colver III, Inc.	521817938	<input checked="" type="checkbox"/>
15. CP Synfuels Investor, Inc.	522081450	<input checked="" type="checkbox"/>
16. CII Solarpower I, Inc.	521502154	<input checked="" type="checkbox"/>
17. CD SEGS V, Inc.	521535752	<input checked="" type="checkbox"/>
18. CD SEGS VI, Inc.	521557909	<input checked="" type="checkbox"/>
19. CD Malacha I, Inc.	521540032	<input checked="" type="checkbox"/>
20. CD Soda I, Inc.	521549267	<input checked="" type="checkbox"/>
21. CD Empire I, Inc.	521550348	<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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES HAVE NEXUS IN TX
1. CD Empire II, Inc.	521549268	<input checked="" type="checkbox"/>
2. COSI Ultra, Inc.	521535751	<input checked="" type="checkbox"/>
3. COSI Ultra II, Inc.	521918465	<input checked="" type="checkbox"/>
4. COSI A-C Power, Inc.	521698871	<input checked="" type="checkbox"/>
5. Cogenex Corporation	10428072671	<input type="checkbox"/>
6. Energy Performance Services, Inc.	12327508995	<input type="checkbox"/>
7. Constellation Real Estate, Inc.	521237835	<input checked="" type="checkbox"/>
8. Calvert Land Corporation	262838255	<input checked="" type="checkbox"/>
9. CE Nuclear LLC	270980335	<input checked="" type="checkbox"/>
10. Constellation Nuclear, LLC	522207617	<input type="checkbox"/>
11. MXenergy Holdings, Inc.	12029309080	<input type="checkbox"/>
12. Constellation Energy Gas Choice, Inc.	061543530	<input type="checkbox"/>
13. Constellation Energy Power Choice, Inc.	10505729383	<input type="checkbox"/>
14. Star Electricity, Inc.	12012758772	<input type="checkbox"/>
15. CER Generation, LLC	261586418	<input checked="" type="checkbox"/>
16. CER Generation II, LLC	262504746	<input checked="" type="checkbox"/>
17. Criterion Power Partners, LLC	202355892	<input checked="" type="checkbox"/>
18. CER-Colorado Bend Energy LLC (FKA Navasota Wharton E)	11617280844	<input type="checkbox"/>
19. CER-Colorado Bend Energy Partners LP (FKA Navasola W)	10438290834	<input type="checkbox"/>
20. CER-Quail Run Energy LLC (FKA Navasola Odessa Energy)	11617280810	<input type="checkbox"/>
21. CER-Quail Run Energy Partners LP (FKA Navasola Odessa)	10438290842	<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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX II AFFILIATE DOES HAVE NEXUS IN TX
1. Constellation Mystic Power LLC	273585052	<input checked="" type="checkbox"/>
2. Constellation Power, Inc.	15215255728	<input type="checkbox"/>
3. Handsome Lake Energy LLC	233023825	<input checked="" type="checkbox"/>
4. Constellation Operating Services, LLC	521525570	<input checked="" type="checkbox"/>
5. CD Panther II, LLC	264380193	<input checked="" type="checkbox"/>
6. CE Colver II LLC	264380064	<input checked="" type="checkbox"/>
7. Constellation NewEnergy, Inc.	19547148908	<input type="checkbox"/>
8. BGE Home Products and Services, LLC	800696499	<input checked="" type="checkbox"/>
9. North Shore District Energy, LLC	522303041	<input checked="" type="checkbox"/>
10. Las Vegas District Energy, LLC	010674642	<input checked="" type="checkbox"/>
11. Canton Crossing District Energy, LLC	050631965	<input checked="" type="checkbox"/>
12. Water & Energy Savings Company, LLC	12735548450	<input type="checkbox"/>
13. CLT Energy Services Group, LLC	251877541	<input checked="" type="checkbox"/>
14. Denver Airport Solar, LLC	272841359	<input checked="" type="checkbox"/>
15. CONSTELLATION SOLAR HOLDING, LLC	274170774	<input checked="" type="checkbox"/>
16. CONSTELLATION SOLAR CALIFORNIA, LLC	274171507	<input checked="" type="checkbox"/>
17. CONSTELLATION SOLAR CONNECTICUT, LLC	274171698	<input checked="" type="checkbox"/>
18. CONSTELLATION SOLAR MARYLAND, LLC	272372896	<input checked="" type="checkbox"/>
19. CONSTELLATION SOLAR MASSACHUSETTS, LLC	383803705	<input checked="" type="checkbox"/>
20. CONSTELLATION SOLAR NEW JERSEY, LLC	383803880	<input checked="" type="checkbox"/>
21. CONSTELLATION SOLAR OHIO, LLC	300578270	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-104 (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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYP0S****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES HAVE NEXUS IN TX
1. Holyoke Solar, LLC	273945321	<input checked="" type="checkbox"/>
2. CONSTELLATION SOLAR NEW JERSEY II, LLC	274752202	<input checked="" type="checkbox"/>
3. Constellation Energy Projects and Services Advisors	275041291	<input checked="" type="checkbox"/>
4. CONSTELLATION SOLAR FEDERAL, LLC	274752446	<input checked="" type="checkbox"/>
5. CONSTELLATION SOLAR HORIZONS, LLC	274752626	<input checked="" type="checkbox"/>
6. Constellation Solar Net Metering, LLC	452047409	<input checked="" type="checkbox"/>
7. CONSTELLATION SOLAR ARIZONA LLC	452562672	<input checked="" type="checkbox"/>
8. RESIDENTIAL SOLAR I, LLC	453323888	<input checked="" type="checkbox"/>
9. RESIDENTIAL SOLAR II, LLC	453323437	<input checked="" type="checkbox"/>
10. CONSTELLATION SOLAR NEW JERSEY III, LLC	452970190	<input checked="" type="checkbox"/>
11. CONSTELLATION SOLAR MARYLAND II, LLC	800790369	<input checked="" type="checkbox"/>
12. Old Hickory District Energy, LLC	271393544	<input checked="" type="checkbox"/>
13. CE Culm, Inc.	521806307	<input checked="" type="checkbox"/>
14. CNE Gas Holdings, Inc.	16112255514	<input type="checkbox"/>
15. Constellation New Energy - Gas Division, LLC	32034700354	<input type="checkbox"/>
16. CNEG Holdings, LLC	264312480	<input checked="" type="checkbox"/>
17. CNE Gas Supply, LLC	32039166593	<input type="checkbox"/>
18. Tamuin International, Inc.	133810590	<input checked="" type="checkbox"/>
19. Constellation Energy Commodities Group, Inc.	15220193328	<input type="checkbox"/>
20. CEU COLA, LLC	522440757	<input checked="" type="checkbox"/>
21. CEU CHC, LLC	371496402	<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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX AFFILIATE DOES HAVE NEXUS IN
1. CEU Arkoma West, LLC	710977097	<input checked="" type="checkbox"/>
2. Constellation Energy Control and Dispatch, LLC	17606917759	<input type="checkbox"/>
3. CEU Fayetteville, LLC	010860429	<input checked="" type="checkbox"/>
4. CEU Floyd Shale, LLC	010860431	<input checked="" type="checkbox"/>
6. CEU East Fort Peck, LLC	010860434	<input checked="" type="checkbox"/>
6. CEU Offshore, LLC	010860435	<input checked="" type="checkbox"/>
7. Constellation Energy Partners Holdings, LLC	061779565	<input checked="" type="checkbox"/>
8. CEU Paradigm, LLC	753223916	<input checked="" type="checkbox"/>
9. CEU Huntsville, LLC	32048773280	<input type="checkbox"/>
10. CEU Holdings LLC	264431074	<input checked="" type="checkbox"/>
11. CEU Eagle Ford, LLC	13201996074	<input type="checkbox"/>
12. CEU Plymouth, LLC	273127172	<input checked="" type="checkbox"/>
13. CEU Simplicity, LLC	451627070	<input checked="" type="checkbox"/>
14. CEU Kingston, LLC	453365090	<input checked="" type="checkbox"/>
15. CEU Trenton, LLC	900808678	<input checked="" type="checkbox"/>
16. CECG International Holdings, Inc.	141927719	<input checked="" type="checkbox"/>
17. Constellation Investments, Inc.	521336858	<input checked="" type="checkbox"/>
18. Constellation Power Source Generation, LLC	320418194	<input checked="" type="checkbox"/>
19. CEU Development, LLC	320199604	<input checked="" type="checkbox"/>
20. CEU Ohio Shale, LLC	161775807	<input checked="" type="checkbox"/>
21. CD Soda II, Inc.	521549272	<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 FM 

Texas Franchise Tax Extension Affiliate List

Teode 13298

Reporting entity taxpayer number 12329901909
 Report year 2014
 Reporting entity taxpayer name Exelon Corporation
****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYP0S****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES HAVE NEXUS IN TX
1. CE Long Valley I, Inc.	521831839	<input checked="" type="checkbox"/>
2. CE Long Valley II, Inc.	521831842	<input checked="" type="checkbox"/>
3. CREG Oldco Inc.	521502161	<input checked="" type="checkbox"/>
4. Onyx Realty Development Corp.	521556661	<input checked="" type="checkbox"/>
5. CRE OldCo, Inc. (fka CPI Hickory Ridge Inc.)	521627299	<input checked="" type="checkbox"/>
6. COSI Synfuels, Inc.	522072273	<input checked="" type="checkbox"/>
7. CD Soda III, Inc.	522107802	<input checked="" type="checkbox"/>
8. CPI Oldco, Inc.	521753305	<input checked="" type="checkbox"/>
9. Agrivind LLC	371506166	<input checked="" type="checkbox"/>
10. Agrivind Project LLC	204406748	<input checked="" type="checkbox"/>
11. B&K Energy Systems, LLC	421575133	<input checked="" type="checkbox"/>
12. Christoffer Transmission Systems, LLC	421575120	<input checked="" type="checkbox"/>
13. DL Windy Acres, LLC	421575129	<input checked="" type="checkbox"/>
14. S&P Windfarms, LLC	421575086	<input checked="" type="checkbox"/>
15. Shane's Wind Machine, LLC	200769266	<input checked="" type="checkbox"/>
16. Christoffer Wind Energy I, LLC	113777300	<input checked="" type="checkbox"/>
17. Christoffer Wind Energy II, LLC	113777305	<input checked="" type="checkbox"/>
18. Christoffer Wind Energy III, LLC	113777293	<input checked="" type="checkbox"/>
19. Christoffer Wind Energy IV, LLC	270142000	<input checked="" type="checkbox"/>
20. BC Energy, LLC	412211549	<input checked="" type="checkbox"/>
21. K&D Energy, LLC	141951971	<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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX I AFFILIATE DOES HAVE NEXUS IN *
1. KC Energy, LLC	550916420	<input checked="" type="checkbox"/>
2. KSS Turbines, LLC	043847972	<input checked="" type="checkbox"/>
3. Green Acres Breeze, LLC	900260463	<input checked="" type="checkbox"/>
4. Minnesola Breeze, LLC	562392378	<input checked="" type="checkbox"/>
5. Sunset Breeze LLC	900260464	<input checked="" type="checkbox"/>
6. Wolf Wind Enterprises LLC	562392372	<input checked="" type="checkbox"/>
7. Marshall Wind 1, LLC	208977892	<input checked="" type="checkbox"/>
8. Marshall Wind 2, LLC	208776101	<input checked="" type="checkbox"/>
9. Marshall Wind 3, LLC	208978149	<input checked="" type="checkbox"/>
10. Marshall Wind 4, LLC	208980501	<input checked="" type="checkbox"/>
11. Marshall Wind 5, LLC	208980577	<input checked="" type="checkbox"/>
12. Marshall Wind 6, LLC	208980614	<input checked="" type="checkbox"/>
13. Roadrunner I, LLC	651228171	<input checked="" type="checkbox"/>
14. Salty Dog I, LLC	542154849	<input checked="" type="checkbox"/>
15. Salty Dog II, LLC	542155399	<input checked="" type="checkbox"/>
16. Wally's Wind Farm LLC	134282742	<input checked="" type="checkbox"/>
17. Windy Dog I, LLC	134282746	<input checked="" type="checkbox"/>
18. Wind Capital Holdings, LLC	203944460	<input checked="" type="checkbox"/>
19. Oregon Trail Windfarm, LLC	261375248	<input checked="" type="checkbox"/>
20. Pacific Canyon Windfarm, LLC	261744224	<input checked="" type="checkbox"/>
21. Sand Ranch Windfarm, LLC	261375010	<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"/>
-------	--------------------------	----	--------------------------



1023

Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

12329901909

2014

Exelon Corporation

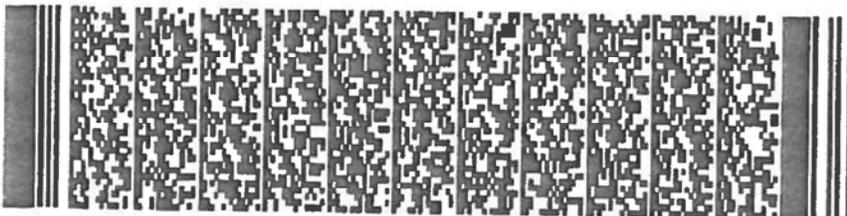
****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES HAVE NEXUS IN TX
1. Ward Butte Windfarm, LLC	261375142	<input checked="" type="checkbox"/>
2. Big Top, LLC	260178794	<input checked="" type="checkbox"/>
3. Wagon Trail, LLC	260178874	<input checked="" type="checkbox"/>
4. High Plains Wind Power, LLC	32022587706	<input type="checkbox"/>
5. Energy Capital & Services II, LP	043097217	<input checked="" type="checkbox"/>
6. Titan STC, LLC	710977102	<input checked="" type="checkbox"/>
7. CoLa Resources, LLC	522440759	<input checked="" type="checkbox"/>
8. Constellation New Nuclear LLC	264176524	<input checked="" type="checkbox"/>
9. Constellation Energy Nuclear Group, LLC	800492898	<input checked="" type="checkbox"/>
10. Exelon NE Power Marketing LP	522180999	<input checked="" type="checkbox"/>
11. Constellation Sacramento Holding, LLC	452562768	<input checked="" type="checkbox"/>
12. RITELINE ILLINOIS LLC	452727206	<input checked="" type="checkbox"/>
13. CONSTELLATION OPERATING SERVICES	330250686	<input checked="" type="checkbox"/>
14. Prairie Wind Power, LLC	562563420	<input checked="" type="checkbox"/>
15. Cisco Wind Energy, LLC	205405202	<input checked="" type="checkbox"/>
16. Ewington Energy Systems, LLC		<input checked="" type="checkbox"/>
17. Breezy Bucks I, LLC	421635758	<input checked="" type="checkbox"/>
18. Breezy Bucks II, LLC	141910669	<input checked="" type="checkbox"/>
19. Dajaw Transmission, LLC	260115138	<input checked="" type="checkbox"/>
20. G-Flow Wind LLC	900260468	<input checked="" type="checkbox"/>
21. Wolf Wind Transmission LLC		<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 FM



Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number: 12329901909
 Report year: 2014
 Reporting entity taxpayer name: Exelon Corporation
****PLEASE CHECK YOUR AFFILIATE ID NUMBERS FOR TYPOS****

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX II AFFILIATE DOES HAVE NEXUS IN TX
1. Constellation Holdings, LLC	461593599	<input type="checkbox"/>
2. Constellation Solar Horizons Holdings LLC	364776357	<input checked="" type="checkbox"/>
3. Michigan Wind 3, LLC		<input checked="" type="checkbox"/>
4. CONSTELLATION SOLAR MARYLAND, LLC	272372896	<input checked="" type="checkbox"/>
5. Wildcat Finance LLC	383868865	<input checked="" type="checkbox"/>
6. CEU Trenton, LLC	900808678	<input checked="" type="checkbox"/>
7. High Mesa, LLC		<input checked="" type="checkbox"/>
8. Beebe 1B Renewable Energy, LLC	371752644	<input checked="" type="checkbox"/>
9. Beebe Renewable Energy, LLC	272876376	<input checked="" type="checkbox"/>
10. Constellation Power Source Generation, LLC	320418194	<input checked="" type="checkbox"/>
11. Constellation Solar New York, LLC	900952826	<input checked="" type="checkbox"/>
12. Continental Wind Holding, LLC	900989802	<input checked="" type="checkbox"/>
13. Continental Wind, LLC	462912442	<input checked="" type="checkbox"/>
14. ExGen Renewables I, LLC	371749876	<input checked="" type="checkbox"/>
15. ExGen Renewables I Holdings, LLC	364778282	<input checked="" type="checkbox"/>
16. Simmons & Eastern, LLC	462738266	<input checked="" type="checkbox"/>
17. Fairwind Power Partners, LLC	371714696	<input checked="" type="checkbox"/>
18. Fourmile Wind Energy, LLC	461062882	<input checked="" type="checkbox"/>
19. River Band I, LLC	15419669435	<input type="checkbox"/>
20. Constellation Alliance II, LP	32035426363	<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates Form 05-184 (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 FM



Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

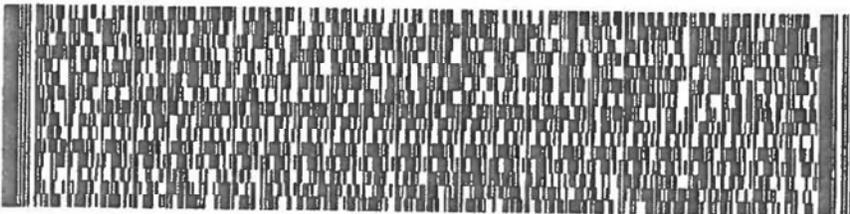
■ Reporting entity taxpayer number 12329901909	■ Report year 2014	Reporting entity taxpayer name Exelon Corporation
---	-----------------------	--

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX AFFILIATE DOES HAVE NEXUS IN
1. Butter Creek Power, LLC	260152155	<input checked="" type="checkbox"/>
2. CE Colver Limited Partnership	521775803	<input checked="" type="checkbox"/>
3. Sunnyside II, L.P.	522319165	<input checked="" type="checkbox"/>
4. CD Panther Panthers L.P.	521666132	<input checked="" type="checkbox"/>
5. CP Synfuels Investor, LLC	522081450	<input checked="" type="checkbox"/>
6. CE LONG VALLEY LIMITED PARTNERSHIP	521831843	<input checked="" type="checkbox"/>
7. CE Central Wayne Energy Recovery LP	000000001	<input checked="" type="checkbox"/>
8. W&D Gas Partners, LLC	32048730553	<input type="checkbox"/>
9. CEU W&D, LLC	15625110471	<input type="checkbox"/>
10. Safe Harbor Water	000000002	<input checked="" type="checkbox"/>
11. Constellation Energy Projects and Ser.	275041291	<input checked="" type="checkbox"/>
12. Residential Solar III, LLC	371704527	<input checked="" type="checkbox"/>
13. Constellation Solar DC, LLC	371707649	<input checked="" type="checkbox"/>
14. Wolf Hollow I, LP	15419669450	<input type="checkbox"/>
15. Sunbelt I, LLC	32052655654	<input type="checkbox"/>
16. Frontier I, LP	32051806431	<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"/>
-------	--------------------------	----	--------------------------



1062

4) Detailed description of the project

Annova LNG Brownsville Project Project Summary

Exelon Corporation is a utility services holding company engaged, through Exelon Generation, in the energy generation business, and through ComEd, PECO and BGE, in the energy delivery business. Headquartered in Chicago, Exelon does business in 48 states, the District of Columbia and Canada.

Exelon Generation is one of the largest competitive U.S. power generators, with approximately 31 gigawatts. Exelon Generation also has one of the largest and best managed nuclear fleets in the world at approximately 19 gigawatts, a significant gas generation capacity of approximately 8 gigawatts, and renewable portfolio of approximately 1 gigawatt. Exelon's Constellation business unit is a leading competitive energy provider in the U.S. Their retail businesses serves more than 2.5 million residential, public sector and business customers, including more than two-thirds of the Fortune 100. Exelon's utilities deliver electricity and natural gas to approximately 7.8 million customers in three utility jurisdictions: Illinois, Maryland, and Pennsylvania.

Annova LNG, LLC and affiliated entities related to the Project, including but not limited to, its named affiliates in Exhibit A (collectively "the Company") is analyzing the development of a new Liquefied Natural Gas (LNG) export terminal on the Port of Brownsville, Texas. The Annova LNG Brownsville Project (the "Project") is designed to be a 3 stage facility. The planned FERC pre-filing is for three stages—A, B, and C. Each planned stage will include two 1.0 Mtpa (million tons per annum) capacity liquefaction trains for a total of 6.0 Mtpa. Annova expects construction of the facility to begin in 2017 and to be operational beginning in 2020 or 2021.

The Company expects to create a minimum of 10 permanent full time jobs at the project site. Initial employment levels may exceed 10 jobs throughout the early stages of development. The average wage of the employees is expected to be above the minimum required average wage for manufacturing jobs the region, with an average employer paid benefit contribution of 50% of salary.

The Project is located 100 percent in Point Isabel Independent School District and Cameron County.

The Appraised Value Limitation on Qualified Property under Texas Tax Code, Chapter 313, is an important and determining factor as it considers the siting of the Project in Cameron County and the State of Texas . The site identified by the Company will:

1. Will encourage a large-scale capital investment in the state; and
2. Will allow the Company to create high-paying jobs in the State of Texas; and
3. Will attract a large-scale business that is exploring the siting of a project in Texas; and
4. Will greatly improve the economy in the State of Texas and Cameron County; and
5. Will dramatically expand the ad valorem tax base of the State of Texas;

Exelon (and Annova LNG, LLC) does business in 48 states, the District of Columbia and Canada and can locate projects in a variety of locations. There are a multitude of reasons why a project may be located in a particular jurisdiction. Incentive programs such as the Appraised Value Limitation play a key role. During the Tier 1 siting process, Annova conducted a large-scale assessment of potential locations appropriate for an LNG liquefaction and export facility within the United States. The award of this incentive was, is and will continue to be a key component of the final investment decision, which has yet

to be made regarding the construction and siting of The Project in Cameron County and the State of Texas.

Production of LNG requires the application of a broad range of technologies and design expertise. An LNG production facility involves numerous process steps to achieve the desired result of a dependable supply of LNG. The investment for the Annova LNG Brownsville Project includes, but is not limited to, the following major components / processes:

- Inlet gas treating systems utilizing amine for carbon dioxide, hydrogen sulfide, water, and mercury
- 6 LNG Trains with a total capacity of 6 MTPA
- three separate refrigerant units to cool the LNG (propane, ethylene, and methane)
- LNG storage tanks
- LNG transfer pumps.
- Floating storage units
- administration and warehouse buildings
- firewater tank and pumps
- utility infrastructure
- Installation of facilities to allow for the loading of LNG

The Annova LNG Brownsville Project would have the following impact on Cameron County:

- Construction related expenditures would support as many as 675 on-site employees and a total of \$324M in direct labor income.
- Suppliers to the site and employee spending would support an additional 2,078 Texas employees for the duration of the construction period – of which, an estimated 1,564 will be in Cameron County.
- The Company's operations would support 2,690 jobs in Texas (281 in Cameron County). State and local tax impacts related to the project could exceed \$60M annually with more than ½ of those funds going to Governments in Cameron County.

5) Documentation to assist in determining if limitation is a determining factor

Annova LNG Brownsville Project
Documentation to assist in determining if limitation is a determining factor

Annova LNG, LLC and affiliated entities related to the Project, including but not limited to, its named affiliates in Exhibit A (collectively “the Company”) is evaluating the capital structure of the Annova LNG Brownsville Project (the “Project”). In evaluating the capital structure, the Company is considering the financing and equity structure of the project. From a financing perspective, securing financing at a favorable rate is extremely challenging due to the existing 30-year statutory limitation on lease terms at Texas ports. Additionally, while working with potential customers to sign commitments for off-taking the gas from the new facility, many customers have demonstrated an interest in equity in the Project. Public support through abatements and incentives is an essential element of demonstrating a viable capital structure to potential customers and investors.

The Appraised Value Limitation on Qualified Property under Texas Tax Code, Chapter 313, is an important and determining factor as it considers the siting of the Project in Cameron County and the State of Texas . The site identified by the Company will:

1. Will encourage a large-scale capital investment in the state; and
2. Will allow the Company to create high-paying jobs in the State of Texas; and
3. Will attract a large-scale business that is exploring the siting of a project in Texas; and
4. Will greatly improve the economy in the State of Texas and Cameron County; and
5. Will dramatically expand the ad valorem tax base of the State of Texas;

Exelon (and Annova LNG, LLC) does business in 48 states, the District of Columbia and Canada and can locate projects in a variety of locations. There are a multitude of reasons why a project may be located in a particular jurisdiction. Incentive programs such as the Appraised Value Limitation play a key role. The award of this incentive was, is and will continue to be a key component of the final investment decision regarding the construction and siting of The Project in Cameron County and the State of Texas.

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

This section is not applicable to the application.

7) Description of Qualified Investment

Annova LNG Brownsville Project Project Summary

Exelon Corporation is a utility services holding company engaged, through Exelon Generation, in the energy generation business, and through ComEd, PECO and BGE, in the energy delivery business. Headquartered in Chicago, Exelon does business in 48 states, the District of Columbia and Canada.

Exelon Generation is one of the largest competitive U.S. power generators, with approximately 31 gigawatts. Exelon Generation also has one of the largest and best managed nuclear fleets in the world at approximately 19 gigawatts, a significant gas generation capacity of approximately 8 gigawatts, and renewable portfolio of approximately 1 gigawatt. Exelon's Constellation business unit is a leading competitive energy provider in the U.S. Their retail businesses serves more than 2.5 million residential, public sector and business customers, including more than two-thirds of the Fortune 100. Exelon's utilities deliver electricity and natural gas to approximately 7.8 million customers in three utility jurisdictions: Illinois, Maryland, and Pennsylvania.

Annova LNG, LLC and affiliated entities related to the Project, including but not limited to, its named affiliates in Exhibit A (collectively "the Company") is analyzing the development of a new Liquefied Natural Gas (LNG) export terminal on the Port of Brownsville, Texas. The Annova LNG Brownsville Project (the "Project") is designed to be a 3 stage facility. The planned FERC pre-filing is for three stages—A, B, and C. Each planned stage will include two 1.0 Mtpa (million tons per annum) capacity liquefaction trains for a total of 6.0 Mtpa. Annova expects construction of the facility to begin in 2017 and to be operational beginning in 2020 or 2021.

The Company expects to create a minimum of 10 permanent full time jobs at the project site. Initial employment levels may exceed 10 jobs throughout the early stages of development. The average wage of the employees is expected to be above the minimum required average wage for manufacturing jobs the region, with an average employer paid benefit contribution of 50% of salary.

The Project is located 100 percent in Point Isabel Independent School District and Cameron County.

The Appraised Value Limitation on Qualified Property under Texas Tax Code, Chapter 313, is an important and determining factor as it considers the siting of the Project in Cameron County and the State of Texas . The site identified by the Company will:

1. Will encourage a large-scale capital investment in the state; and
2. Will allow the Company to create high-paying jobs in the State of Texas; and
3. Will attract a large-scale business that is exploring the siting of a project in Texas; and
4. Will greatly improve the economy in the State of Texas and Cameron County; and
5. Will dramatically expand the ad valorem tax base of the State of Texas;

Exelon (and Annova LNG, LLC) does business in 48 states, the District of Columbia and Canada and can locate projects in a variety of locations. There are a multitude of reasons why a project may be located in a particular jurisdiction. Incentive programs such as the Appraised Value Limitation play a key role. During the Tier 1 siting process, Annova conducted a large-scale assessment of potential locations appropriate for an LNG liquefaction and export facility within the United States. The award of this incentive was, is and will continue to be a key component of the final investment decision, which has yet

to be made regarding the construction and siting of The Project in Cameron County and the State of Texas.

Production of LNG requires the application of a broad range of technologies and design expertise. An LNG production facility involves numerous process steps to achieve the desired result of a dependable supply of LNG. The investment for the Annova LNG Brownsville Project includes, but is not limited to, the following major components / processes:

- Inlet gas treating systems utilizing amine for carbon dioxide, hydrogen sulfide, water, and mercury
- 6 LNG Trains with a total capacity of 6 MTPA
- three separate refrigerant units to cool the LNG (propane, ethylene, and methane)
- LNG storage tanks
- LNG transfer pumps.
- Floating storage units
- administration and warehouse buildings
- firewater tank and pumps
- utility infrastructure
- Installation of facilities to allow for the loading of LNG

The Annova LNG Brownsville Project would have the following impact on Cameron County:

- Construction related expenditures would support as many as 675 on-site employees and a total of \$324M in direct labor income.
- Suppliers to the site and employee spending would support an additional 2,078 Texas employees for the duration of the construction period – of which, an estimated 1,564 will be in Cameron County.
- The Company's operations would support 2,690 jobs in Texas (281 in Cameron County). State and local tax impacts related to the project could exceed \$60M annually with more than ½ of those funds going to Governments in Cameron County.

8) Description of Qualified Property

9) Description of Land

Exhibit B

Legal Description of the Premises

EXHIBIT "B"

METES AND BOUNDS DESCRIPTION

295.00 ACRE TRACT

September 26, 2013

BEING a 295.00 Acre Tract of land, located within the boundaries of the Gatewood Newberry Patent, Tract 318, Abstract N^o. 269, G.L.O, File S. F. 12924, Share 3, San Martin Grant, Abstract 6, and Patent N^o 68, Abstract 264, Survey 665 from the State of Texas to Brownsville Navigation District in Cameron County, Texas more fully described as follows:

SURVEYOR'S NOTE: All bearings and distances are based on the Centerline of the Brownsville Ship Channel, Meridian (N 57 deg. 38 min. 35 sec) indicated per U.S Army Corps of Engineers Plans for dredging.

COMMENCING at U.S.B.D Station 60+108.89 on the centerline of the Brownsville Ship Channel having coordinate values: x=2,387,981.48 and y=116,257.99; thence South 32 deg. 21 min. 25 sec. East, a distance of 250.01 feet to a point on the South Right-of-Way line of the Brownsville Ship Channel's perpetual Right-of-Way Easement, thence along the South Right-of-Way line of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 16,452.94 feet, said point being South 76 deg. 04 min. 14 sec. West, 708.35 feet from a concrete monument marked "Jack" with U.S.B.D. aluminum cap, thence along the East boundary line of the Disposal Area N^o 5, 2,198.93 Acres, South 32 deg. 20 min. 02 sec. East, 350.00 feet to a point for the Northwest corner and **PLACE OF BEGINNING** of this tract;

THENCE along a line parallel to and 600.0 feet from the centerline of the Brownsville Ship Channel, North 57 deg. 38 min, 35 sec. East, 3,161.95 feet to a point for the Northeast corner of this tract;

THENCE turning at the right angle to the Southeast, a bearing of South 32 deg. 21 min. 25 sec. East, 4,033.02 feet to a point on the West boundary line of a certain 4,627.17 Acres Tract for the U.S Fish and Wildlife Service to a point for a corner of this tract;

THENCE along the West boundary line of said 4,627.17 Acres Tract for the U. S Fish and Wildlife Service, South 07 deg. 25 min. 27 sec. West, 403.03 feet to a point for a corner of this tract;

THENCE along the West boundary line of said 4,627.17 Acres Tract for the U.S. Fish and Wildlife Service, South 13 deg. 57 min. 39 sec. East 795.56 feet to a point for a corner of this tract;

295.00 Acre Tract
September 26, 2013
Page 2

THENCE along the following courses;

South 30 deg. 22 min. 11 sec. West, 960.49 feet to a point;
North 88 deg. 19 min. 18 sec. West, 892.87 feet to a point;
North 86 deg. 38 min. 11 sec. West, 529.36 feet to a point;
North 70 deg. 05 min. 37 sec. West, 511.15 feet on the East boundary line of the Disposal Area N°5, 2,198.93 Acres to a point,

THENCE along the East boundary line of the Disposal Area N° 5, 2,198.93 Acres, **North 30 deg. 57 min. 43 sec. West, 290.09 feet to a point;**

THENCE North 61 deg. 12 min. 03 sec. East, 860.91 feet to a point;

THENCE North 22 deg. 38 min. 42 sec. East, 446.14 feet to a point;

THENCE North 15 deg. 57 min. 24 sec. West, 493.12 feet to a point;

THENCE North 32 deg. 35 min. 41 sec. West, 545.16 feet to a point;

THENCE South 81 deg. 42 min. 33 sec. West, 554.82 feet to a point;

THENCE South 44 deg. 21 min. 40 sec. West, 410.52 feet to a point;

THENCE South 74 deg. 34 min. 04 sec. West, 448.13 feet on the East boundary line of the Disposal Area N° 5, 2,198.93 Acres to a point;

THENCE along the East boundary line of the Disposal Area N° 5, 2,198.93 Acres, **North 42 deg. 03 min. 18 sec. West, 2,082.75 feet to a point;**

THENCE along the East boundary line of the Disposal Area N° 5, 2,198.93 Acres, **North 32 deg. 20 min. 02 sec. West, 498.70 feet to PLACE OF BEGINNING, containing 295.00 Acres of land, more or less.**

Description to be verified by field survey.

Exhibit C

Legal Description of Increased Premises Under First Amendment to Option to Lease

EXHIBIT "C"

METES AND BOUNDS

267.31 ACRE TRACT

March 17, 2014

BEING a 267.31 Acre Tract of land being part of the land of the Gatewood Newberry Patent, Tract 318, Abstract 269, G.L.O. File S.F. 12924, Share 2, and 3, San Martin Grant, Abstract 6, and Patent No. 68, Abstract 264, Survey 665 from the State of Texas to Brownsville Navigation District in Cameron County, said 267.31 Acre Tract being more fully described as follows:

COMMENCING at U.S.E.D Station 60+108.89 on the centerline of the Brownsville Ship Channel having coordinate values: $x=2,387,981.48$ and $y=116,257.99$; thence South 32 deg. 21 min. 25 sec. East, a distance of 250.01 feet to a point on the South Right-of-Way line of the Brownsville Ship Channel's perpetual Right-of-Way Easement, thence along the South Right-of-way line of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 16,452.94 feet, thence along the East boundary line of the Disposal Area No. 5 2,198.93 Acres, South, 32 deg. 20 min. 02 sec. East, 350.00 feet to a point for the Northwest corner of 295.00 Acre Tract, thence along a line parallel to and 600.0 feet from the centerline of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 3,161.95 feet to a point for the Northeast corner of a 295.00 Acre Tract, for the Northwest corner and **PLACE OF BEGINNING** of this tract;

THENCE continuing along said line parallel to and 600.0 feet from the centerline of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 3,614.35 feet to a point for the Northeast corner of this tract;

THENCE leaving the South Right-of-way line of the Brownsville Ship Channel, South 32 deg. 21 min. 25 sec. East, 1,885.00 feet to a point for a corner of this tract;

THENCE South 28 deg. 26 min. 43 sec. West, 1,123.00 feet to a point for a corner of this tract;

THENCE South 08 deg. 11 min. 34 sec. West, 2,106.00 feet to a point for a corner of this tract;

THENCE South 57 deg. 38 min. 35 sec. West, 1,265.00 feet to a point on the East lease line of said 295.00 Acre Tract for a corner of this tract;

THENCE along the East lease line of said 295.00 Acre Tract, North 32 deg. 21 min. 25 sec. West, 4,033.02 feet to the **PLACE OF BEGINNING**, containing 267.31 Acres of land, more or less.

This description must be verified by a field survey.

***SURVEYOR'S NOTE:** All bearings and distances are based on the Centerline of the Brownsville Ship Channel, Meridian (N 69 deg. 14 min. E) indicated per South Right-of-Way line of State Highway No. 48 (FM 1792) Texas Highway Department of Transportation Right-of-Way map*

Exhibit D

Legal Description of Increased Premises Under Second Amendment to Option to Lease

EXHIBIT "D"

ANNOVA LNG, LLC.

METES AND BOUNDS DESCRIPTION

51.21 ACRE TRACT "C"

July 30, 2014

BEING a 51.21 ACRE TRACT of land, comprised of a portion of the Gatewood Newberry Patent, Tract 318, Abstract 269, G.L.O. File S.F. 12924, Share 2, and 3, in San Martin Grant, Abstract 6, and a portion of Patent No. 68, Abstract 264, Survey 665 from the State of Texas to Brownsville Navigation District in Cameron County, Texas, said 51.21 Acre Tract being more fully described as follows;

COMMENCING at U.S.E.D Station 60+108.89 on the centerline of the Brownsville Ship Channel having coordinate values: X=2,387,981.48 and Y=116,257.99; thence South 32 deg. 21 min. 25 sec. East, 250.01 feet to a point on the South Right-of-Way line of the Brownsville Ship Channel's perpetual Right-of-Way Easement, thence along the South Right-of-way line of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 16,452.94 feet, thence along the East boundary line of the Disposal Area No. 5, 2,198.93 Acres, South, 32 deg. 20 min. 02 sec. East, 350.00 feet to a point for the Northwest corner of a certain 295.00 Acre Tract; thence along a line parallel to and 600.0 feet from the centerline of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 3,161.95 a point for the Northeast corner of said 295.00 Acre Tract, a total distance of 6,776.31 feet for the Northwest corner and **PLACE OF BEGINNING** of this tract;

THENCE continuing along said line parallel to and 600.0 feet from the centerline of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 1,500.00 feet to a point for the Northeast corner of this tract;

THENCE leaving the South Right-of-way line of line of the Brownsville Ship Channel, South 35 deg. 49 min. 16 sec. East, 721.36 feet to a point for the Northwest corner of Placement Area No. 4B, a total distance of 1,014.33 feet to a point for the Southwest corner of the Placement Area No. 4 B, for the Southeast corner of this tract;

THENCE South 28 deg. 26 min. 42 sec. West, 1,788.54 feet to a point for the Southwest corner of this tract;

THENCE North 32 deg. 21 min. 25 sec. West, 1,884.98 feet to the **PLACE OF BEGINNING**, containing 51.21 Acres of land, more or less.

This description must be verified by field survey.

***SURVEYOR'S NOTE:** All bearings and distances are based on the Centerline of the Brownsville Ship Channel, Meridian (N 69 deg. 14 min. E) indicated per South Right-of-Way line of State Highway No. 48 (FM 1792) Texas Highway Department of Transportation Right-of-Way map.*

EXHIBIT "D"
ANNOVA LNG, LLC
METES AND BOUNDS DESCRIPTION
41.15 ACRE TRACT "D"

October 2, 2014

BEING a 41.15 Acre Tract of land located within the boundaries of the Gatewood New berry Patent, Tract, 318, Abstract No. 269, G.L.O File S.F. 12924, Share 3, San Martin Grant, Abstract 6, and Patent No. 68, Abstract 264, Survey 665 from the State of Texas to Brownsville Navigation District in Cameron County, Texas, more fully described as follows:

COMMENCING at the U.S.E.D Station 60+108.89 on the centerline of the Brownsville Ship Channel having coordinates values: X=2,387,981.48 and Y=116,257.99; thence South 32 deg. 21 min. 25 sec. East, a distance of 250.01 feet to a point on the South Right-of-Way line of the Brownsville Ship Channel perpetual Right-of-Way Easement, thence along the South Right-of-Way of the Brownsville Ship Channel, North 57 deg. 38 min. 35 sec. East, 16,452.94 feet, said point being South 76 deg. 04 min. 14 sec. West, 708.35 feet from a concrete monument marked "Jack" with U.S.E.D aluminum cap, thence along the East boundary line of the Disposal Area No.5, 2,198.93 Acres, South 32 deg. 20 min. 02 sec. East, 350.0 feet to a point, thence along the west boundary line of a 295.0 Acre Tract and along the East, boundary line of the Disposal Area No.5; South 32 deg. 20 min. 02 sec. West, 498.70 feet to a point, thence along the West boundary line of said 295.0 Acre Tract and East boundary line of said Disposal Area No 5, South 42 deg. 03 min. 18 sec. East, 2,082.75 feet to a point for the **NORTHWEST** corner and **PLACE OF BEGINNING** of this tract;

THENCE along the South line of a certain 295.0 Acre Tract North 74 deg. 34 min. 04 sec. East, 448.13 feet to a point;

THENCE along the South line of a certain 295.0 Acre Tract, North 44 deg. 21 min. 40 sec. East, 410.52 feet to a point;

THENCE along the South line of a certain 295.00 Acre Tract, North 81 deg. 42 min. 33 sec. East, 554.82 feet to a point;

THENCE along the West line of a certain 295.0 Acre Tract, South 32 deg. 35 min. 41 sec. East, 545.16 feet to a point;

THENCE along the West line of a certain 295.0 Acre Tract, South 15 deg. 57 min. 24 sec. East, 493.12 feet to a point;

THENCE along the North line of a certain 295.0 Acre Tract, South 22 deg. 38 min. 42 sec West, 446.14 feet to a point;

THENCE along the North line of a certain 295.0 Acre Tract, South 61 deg. 12 min. 03 sec. West, 860.91 feet to a point on the East boundary line of the Disposal Area No. 5, 2,198.93 Acres,

THENCE along the East boundary line of the Disposal Area No. 5, 2,198.93 Acres, North 30 deg. 57 min. 43 sec. West, 1,435.90 feet to a point;

THENCE along East boundary line of the Disposal Area no. 5, 2,198.93 Acres, North 42 deg. 03 min. 18 sec. West, 48.27 feet to the **PLACE OF BEGINNING**, containing 41.15 Acres Tract of land, more or less.

Description to be verified by field survey.

Annova LNG Brownsville Project

Description of land

- 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.

The land is owned by the Brownsville Navigation District and is not currently subdivided.

- c) Owner.

Brownsville Navigation District.

- d) The current taxable value of the land. Attach estimate if land is part of larger parcel.

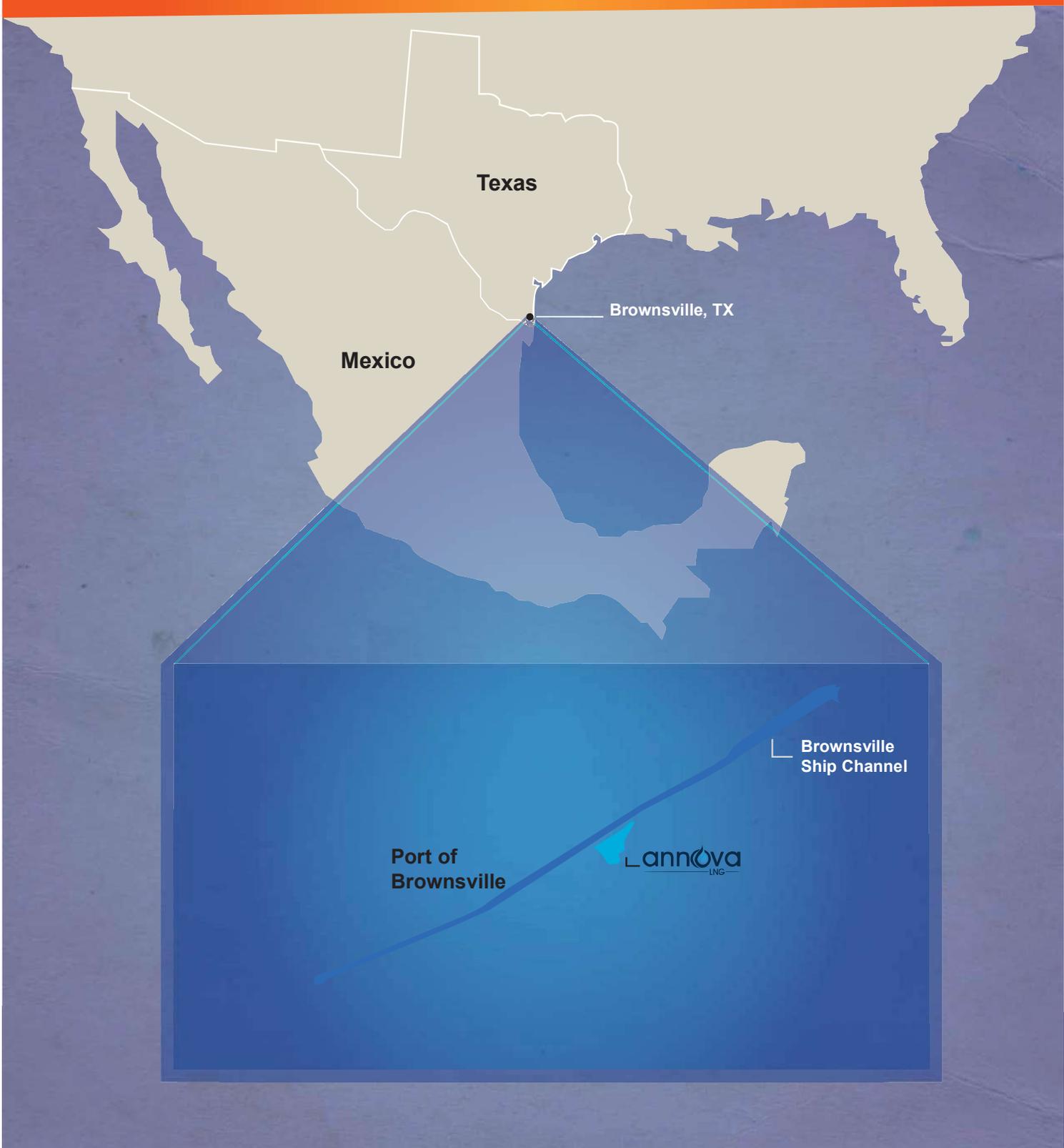
The Land is owned by the Brownsville Navigation District and is exempt from taxation.

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

This section is not applicable to the application.

- 11) Maps that clearly show:
 - a) Project vicinity;
 - 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;
 - c) Qualified property including location of new buildings or new improvements;
 - d) Existing property;
 - e) Land location within vicinity map;
 - f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

Proposed location of the Annova LNG Brownsville Project in relation to the Southern United States and Mexico.



Texas

Brownsville, TX

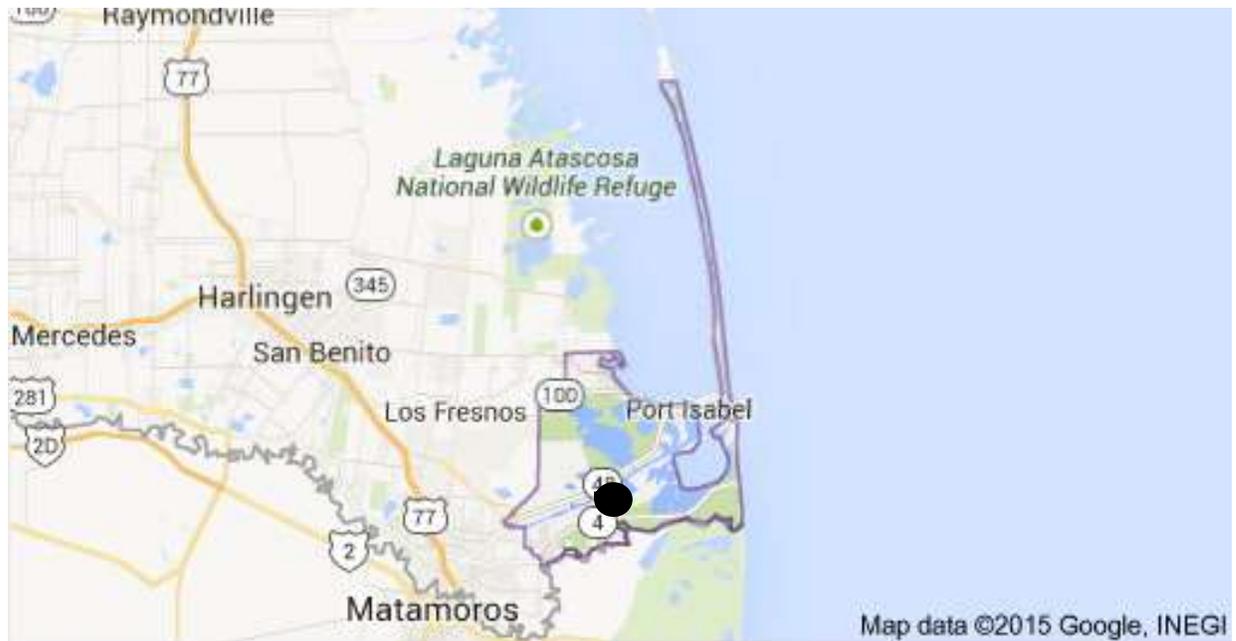
Mexico

Brownsville Ship Channel

Port of Brownsville

Annova LNG

The Annova LNG Brownsville Project is 100% within the boundaries of the Point Isabel Independent School District. The boundaries of the school district are outlined in purple below. The approximate location of the Annova LNG Brownsville Project is the black dot on the map.



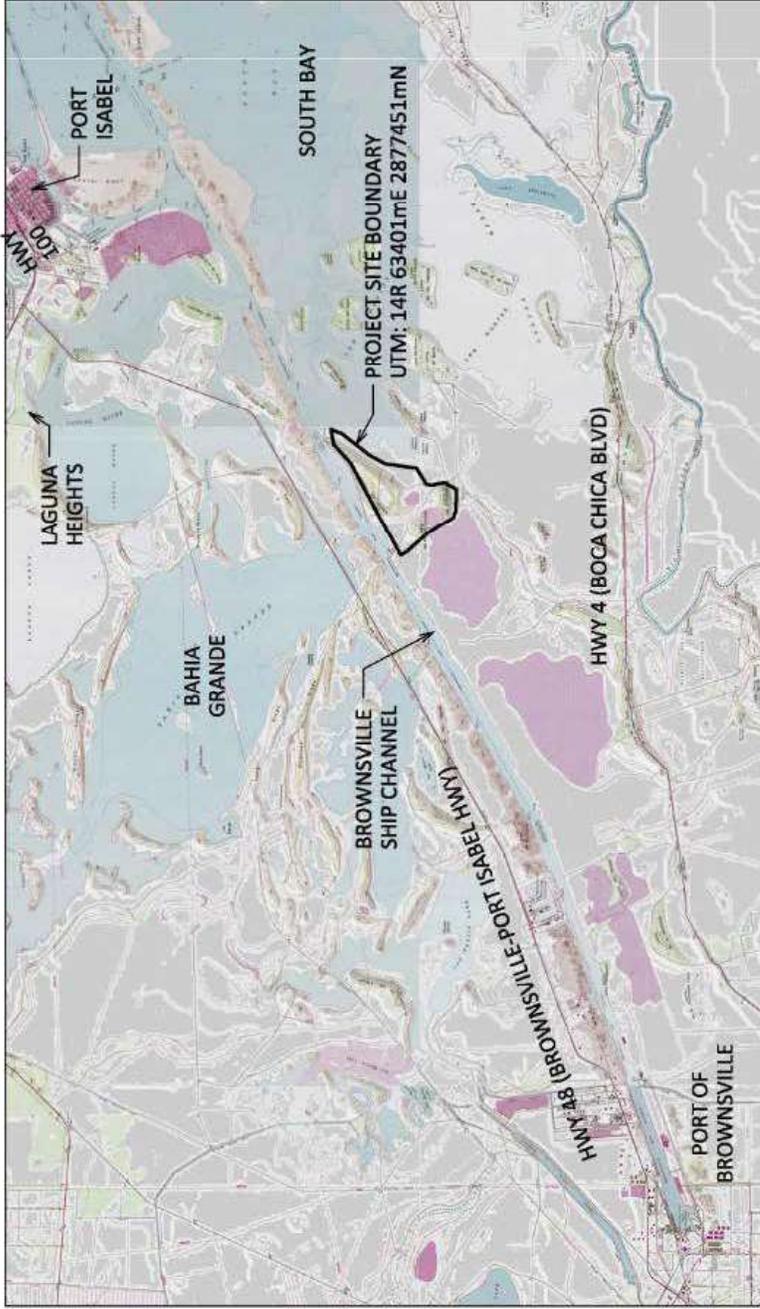
Draft 2/25/15

Proposed location of the Annova LNG Brownsville Project in relation to the Port of Brownsville.



Draft 2/25/15

Proposed location of the Annova LNG Brownsville Project in relation to the Port of Brownsville.

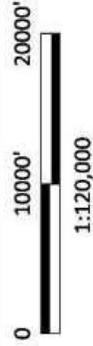


7.5-MINUTE SERIES QUADRANGLE MAPS REFERENCED:

- LOS FRESNOS
- LAGUNA VISTA
- PORT ISABEL
- EAST BROWNSVILLE
- PALMITO HILL
- MOUTH OF RIO GRANDE

NOTES:

1. A PROPERTY BOUNDARY SURVEY IS CURRENTLY UNDERWAY



USGS TOPOGRAPHIC MAP
ANNOVA LNG BROWNSVILLE PROJECT

CREATED BY BLACK & VEATCH
DWG NO. 183169-FERC-S1002
FEBRUARY 19, 2015

Annova LNG Project Location



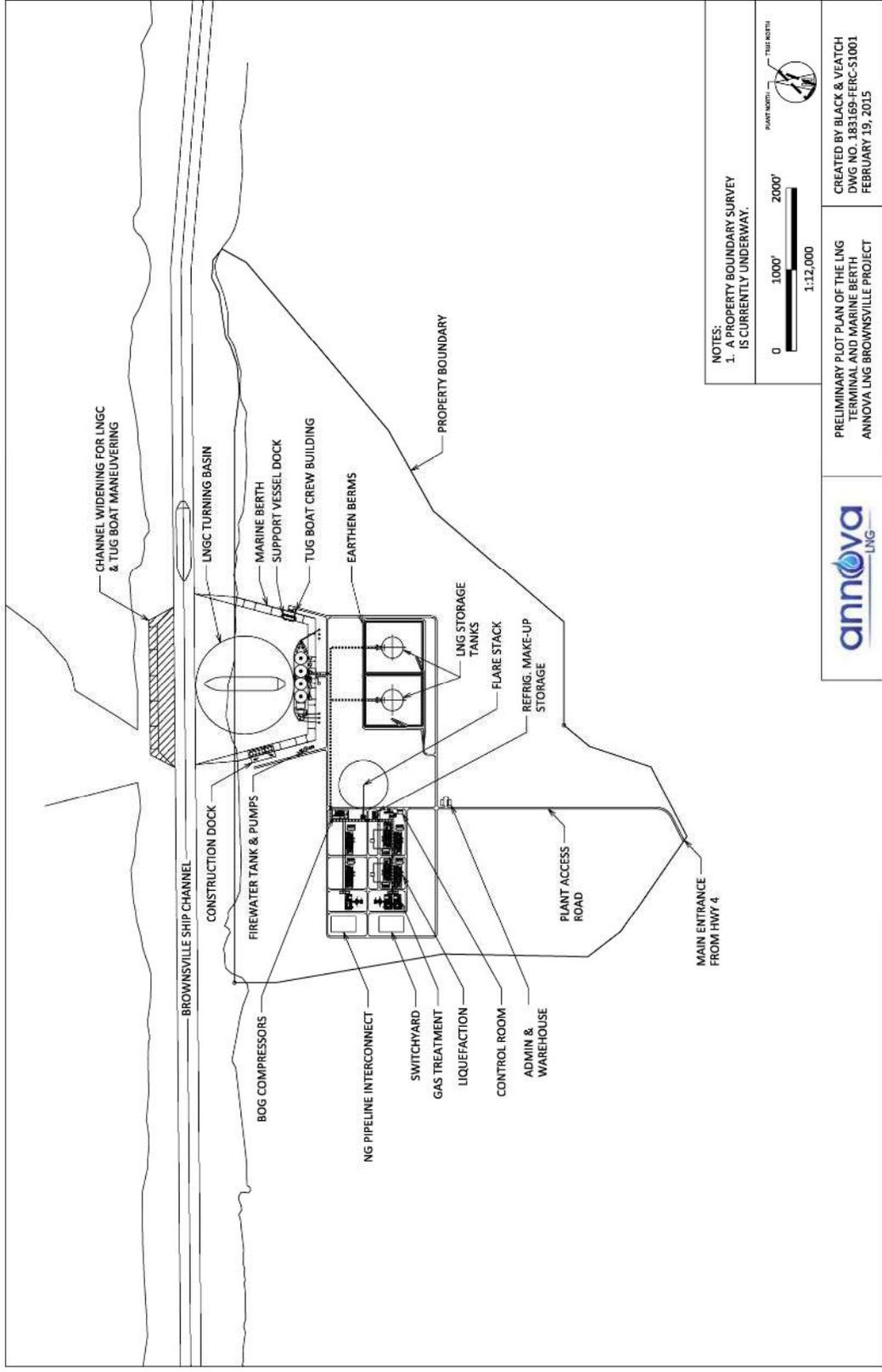


TO BE VERIFIED BY FIELD SURVEY

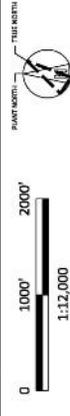
BROWNSVILLE NAVIGATION DISTRICT
1000 WEST ROAD
BROWNSVILLE, TEXAS 77827
PHONE (956) 831-4592 1-800-376-5395
FAX (956) 831-6153
EMAIL achavez@portofbrownsville.com

Draft 2/25/15

Preliminary plot plan of the LNG terminal and marine berth
Annova LNG Brownsville Project.



NOTES:
1. A PROPERTY BOUNDARY SURVEY IS CURRENTLY UNDERWAY.



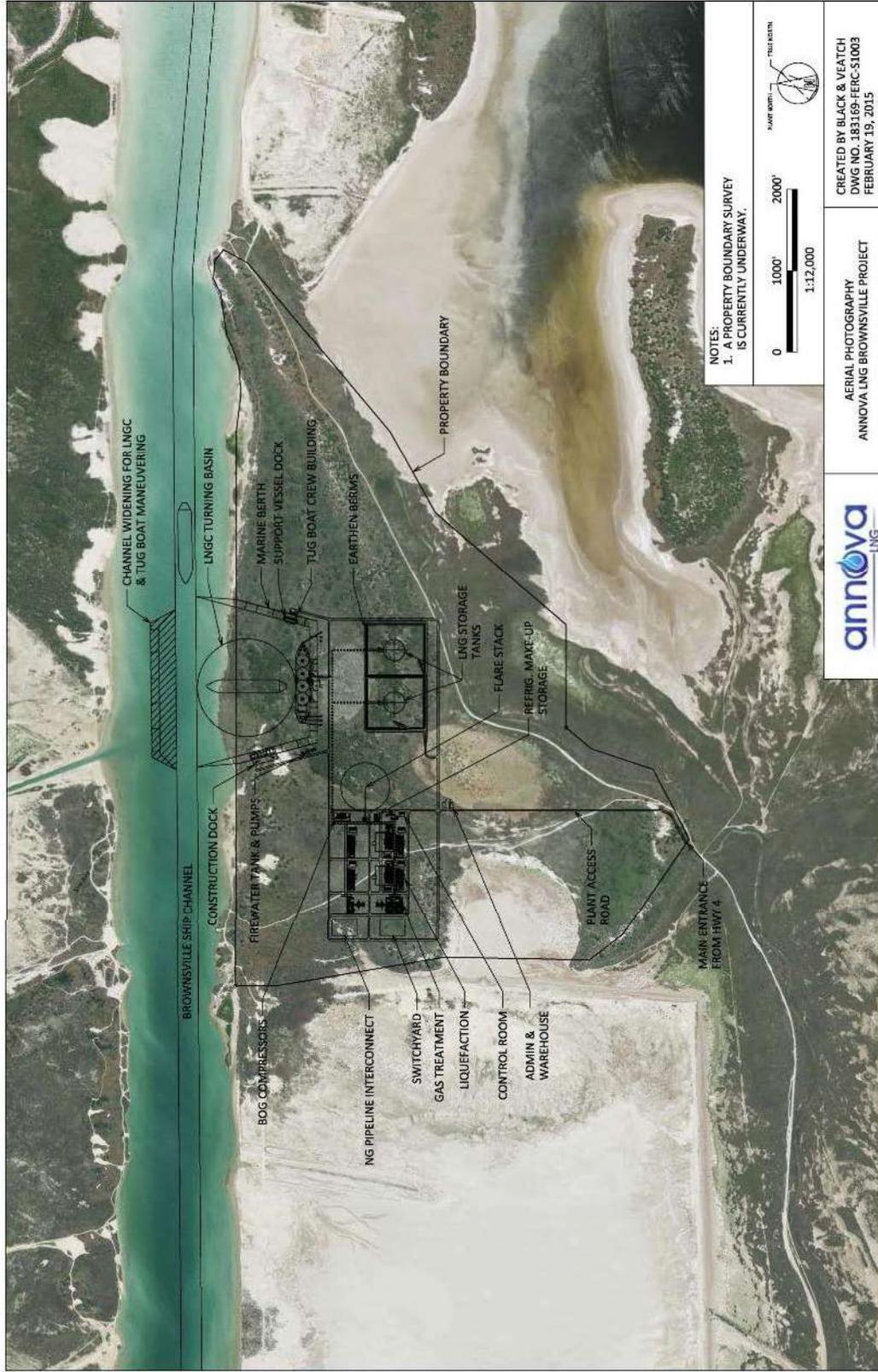
PRELIMINARY PLOT PLAN OF THE LNG TERMINAL AND MARINE BERTH
ANNOVA LNG BROWNSVILLE PROJECT



CREATED BY BLACK & VEATCH
DWG NO. 183169-FERC-S1001
FEBRUARY 19, 2015

Draft 2/25/15

Aerial photography Annova LNG Brownsville Project



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

This section is not applicable to the application.

13) Calculation of three possible wage requirements with TWC documentation

**Annova LNG Brownsville Project
Attachment to Chapter 313 Application**

Chapter 313 Wage Calculation - All Jobs/All Industries

Quarter	Year	Average Weekly Wages		Annualized
First	2014	\$	581.00	\$ 30,212.00
Second	2014	\$	584.00	\$ 30,368.00
Third	2014	\$	603.00	\$ 31,356.00
Fourth	2014	\$	621.00	\$ 32,292.00
	Average	\$	597.25	\$ 31,057.00

Chapter 313 Wage Calculation - Manufacturing Jobs

Quarter	Year	Average Weekly Wages		Annualized
First	2014	\$	816.00	\$ 42,432.00
Second	2014	\$	784.00	\$ 40,768.00
Third	2014	\$	777.00	\$ 40,404.00
Fourth	2014	\$	879.00	\$ 45,708.00
	Average	\$	814.00	\$ 42,328.00
	Average x 110%	\$	895.40	\$ 46,560.80

Chapter 313 Wage Calculation - Regional Wage Rate

Region	Year	Average Weekly Wages		Annualized
Lower Rio Grande Valley Development Council	2013	\$	632.83	\$ 32,907.00
	Average x 110%	\$	696.11	\$ 36,197.70

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2014	1st Qtr	Cameron County	Total All	00	0	10	Total, All Industries	\$581
2014	2nd Qtr	Cameron County	Total All	00	0	10	Total, All Industries	\$584
2014	3rd Qtr	Cameron County	Total All	00	0	10	Total, All Industries	\$603
2014	4th Qtr	Cameron County	Total All	00	0	10	Total, All Industries	\$621

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2014	1st Qtr	Cameron County	Total All	31	2	31-33	Manufacturing	\$816
2014	2nd Qtr	Cameron County	Total All	31	2	31-33	Manufacturing	\$784
2014	3rd Qtr	Cameron County	Total All	31	2	31-33	Manufacturing	\$777
2014	4th Qtr	Cameron County	Total All	31	2	31-33	Manufacturing	\$879

**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.

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	2015-2016	2015	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	\$0
Investment made after filing complete application with district, but before final board approval of application		2015-2016	2015	\$0	\$0	\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period		2016-2017	2016	\$0	\$0	\$0	\$0	\$0
		2017-2018	2017	\$64,477,333	\$85,293,000	\$0	\$123,678,667	\$273,449,000
		2018-2019	2018	\$208,103,333	\$248,386,000	\$0	\$303,806,167	\$760,295,500
Complete tax years of qualifying time period	QTP1	2019-2020	2019	\$287,252,000	\$326,186,000	\$0	\$360,255,000	\$973,693,000
	QTP2	2020-2021	2020	\$222,774,667	\$240,893,000	\$0	\$236,576,333	\$700,244,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$782,607,333	\$900,758,000	\$0	\$1,024,316,167	\$2,707,681,500
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$1,683,365,333				

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

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

Only tangible personal property that is specifically described in the application can become qualified property.

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

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

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

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

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	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 nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$782,607,333	\$900,758,000	\$0	\$1,024,316,167	\$2,707,681,500
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2015-2016	2015	\$0	\$0	\$0	\$0	\$0
		2015-2016	2015	\$0	\$0	\$0	\$0	\$0
		2016-2017	2016	\$0	\$0	\$0	\$0	\$0
		2017-2018	2017	\$64,477,333	\$85,293,000	\$0	\$123,678,667	\$273,449,000
		2018-2019	2018	\$208,103,333	\$248,386,000	\$0	\$303,806,167	\$760,295,500
		2019-2020	2019	\$287,252,000	\$326,186,000	\$0	\$360,255,000	\$973,693,000
		2020-2021	2020	\$222,774,667	\$240,893,000	\$0	\$236,576,333	\$700,244,000
Value limitation period***	1	2021-2022	2021	\$79,148,667	\$77,800,000	\$0	\$56,448,833	\$213,397,500
	2	2022-2023	2022	\$0	\$0	\$0	\$0	\$0
	3	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
	4	2024-2025	2024	\$0	\$0	\$0	\$0	\$0
	5	2025-2026	2025	\$0	\$0	\$0	\$0	\$0
	6	2026-2027	2026	\$0	\$0	\$0	\$0	\$0
	7	2027-2028	2027	\$0	\$0	\$0	\$0	\$0
	8	2028-2029	2028	\$0	\$0	\$0	\$0	\$0
	9	2029-2030	2029	\$0	\$0	\$0	\$0	\$0
	10	2030-2031	2030	\$0	\$0	\$0	\$0	\$0
Total investment made through limitation				\$861,756,000	\$978,558,000	\$0	\$1,080,765,000	\$2,921,079,000
Continue to maintain viable presence	11	2031-2032	2031					
	12	2032-2033	2032					
	13	2033-2034	2033					
	14	2034-2035	2034					
	15	2035-2036	2035					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036					
	17	2037-2038	2037					
	18	2038-2039	2038					
	19	2039-2040	2039					
	20	2040-2041	2040					
	21	2041-2042	2041					
	22	2042-2043	2042					
	23	2043-2044	2043					
	24	2044-2045	2044					
	25	2045-2046	2045					

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

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

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

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

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

Only tangible personal property that is specifically described in the application can become qualified property.

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

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

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

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

3/17/2015
Annova LNG, LLC
Point Isabel, ISD

Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015	\$0	\$0	\$0	\$0	\$0	\$0
		2015-2016	2015	\$0	\$0	\$0	\$0	\$0	\$0
		2016-2017	2016	\$0	\$0	\$0	\$0	\$0	\$0
		2017-2018	2017	\$0	\$59,705,100	\$64,477,333	\$124,182,433	\$124,182,433	\$124,182,433
		2018-2019	2018	\$0	\$233,575,300	\$272,580,667	\$506,155,967	\$506,155,967	\$506,155,967
		2019-2020	2019	\$0	\$461,905,500	\$559,832,667	\$1,021,738,167	\$1,021,738,167	\$1,021,738,167
		2020-2021	2020	\$0	\$630,530,600	\$743,476,967	\$1,374,007,567	\$1,374,007,567	\$1,374,007,567
Value Limitation Period	1	2021-2022	2021	\$0	\$684,990,600	\$787,363,907	\$1,472,354,507	\$1,472,354,507	\$25,000,000
	2	2022-2023	2022	\$0	\$688,415,553	\$768,545,813	\$1,456,961,366	\$1,456,961,366	\$25,000,000
	3	2023-2024	2023	\$0	\$691,857,631	\$735,658,547	\$1,427,516,177	\$1,427,516,177	\$25,000,000
	4	2024-2025	2024	\$0	\$695,316,919	\$677,710,087	\$1,373,027,006	\$1,373,027,006	\$25,000,000
	5	2025-2026	2025	\$0	\$698,793,504	\$648,691,460	\$1,347,484,964	\$1,347,484,964	\$25,000,000
	6	2026-2027	2026	\$0	\$702,287,471	\$615,012,707	\$1,317,300,178	\$1,317,300,178	\$25,000,000
	7	2027-2028	2027	\$0	\$705,798,908	\$572,716,393	\$1,278,515,302	\$1,278,515,302	\$25,000,000
	8	2028-2029	2028	\$0	\$709,327,903	\$537,454,667	\$1,246,782,570	\$1,246,782,570	\$25,000,000
	9	2029-2030	2029	\$0	\$712,874,542	\$502,984,427	\$1,215,858,969	\$1,215,858,969	\$25,000,000
	10	2030-2031	2030	\$0	\$716,438,915	\$452,862,040	\$1,169,300,955	\$1,169,300,955	\$25,000,000
Continue to maintain viable presence	11	2031-2032	2031	\$0	\$720,021,110	\$385,504,533	\$1,105,525,643	\$1,105,525,643	\$1,105,525,643
	12	2032-2033	2032	\$0	\$723,621,215	\$289,564,713	\$1,013,185,929	\$1,013,185,929	\$1,013,185,929
	13	2033-2034	2033	\$0	\$727,239,321	\$258,260,420	\$985,499,741	\$985,499,741	\$985,499,741
	14	2034-2035	2034	\$0	\$730,875,518	\$242,608,273	\$973,483,791	\$973,483,791	\$973,483,791
	15	2035-2036	2035	\$0	\$734,529,896	\$234,782,200	\$969,312,096	\$969,312,096	\$969,312,096
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	\$0	\$738,202,545	\$172,173,613	\$910,376,158	\$910,376,158	\$910,376,158
	17	2037-2038	2037	\$0	\$741,893,558	\$172,173,613	\$914,067,171	\$914,067,171	\$914,067,171
	18	2038-2039	2038	\$0	\$745,603,026	\$172,173,613	\$917,776,639	\$917,776,639	\$917,776,639
	19	2039-2040	2039	\$0	\$749,331,041	\$172,173,613	\$921,504,654	\$921,504,654	\$921,504,654
	20	2040-2041	2040	\$0	\$753,077,696	\$172,173,613	\$925,251,309	\$925,251,309	\$925,251,309
	21	2041-2042	2041	\$0	\$756,843,084	\$172,173,613	\$929,016,698	\$929,016,698	\$929,016,698
	22	2042-2043	2042	\$0	\$760,627,300	\$172,173,613	\$932,800,913	\$932,800,913	\$932,800,913
	23	2043-2044	2043	\$0	\$764,430,436	\$172,173,613	\$936,604,050	\$936,604,050	\$936,604,050
	24	2044-2045	2044	\$0	\$768,252,588	\$172,173,613	\$940,426,202	\$940,426,202	\$940,426,202
	25	2045-2046	2045	\$0	\$772,093,851	\$172,173,613	\$944,267,465	\$944,267,465	\$944,267,465

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

3/17/2015

Annova LNG, LLC

Point Isabel, ISD

Form 50-296A

Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015					
		2015-2016	2015					
		2016-2017	2016					
		2017-2018	2017	675 FTE avg; 700 FTE Peak	\$77,220	0	0	0
		2018-2019	2018	675 FTE avg; 700 FTE Peak	\$77,220	0	0	0
		2019-2020	2019	675 FTE avg; 700 FTE Peak	\$77,220	0	0	0
		2020-2021	2017-2020	675 FTE avg; 700 FTE Peak	\$77,220	0	0	0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021			80	10	\$36,198
	2	2022-2023	2022			80	10	\$36,198
	3	2023-2024	2023			80	10	\$36,198
	4	2024-2025	2024			80	10	\$36,198
	5	2025-2026	2025			80	10	\$36,198
	6	2026-2027	2026			80	10	\$36,198
	7	2027-2028	2027			80	10	\$36,198
	8	2028-2029	2028			80	10	\$36,198
	9	2029-2030	2029			80	10	\$36,198
	10	2030-2031	2030			80	10	\$36,198
Years Following Value Limitation Period	11 through 25	2031- 2046	2031 - 2045			80	10	\$36,198

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
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
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)

3/17/2015
 Annova LNG, LLC
 Point Isabel, ISD

Form 50-296A
 Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Cameron County	2021	2021 - 2030	\$13,024,027	\$13,024,027	\$0
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project		2021	2021 - 2025	\$113,016,000	\$500,000	\$112,516,000
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund		2021	2021 - 2023		\$156,200	
Training Facility Space and Equipment						
Infrastructure Incentives		2020	2020		\$1,000,000	
Permitting Assistance						
Other: Brownsville Job Creation		2021	2021		\$500,000	
Other:						
Other:						
Other:						
TOTAL				\$126,040,027	\$15,180,227	\$112,516,000

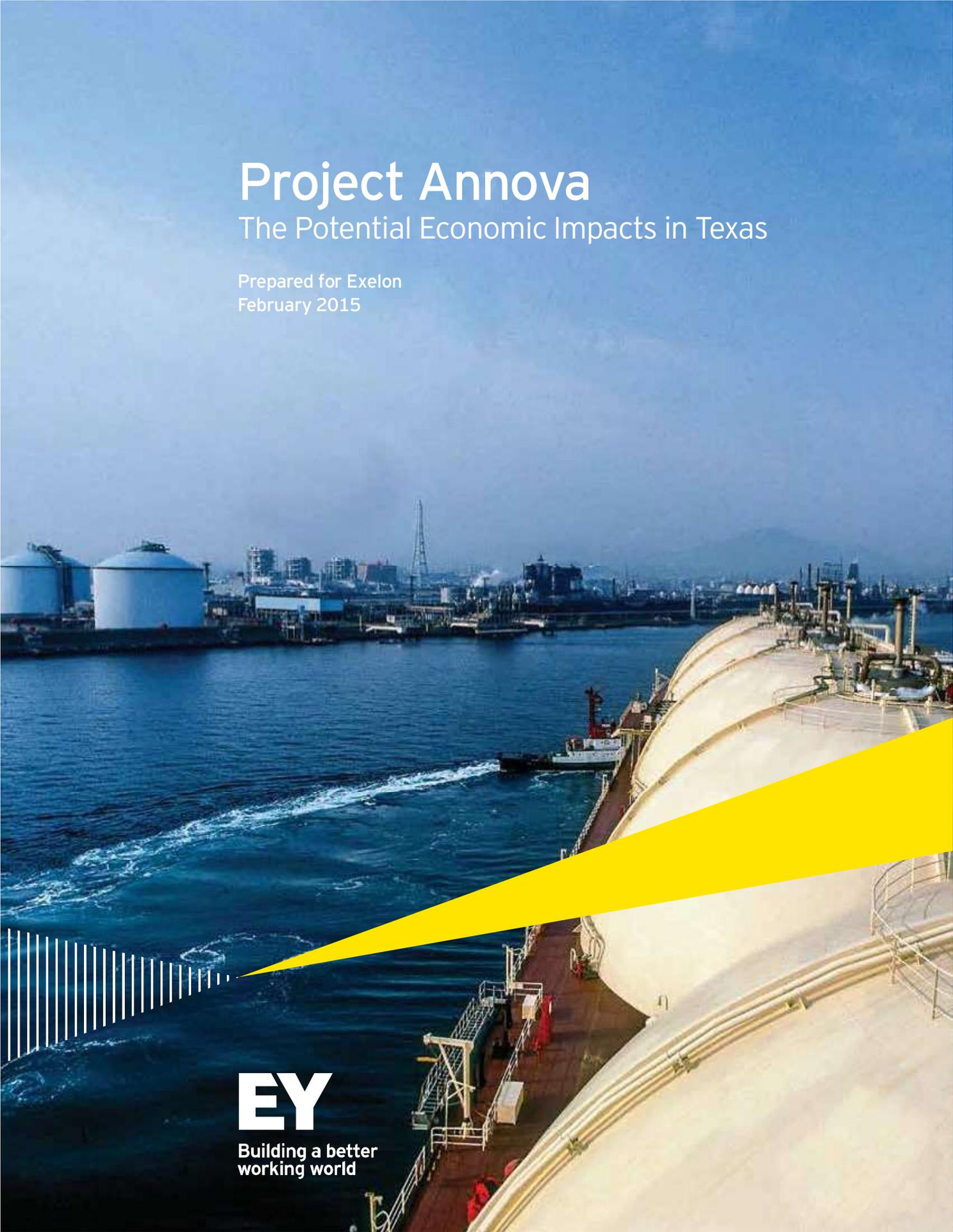
Additional information on incentives for this project:

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

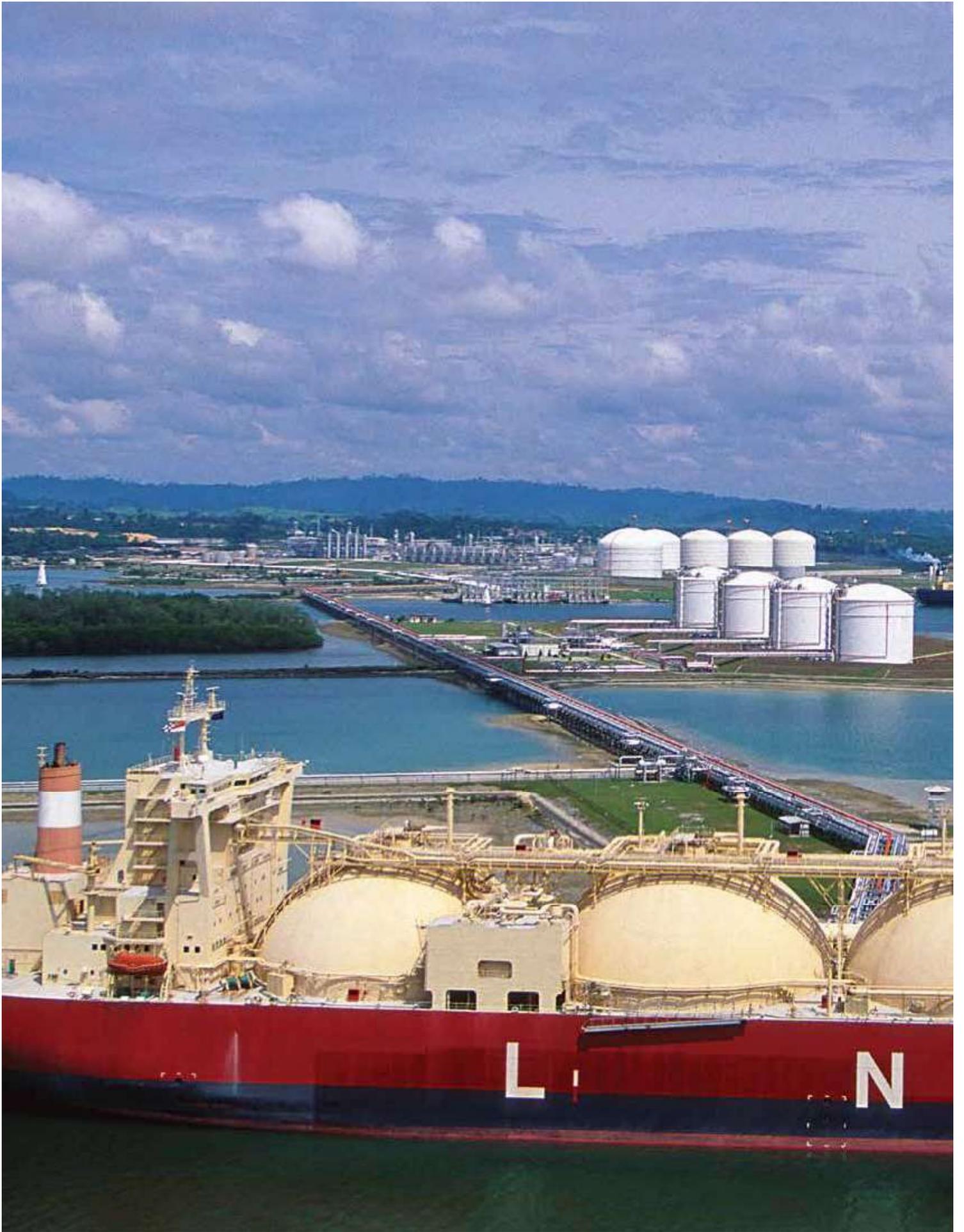
Project Annova

The Potential Economic Impacts in Texas

Prepared for Exelon
February 2015

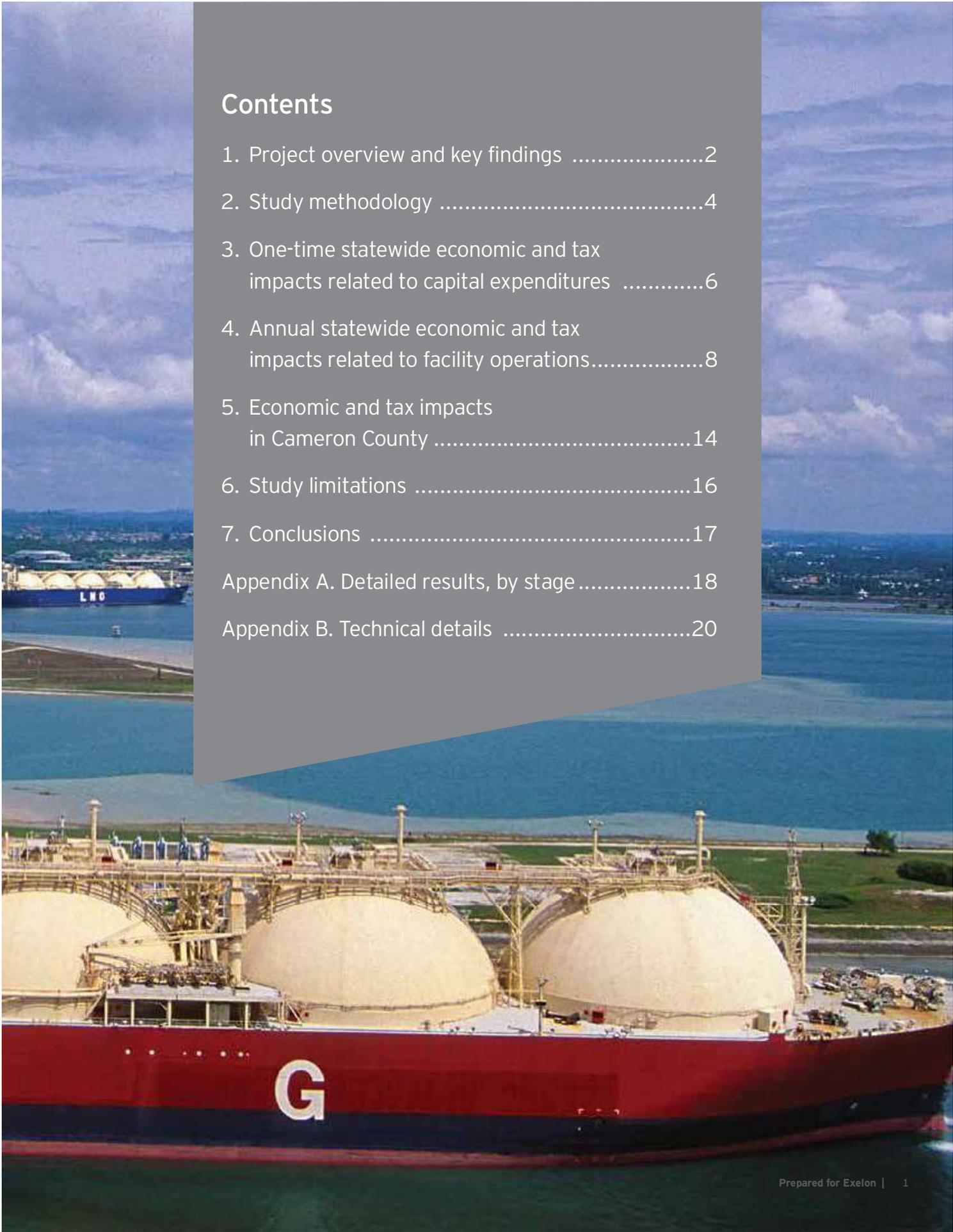


EY
Building a better
working world



Contents

- 1. Project overview and key findings2
- 2. Study methodology4
- 3. One-time statewide economic and tax impacts related to capital expenditures6
- 4. Annual statewide economic and tax impacts related to facility operations.....8
- 5. Economic and tax impacts in Cameron County14
- 6. Study limitations16
- 7. Conclusions17
- Appendix A. Detailed results, by stage18
- Appendix B. Technical details20



1

Project overview and key findings

EY was commissioned by Annova LNG, LLC (Annova), a subsidiary of Exelon Generation, to analyze the development of a new Liquefied Natural Gas (LNG) export terminal (Project Annova) on the Port of Brownsville, Texas.

This report analyzes the potential benefits associated with the construction and operations of the LNG export terminal, if the project were located within the Brownsville Navigation District in Cameron County, Texas.

The facility will require significant capital investments over three to four years, with planned operations beginning in 2019 and continuing for at least twenty years through 2039.

This report considers the impacts related to the construction and operations of Stages A, B, and C. Each planned stage will include two 1.0 Mtpa (million metric tons per annum) firm nameplate capacity liquefaction trains for a total of 6.0 Mtpa firm nameplate capacity. Natural gas will be transmitted to the facility via an intrastate pipeline. Any impacts related to the construction or operations of this pipeline are not considered as part of this analysis.

One-time contributions related to the facility's construction

Contributions related to the LNG terminal's construction are referred to as "one-time" impacts within each stage because they do not reoccur. Annova's investments in Texas will support temporary jobs and incomes during the construction period.

- ▶ **Capital expenditures related to Stages A, B, and C will support an average of 675 direct on-site Texas workers per year during the facility's construction.** These jobs include construction contractors, project managers, and engineers. Of this total, an estimated 447 direct jobs will be located within Cameron County.
- ▶ **Including indirect and induced economic activity, the facility's construction will support an average of 2,753 Texas jobs per year during construction.** Nearly three out of every four of these temporary positions (average of 2,011 jobs per year) will be within Cameron County.

- ▶ **The facility's construction will generate more than \$190 million in one-time state and local tax revenues in Texas.** Over four years, investment in the facility will generate significant revenues for the state and local governments, including an estimated \$113 million of direct state sales taxes on Annova's capital investments (estimated by Exelon).

Snapshot of projected future annual contributions related to Project Annova's operations

Projected contributions related to 2019 operations are referred to as "ongoing" or "annual" because they provide a snapshot of anticipated annual operations at the export terminal. While figures in this report are likely to change over time, the 2019 estimates provide an indication of the Project's future contributions, based on projected year-one operations.

- ▶ **Annova will directly employ 165 workers at the Brownsville site.** These employees will earn an estimated average base wage of \$70,000 - more than 2.5 times the average wage in Cameron County and nearly one-third higher than the average private sector wage in Texas. Including benefits, Annova's 165 employees will earn an average of \$105,000 each year in total compensation.
- ▶ **Annova's purchases from Texas suppliers will support an estimated \$478 million statewide in indirect economic output (sales) annually,** including purchases from local utilities, pipeline transportation companies, and maintenance shops. These purchases will support an estimated 1,185 indirect Texas jobs.
- ▶ **The facility's planned operations will generate more than \$61 million in state and local taxes annually.** This amount includes \$34 million in state and local taxes paid directly by Annova and its employees - primarily local property taxes. The remaining \$27 million will be related to indirect and induced economic activity in the state.

overview

► **The facility's operations will support a total of 446 direct, indirect, and induced jobs in Cameron County.** This total includes Annova's 165 direct employees, plus an additional 281 indirect and induced jobs related to purchases from local businesses. Based on existing economic activity in the county, the analysis assumes

that Annova will purchase maintenance services and utilities from Cameron County businesses. Including local property taxes, Annova will generate \$34.2 million annually in tax revenues supporting Cameron County local governments.

Table 1.
Overview of Project Annova's potential economic impacts in Texas and Cameron County: Combined effects of Stages A, B, and C

Millions of current dollars: Number of full- and part-time jobs

	Direct effect	Indirect effect	Induced effect	Total effect	
Texas, statewide	Capital investment				
	Temporary employment (Avg. jobs)	675	1,132	946	2,753
	Labor income	\$323.8	\$591.2	\$183.5	\$1,098.5
	Economic output	\$1,545.5	\$1,795.9	\$527.5	\$3,868.9
	State & local taxes	\$126.2	\$50.1	\$15.6	\$191.9
	Operations (Year 1 - 2019)				
	Employment	165	1,185	1,504	2,855
	Labor income	\$17.3	\$244.2	\$72.7	\$334.3
	Economic output	\$463.6	\$478.0	\$208.9	\$1,150.6
	State & local taxes	\$34.4	\$20.7	\$6.2	\$61.3
Cameron County	Capital investment				
	Temporary employment (Avg. jobs)	447	993	571	2,011
	Labor income	\$245.3	\$368.7	\$74.1	\$688.2
	Economic output	\$1,423.3	\$1,373.7	\$228.5	\$3,025.5
	Local taxes in Cameron County	\$3.1	\$11.5	\$2.3	\$17.0
	Operations (Year 1 - 2019)				
	Employment	165	106	175	446
	Labor income	\$17.3	\$7.8	\$5.7	\$30.8
	Economic output	\$463.6	\$40.9	\$17.5	\$522.0
	Local taxes in Cameron County	\$33.8	\$0.2	\$0.2	\$34.2

Note: Figures may not sum due to rounding.

Source: EY estimates of indirect and induced effects using the 2012 IMPLAN model of Texas and direct investment information provided by Exelon management.

2

Study methodology

The statewide economic and tax impacts related to Project Annova were estimated using the IMPLAN economic model of the State of Texas, with certain adjustments to account for project-specific data. The county-level impacts were estimated using the 2012 IMPLAN model for Cameron County. The IMPLAN model is an input-output economic model, describing relationships between businesses, households, and governments within the state. This model follows flows of purchases as companies and employees buy local goods, supporting sales, jobs, and tax revenues in the state and Cameron County. IMPLAN is used by more than 500 universities and government agencies. Unlike other economic models, IMPLAN includes the interaction of over 400 industry sectors, thus identifying the interaction of specific industries that relate to LNG production.

The economic impacts are described in terms of direct, indirect, and induced effects. In general, direct effects describe the immediate activity at the facility or construction site. Indirect effects are a result of suppliers within Texas. The stronger the facility's Texas supply chain, the larger its indirect impact will be. Induced effects are related to spending by employees on consumer goods and services such as food, retail, education, or healthcare.

The magnitude of each economic effect is described in terms of an economic multiplier. The multipliers in the IMPLAN model are based on the Leontief matrix, which estimates the total economic requirements for every unit of direct output in a given industry using detailed inter-industry relationships documented in the input-output model. The input-output framework connects commodity supply from one industry to commodity demand by another. The multipliers estimated using this approach capture all of the upstream economic activity (or backward linkages) related to an industry's production by attaching technical coefficients to expenditures. These output coefficients (dollars of demand) are then

translated into dollars of value added and labor income and number of employees based on industry averages. For this study, the Leontief matrix was custom-calibrated to reflect the specifics of Project Annova's capital investments and operations.

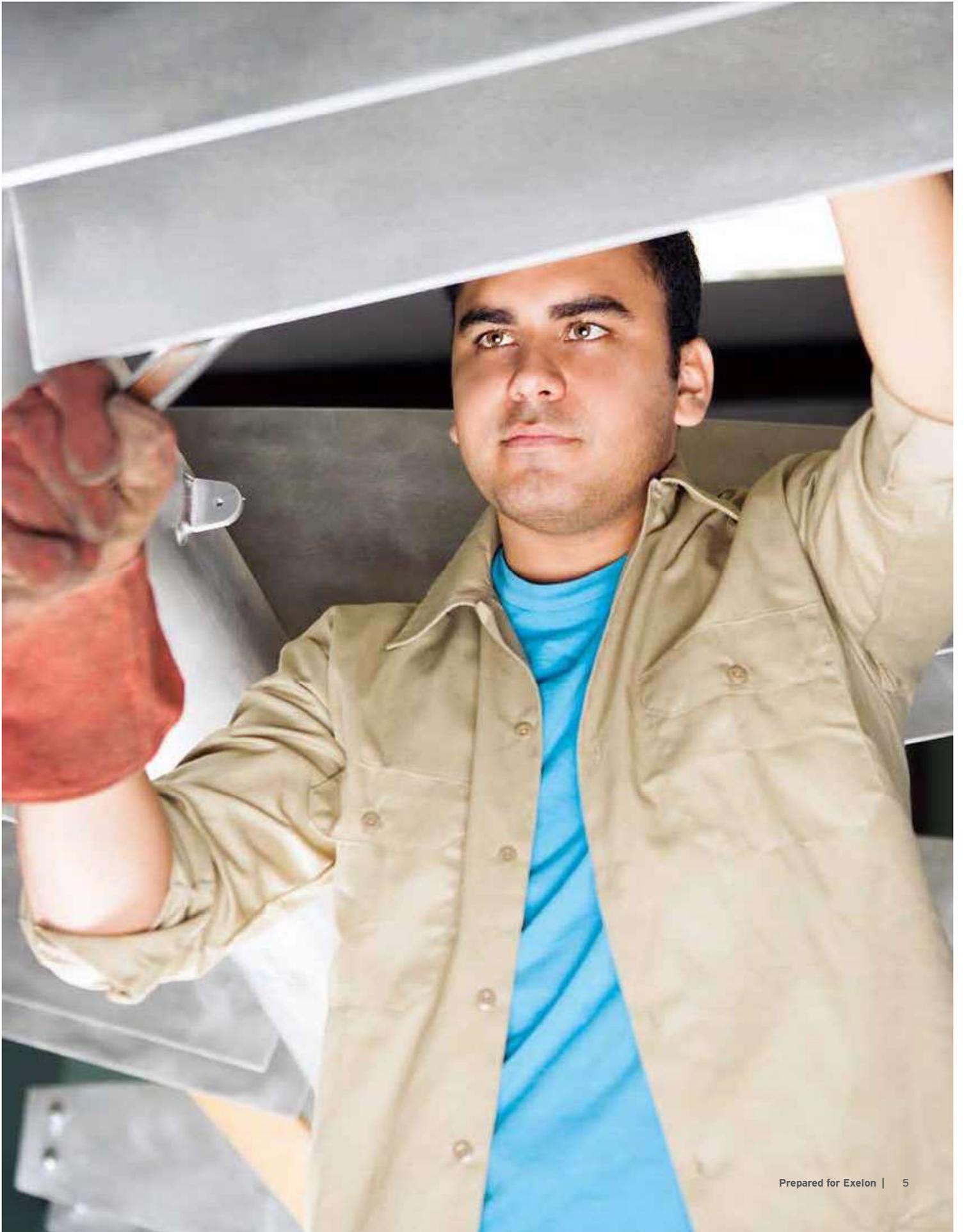
The direct, indirect, and induced economic effects are measured in terms of four key indicators:

- ▶ **Employment** – Total number of full- and part-time employees (headcount)
- ▶ **Labor income** – Employee compensation (wages and benefits) and proprietor income
- ▶ **Economic output** – Total value added, plus non-labor operating costs (supplier purchases).
- ▶ **State and local taxes** – Include all major state and local taxes (sales and excise, property, Texas Margin Tax). Direct local taxes reflect tax payments in Cameron County and Brownsville. Indirect and induced local taxes are statewide local collections paid to all localities throughout Texas.

Taxes paid by Project Annova employees and related to indirect and induced economic activity are estimated based on the historical relationship between state and local tax collections (by tax type) to economic activity in the state (measured as personal income). This ratio estimates the effective tax rates for each tax type as a share of total personal income. This approach assumes that Project Annova employees and taxes from the indirect and induced activity will generate taxes at the statewide average effective rate on economic activity. Direct local taxes are based on tax rates and collections for taxing jurisdictions within Cameron County.

The specific assumptions as they relate to one-time and annual economic and tax impacts are described in the following sections.

¹ To provide estimates that illustrate the level of local tax impact, the calculations assume that employees live within Cameron County. While this is a likely outcome, no information was provided by Exelon for this calculation and some employees may reside outside of the County.



3

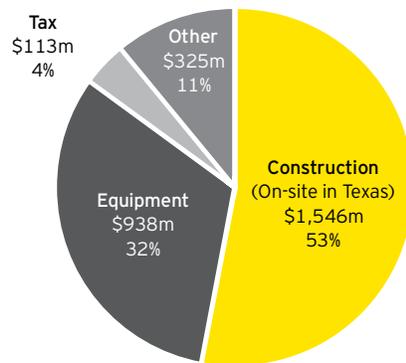
One-time statewide economic and tax impacts related to capital expenditures

Annova plans to invest \$2.9 billion to construct and equip six LNG trains and develop the surrounding infrastructure. There are two major categories of capital investments: (1) investments specific to the construction and installation of the LNG trains (\$1.5 billion) and (2) investments for shared infrastructure (\$1.4 billion). Infrastructure upgrades will include investments in local roads and highways, LNG storage tanks, and port access.²

As shown in Figure 1, over half of the total investment (\$1.5 billion) will be spent on construction and installation of the LNG trains and support infrastructure. This section describes how this \$1.5 billion investment will support direct jobs at the facility site over the construction period, as well as jobs and incomes at suppliers and within the local community.

Figure 1.
Composition of capital investments in Project Annova

Total investment = \$2.9 billion



Note: Construction expenditures include additional contingency spending.
Source: Exelon management.

The impacts presented in this section are described as one-time direct, indirect, and induced economic impacts because they occur only once related to the project's initial construction and development. These levels of impacts are described in more detail below.

Direct one-time impacts are related to Annova's investment in construction of the facility and surrounding infrastructure. The reported direct output is the total amount of construction expenditures (see Figure 1). Completed equipment that will be imported into the US or from other states does not generate economic activity in Texas and is not included in the direct output impact. The direct jobs include on-site construction contractors and Texas engineers sourced from within Texas.³ Exelon estimates that on-site construction employees will earn approximately \$100,000 per year in wages and benefits, based on an average wage level of \$6,435 per month (\$77,220 per year) and an additional 30% in benefits. Direct labor income also includes earnings of self-employed business owners.

Indirect one-time impacts include the sales, income, and employment related to construction suppliers (concrete, HVAC, rebar, equipment rentals, etc.).

Induced one-time impacts occur as direct and indirect employees spend their wages generated by the direct and indirect activity. These impacts will primarily affect local businesses that sell to households, such as restaurants, retailers, and personal service providers.

Based on Exelon's estimates, construction of the facility will require an average of 700 on-site workers per year for up to four years, including contractors from outside of the state (3,600 total one-year jobs). Direct jobs sourced from Texas will total 2,700 over four years - averaging 675 jobs per year. The direct jobs reported in this section include only the portion sourced from within Texas.

² Investments in the marine facility (port) do not include any investment related to the Port of Brownsville's proposed Brazos Island Harbor Improvement project. The costs are related to the basic berth and basin improvements required for the project.

³ Exelon estimates that 75% of on-site employment will be sourced from within Texas.

investment

Table 2 illustrates the estimated worker productivity for on-site construction employees - measured as economic output (investment) per worker. As shown in Table 2, average output per worker for the project's construction and installation will be nearly \$430,000 - approximately four times the average worker productivity for the construction sector overall in Texas. This high output per worker is in-line with other recent studies for LNG export terminals.⁴

Table 3 shows the estimated one-time direct, indirect, and induced effects related to the construction of Project Annova in Texas. These effects are described as one-time because the investment does not occur annually. Project Annova's \$1.5 billion construction investment will generate an additional \$1.8 billion in sales by Texas suppliers (indirect economic output) over four years. These sales will support an average of 1,132 indirect jobs each year at Texas firms over the duration of the construction period, including businesses selling

Table 2.
Estimated direct employment

Capital investment on construction	\$1.5 billion
Annova's average output per worker	\$429,308
On-site one-year jobs (4-year total)	3,600
Direct one-year jobs sourced from Texas (4-year total)	2,700

Source: EY analysis based on direct construction information provided by Exelon management.

construction materials, electric utilities, and professional services. In total, Project Annova will support an average of 2,753 direct, indirect, and induced Texas jobs each year of the terminal's construction.

The capital investments will also result in one-time state and local tax revenues totaling nearly \$192 million. The majority (approximately 60%) of the estimated tax impact are state sales taxes that will be paid directly by Annova - totaling \$113 million.⁵

Table 3.
One-time statewide economic and tax impacts of Annova's projected capital investments: Combined effects of Stages A, B, and C

Millions of current dollars: Number of full- and part-time jobs

	Direct effect	Indirect effect	Induced effect	Total effect	Average annual
Statewide one-time impacts related to investment					
Temporary employment (average annual jobs)	675	1,132	946	2,753	2,753
Labor income	\$323.8	\$591.2	\$183.5	\$1,098.5	\$274.6
Economic output	\$1,545.5	\$1,795.9	\$527.5	\$3,868.9	\$967.2
State & local taxes	\$126.2	\$50.1	\$15.6	\$191.9	\$48.0

Note: Direct, indirect, induced, and total employment is shown in terms of average number of jobs over the construction period. Figures may not sum due to rounding.

Source: EY estimates of indirect and induced effects using the 2012 IMPLAN model of Texas and direct investment information provided by Exelon management.

⁴ See: Pacific NorthWest LNG, "Environmental Impact Statement and Environmental Assessment Certificate Application, Section 29: Benefits to Canadians" And, Grant Thornton, "Employment impact review" Ministry of energy, mines, and natural gas, February 2013.

⁵ The facility will be located in an unincorporated area of Cameron County and will not be subject to additional local sales tax. Estimate provided by Exelon management.

4

Annual statewide economic and tax impacts related to facility operations

As planned, Stages A, B, and C of the project will each include two 1.0 Mtpa firm nameplate capacity LNG trains to process LNG - totaling 6.0 Mtpa firm nameplate capacity, or approximately 0.9 Bcfd. Annova's planned capacity (three stages) is approximately 10% of currently-approved LNG export terminal capacity in the US. As of January 2015, there were five approved LNG export terminals in the US, with a combined anticipated capacity of 9.2 Bcfd.⁶ Additionally, there are currently 14 proposed LNG export terminals - which would potentially increase total US export capacity by 15.5 Bcfd.⁷

Project Annova plans to employ 165 workers in 2019 to operate the three stages. Project Annova's employees will earn an estimated average base wage of \$70,000 (current dollars). This wage is approximately one-third higher than the average earnings of all private sector employees in Texas in 2013 and more than two and a half times the current average wage in Cameron County, increasing the state and the County's wage competitiveness (See Figure 2).

Annova employees will earn an additional \$35,000 in benefits annually (50% of wages), totaling \$105,000 per year in total compensation.

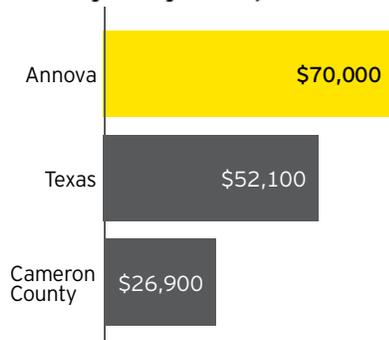
The economic impacts related to the facility's operations are described in terms of direct, indirect, and induced impacts, described below:

Direct impacts are the jobs and incomes earned by Project Annova employees. This activity is directly attributable to Project Annova and represents the company's direct employment and expenditures. Direct tax impacts include the business taxes paid by Annova as well as the taxes paid by Project Annova employees on their property and purchases.

Indirect impacts are the result of Project Annova's purchases from Texas suppliers and the additional rounds of economic activity as their suppliers purchase additional inputs within the state. Indirect taxes include the state and local taxes paid by suppliers and their employees.

Induced impacts are the result of local spending by Project Annova and supplier employees within Texas.

Figure 2.
Average wage comparison



Note: Wage levels shown in the figure do not include benefits.
Source: Data provided by Exelon management and BLS QCEW.

⁶ Two of the five approved LNG export terminals are in Texas. US Department of Energy.

⁷ US Department of Energy.

operations

Table 4 presents the estimates of the direct, indirect, and induced impacts related to Project Annova's projected operations for Stages A, B, and C combined.

Estimated economic impacts reflect the distribution of Project Annova's purchases from Texas suppliers. Estimates are sensitive to the portion of inputs purchased from within the state and the distribution across industries.

Figure 3 illustrates the composition of Project Annova's purchases from Texas suppliers. As shown in the figure, the primary costs are related to utilities and pipeline services. Natural gas feedstock is not included in Figure 3 as an operating cost/facility input.

Table 4.
Annual statewide economic impacts of Annova's projected operations:
Combined effects of Stages A, B, and C

Millions of current dollars: Number of full- and part-time jobs

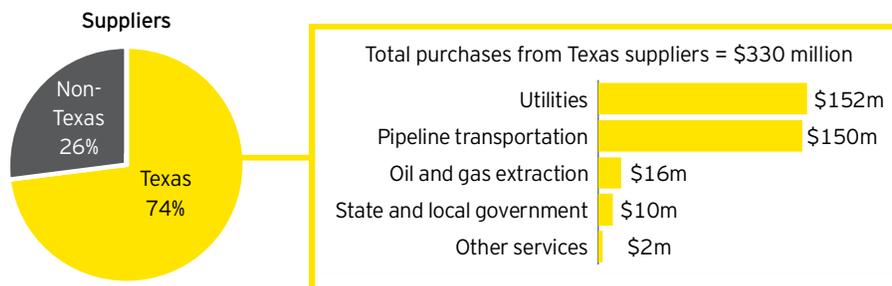
	Direct effect	Indirect effect	Induced effect	Total effect
Statewide impacts related to 2019 operations				
Employment	165	1,185	1,504	2,855
Labor income	\$17.3	\$244.2	\$72.7	\$334.3
Economic output	\$463.6	\$478.0	\$208.9	\$1,150.6

Note: Figures may not sum due to rounding.

Source: EY estimates of indirect and induced effects using the 2012 IMPLAN model of Texas and direct investment information provided by Exelon management.

Figure 3.
Annova's projected supplier spending

Millions of current dollars: Total = \$446 million



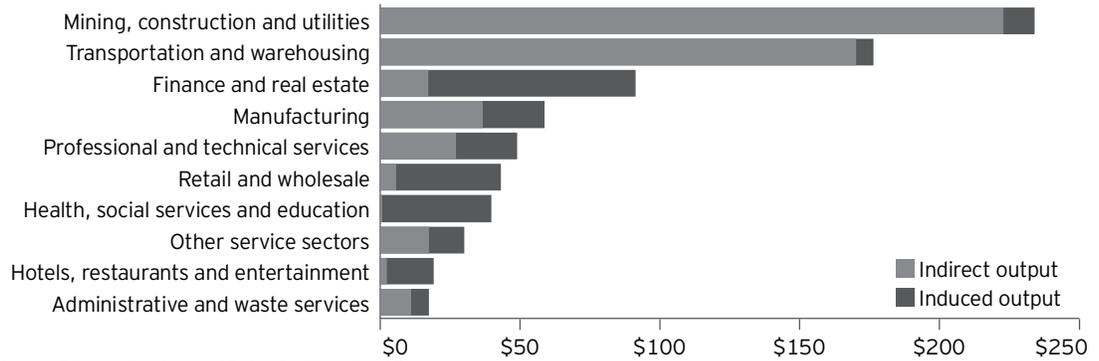
Source: EY analysis of data provided by Exelon management.

Project Annova's Texas supply chain generates indirect employment in the industries supplying goods and services to the facility. Figures 4 and 5 show how Project Annova's operating costs (illustrated in Figure 3) and purchases by employees (induced effects) translate to gross economic output (sales) and employment in Texas. For example, purchases of power and pipeline services by Annova generate output for utility and transportation

companies in Texas. The average pipeline services company employs one worker for every \$680,500 of sales. Given this ratio, Annova's anticipated \$150 million of expenditures for pipeline services will support 220 indirect jobs at midstream companies. Similarly, the average Texas utility employs one worker for every \$950,500 of sales - 160 Texas jobs from Annova's \$152 million of purchases.

Figure 4.
Indirect and induced economic output from operations, by sector

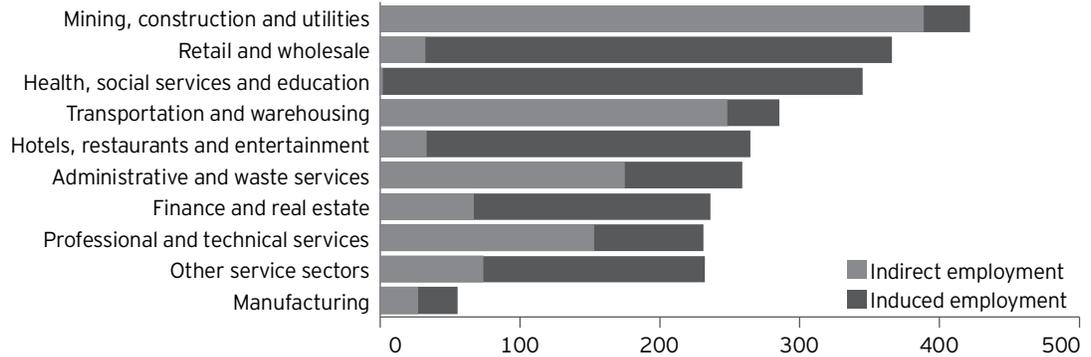
Millions of current dollars: Indirect and induced output = \$687 million



Source: EY analysis using the 2012 IMPLAN model of Texas.

Figure 5.
Indirect and induced employment from operations, by sector

Number of full- and part-time employees (headcount): Indirect and induced employment = 2,689



Source: EY analysis using the 2012 IMPLAN model of Texas.

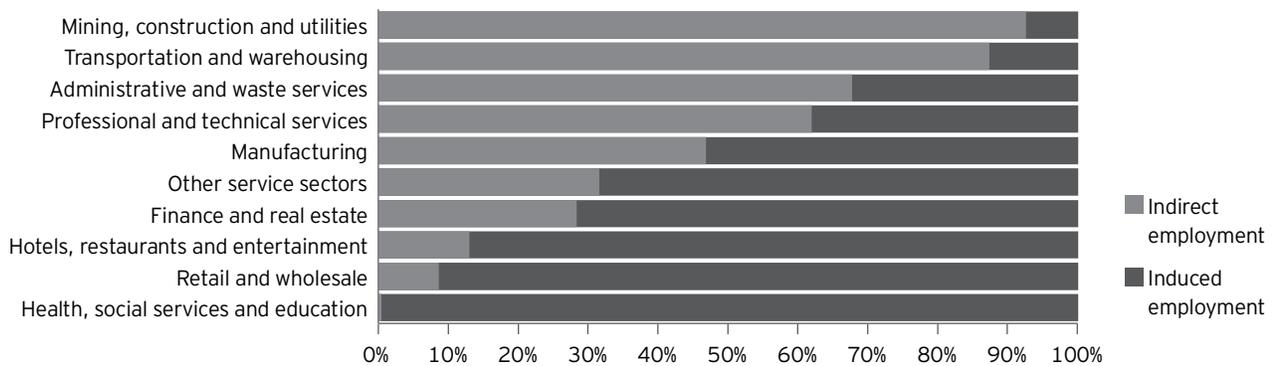
operations

Figure 6 helps illustrate how spending by Annova with suppliers and spending by employees impacts different areas of the economy. As shown in Figure 6, induced employment is concentrated in sectors that sell directly

to consumers - such as health and education, retail trade, and hospitality. For these sectors, nearly all of the employment impact is supported by induced (household) spending.

Figure 6.
Distribution of indirect and induced employment within each sector

Share of estimated sector employment impact



Source: EY analysis using the 2012 IMPLAN model of Texas.



The estimated state and local tax impacts related to Annova's annual operations are shown in Table 5, totaling \$61.3 million related to direct, indirect, and induced economic activity. Project Annova's operations will directly generate nearly \$34.4 million of state and local tax revenues annually. Nearly all (97%) of Project Annova's direct tax impact is related to estimated local property taxes due on the Project's real and personal property. In a separate analysis, EY estimated that Project Annova will owe \$33.5 million in local property taxes to Cameron County, the Brownsville Navigation District, local school districts, and other applicable special

districts - including all property related to Stages A, B, and C. Based on current property tax rates in Brownsville and other cities in Cameron County, the analysis estimates that Project Annova's employees will pay the remaining approximately \$145,000 in real and personal property taxes.⁸ Note that the direct tax estimates do not include margin tax paid by Annova because data is not available to estimate the tax.

Indirect and induced economic activity will total nearly \$27 million combined (\$20.7 million indirect + \$6.2 million induced) - for a total tax impact of nearly \$61.3 million annually.

Table 5.
Annual statewide tax impacts of Annova's projected operations:
Combined effects of Stages A, B and C

Thousands of current dollars

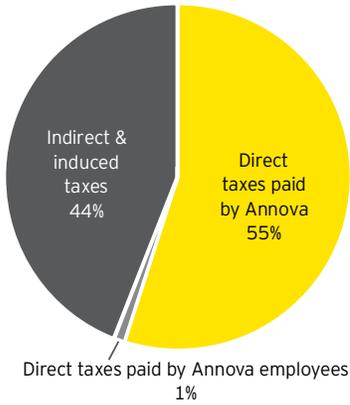
	Direct effect	Indirect effect	Induced effect	Total effect
Texas state taxes				
Sales and excise taxes	\$587	\$8,269	\$2,463	\$11,319
Texas margin tax	See note	1,016	302	1,318
Other state taxes	44	624	186	854
Total state taxes	\$631	\$9,909	\$2,951	\$13,491
Statewide local taxes				
Property taxes	33,681	8,861	2,639	45,181
Other local taxes	78	1,941	578	2,597
Total statewide local taxes	\$33,758	\$10,802	\$3,217	\$47,777
Total Texas state & local taxes	\$34,389	\$20,711	\$6,168	\$61,269

Note: Estimates do not include margin tax paid by Exelon due to lack of data needed to estimate the tax. Direct property tax estimates have not been reduced to reflect any potential property tax abatements. Direct property and sales taxes include city and county taxes paid in Cameron County by Annova employees. Figures may not sum due to rounding.

Source: EY analysis.

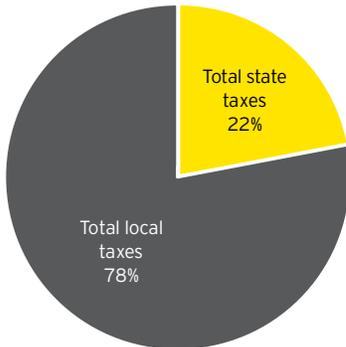
⁸ The analysis assumes that all employees reside in Cameron County. Based on an analysis of current commuter patterns and the distribution of property market values, the analysis assumes that 60% of the employees will live within the City of Brownsville, 30% will live in other cities within Cameron County, and the remaining 10% will live in unincorporated areas. The facility will be located in an unincorporated area of Cameron County and will not be subject to City property tax rates.

Figure 7.
Tax impacts by taxpayer

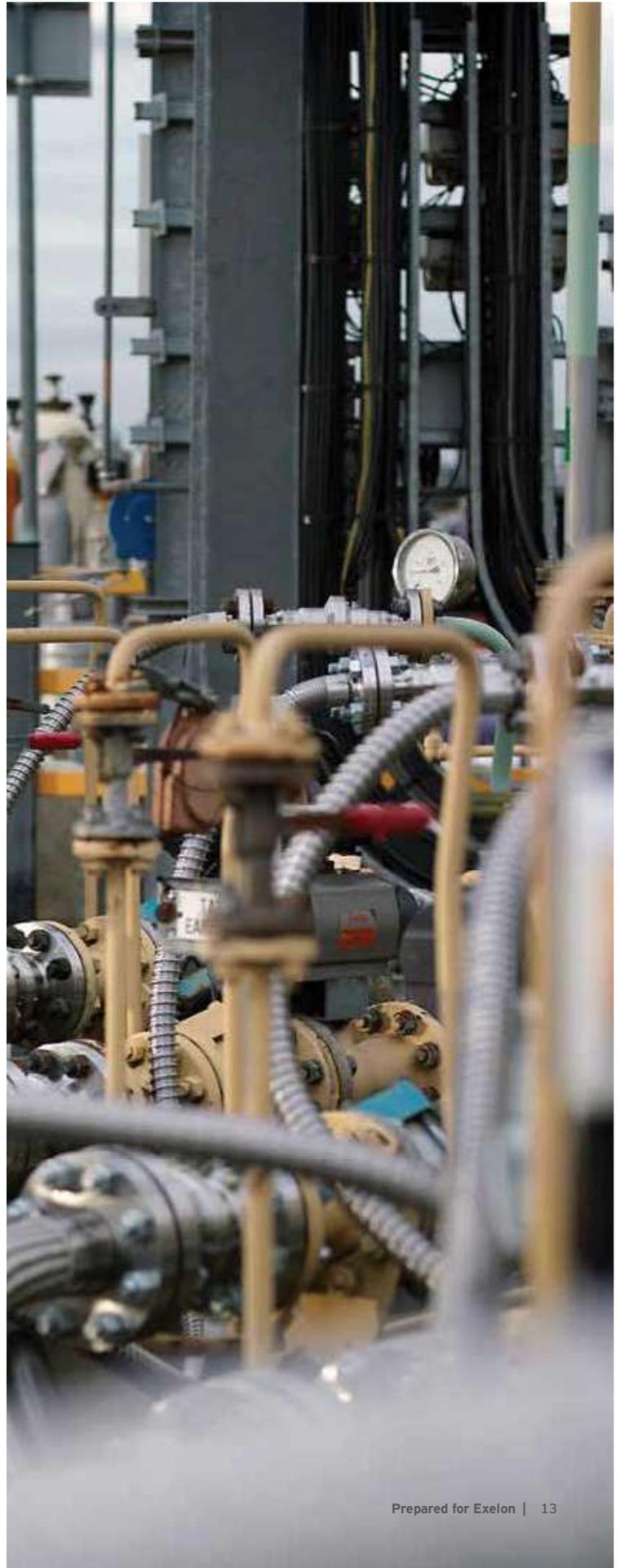


Source: EY analysis.

Figure 8.
State vs. local tax impacts



Source: EY analysis.



5

Economic and tax impacts in Cameron County

A significant portion of the economic and tax impacts related to Annova's construction and operations will be within Cameron County.

The local analysis assumes that \$1.4 billion of construction investment will generate direct economic output in Cameron County. This total excludes the \$122 million of construction expenditures for engineering services, which are assumed to be provided by a Texas firm outside of Cameron County. This construction investment will support an estimated average of 2,011 temporary jobs in Cameron County during the construction period - including 447 direct construction jobs and 1,564 jobs related to indirect and induced activity. Workers and proprietors will earn an estimated total of \$688 million in labor income over the period. Further, construction activity will result in \$17 million of local taxes for the public sector in Cameron County. Because the facility will be located in an unincorporated area of Cameron County, purchases of construction materials and facility equipment will not be subject to local sales taxes.

Based on projected 2019 operations, the facility will support a total of 446 direct, indirect, and induced jobs in Cameron County. This total includes Annova's 165 direct employees, plus an additional 281 indirect and induced jobs related to purchases from local businesses. Based on existing economic activity in the county, the analysis assumes that Annova will purchase \$36.6 million of utilities, natural gas, and maintenance services from Cameron County businesses annually. These expenditures will support an estimated 69 first-round indirect jobs, with the remaining 37 indirect jobs related to subsequent rounds of indirect activity (Annova's suppliers purchasing from other Cameron County businesses).

Including local property taxes, Annova will generate \$34.2 million annually in tax revenues supporting Cameron County local governments - of which, an estimated \$226,000 will be paid to the City of Brownsville. Table 7 shows how this tax revenue accrues to different taxing jurisdictions within Cameron County.

Table 6.
Cameron County economic and tax impacts:
Combined effects of Stages A, B, and C

Millions of current dollars: Number of full- and part-time jobs

	Direct effect	Indirect effect	Induced effect	Total effect
One-time related to investment				
Employment	447	993	571	2,011
Labor income	\$245.3	\$368.7	\$74.1	\$688.2
Economic output	\$1,423.3	\$1,373.7	\$228.5	\$3,025.5
Local taxes in Cameron County	\$3.1	\$11.5	\$2.3	\$17.0
Annual related to operations				
Employment	165	106	175	446
Labor income	\$17.3	\$7.8	\$5.7	\$30.8
Economic output	\$463.6	\$40.9	\$17.5	\$522.0
Local taxes in Cameron County	\$33.8	\$0.2	\$0.2	\$34.2

Note: Figures may not sum due to rounding.

Source: EY estimates of indirect and induced effects using the 2012 IMPLAN model of Cameron County and direct investment information provided by Exelon management.

Figure 9.
Cameron County one-time impacts,
share of statewide

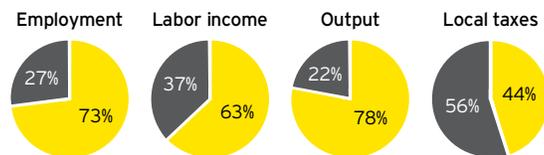


Figure 10.
Cameron County annual impacts,
share of statewide

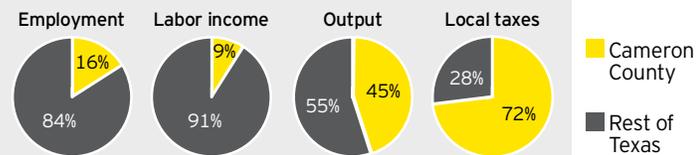


Table 7.
Annual Cameron County local tax impacts related to 2019 operations:
Combined effects of Stages A, B, and C
Thousands of current dollars

Collections in Cameron County (2019)	Direct effect	Indirect effect	Induced effect	Total effect
Cameron County				
Local property taxes	\$7,216	\$50	\$36	\$7,303
Local sales taxes	--	--	--	--
Other local taxes	--	--	--	--
Total Cameron County taxes	\$7,216	\$50	\$36	\$7,303
City of Brownsville				
Local property taxes	33	43	31	107
Local sales taxes	26	27	20	74
Other local taxes	25	12	8	45
Total City of Brownsville taxes	\$85	\$82	\$59	\$226
Other taxing districts				
Local property taxes	26,431	93	67	26,591
Local sales taxes	13	14	10	37
Other local taxes	13	6	4	23
Total other local taxes	\$26,457	\$112	\$81	\$26,650
Total local taxes				
Local property taxes	33,681	186	134	34,001
Local sales taxes	39	41	30	110
Other local taxes	38	17	12	68
Total local taxes in Cameron County	\$33,758	\$244	\$177	\$34,179

Note: Other taxing districts include school districts, the Brownsville Navigation District, and other special districts. Tax estimates assume that 60% of workers reside in the City of Brownsville, 30% reside in other municipalities within Cameron County, and the remaining 10% reside in unincorporated areas of Cameron County. Figures may not sum due to rounding.

Source: EY analysis.

6

Study limitations

The accompanying analyses were prepared for the use of Exelon management. The analyses conducted in this report constitute neither an examination nor a compilation of prospective financial statements nor the application of agreed-upon procedures thereto in accordance with the attestation standards established by the American Institute of Certified Public Accountants ("AICPA"). Accordingly, EY does not express an opinion on or offer any other assurances as to whether the analyses are presented in conformity with AICPA presentation guidelines or as to whether the underlying assumptions provide a reasonable basis for the analyses.

The reader should be aware of the following model limitations and assumptions when interpreting the results:

- ▶ The analyses were based on best data and assumptions available early in the project development process. The data and assumptions could differ from actual results due to unexpected events and circumstances common in large construction projects. EY has no responsibility to update or otherwise revise the analyses for events and circumstances occurring after the date of our report unless subsequently engaged to do so.
- ▶ Direct employment related to on-site construction expenditures was provided by Exelon management.
- ▶ Indirect economic impacts were estimated based on information on anticipated supplier purchases provided by Exelon management. To the extent that these goods and services are not sourced from within Texas, the estimated indirect impacts would decrease.
- ▶ Direct taxes do not include estimates of Annova's Texas Margin Tax (TMT) impact. Annova's margin tax liability depends on several factors, including the location of the purchaser of the natural gas. If the purchaser is outside of the state, 0% of Project Annova's sales will be sourced to Texas. At this time, the location of the purchaser is unknown.
- ▶ Direct local property taxes paid by Annova were estimated by EY, without allowances for potential abatements provided by Cameron County, the Brownsville Navigation District, and local school districts.
- ▶ Direct local property and sales taxes paid by Annova employees assume that the employees live within Cameron County and will pay some combination of county and municipal property and sales taxes. Based on an analysis of current commuter patterns and the distribution of property market values, the analysis assumes that 60% of the employees will live within the City of Brownsville, 30% will live in other cities within Cameron County, and the remaining 10% will live in unincorporated areas. The facility will be located in an unincorporated area of Cameron County and will not be subject to City property tax rates. In reality, this distribution may be different across jurisdictions. In these cases, the direct property and sales taxes would be paid to a different taxing jurisdiction and may differ from the estimates shown.
- ▶ In general, indirect and induced tax impacts are estimated based on statewide averages for all industries and households. These estimates do not incorporate industry-specific tax rates, exemptions, or bases.

7

Conclusions

This report quantifies the projected public and private sector benefits related to Project Annova's construction and operations in Texas. By using information provided by Exelon management on their anticipated capital investments and operations, the analysis estimates the jobs, incomes, and economic output supported across many sectors of the economy.

For every dollar of capital investment, Project Annova will support \$1.32 of total economic output and \$0.38 of income for Texas employees. In total, Annova will invest \$2.9 billion over three to four years to construct and equip Stages A, B, and C of the LNG export terminal. Of this amount, 53% (\$1.5 billion) will be related to construction and installation cost and will support an average of 675 on-site Texas employees per year and a total of \$324 million in direct labor income over four years. Suppliers to the site and employee spending will support an additional 2,078 Texas employees for the duration of the construction period - of which, an estimated 1,564 will be in Cameron County.

Annova plans to employ 165 workers at the LNG export terminal in 2019. Through supplier purchases and expenditures by Annova and supplier employees, Annova's operations will support an additional 2,690 jobs throughout Texas - of which 281 will be in Cameron County. Annova will pay its employees base wages (\$70,000) that are more than 2.5 times the 2013 average in Cameron County. These wages will enable Annova's employees to purchase more goods and services locally, generating income for residents of Cameron County and the surrounding areas.

Including all related activity, state and local tax revenues related to Project Annova's operations will exceed an estimated \$60 million annually - more than half of which will be revenue for local governments in Cameron County.

A

Appendix A – Detailed results, by stage

The following tables present the estimated statewide economic and tax impacts attributable to the construction and operations of Project Annova Stages A, B, and C.

Table A1.
One-time statewide economic and tax impacts related to Project Annova’s construction
 Millions of current dollars; Number of full- and part-time jobs

	Direct effect	Indirect effect	Induced effect	Total effect	
Total, Stages A, B, and C	Economic impacts				
	Temporary employment (average annual)	675	1,132	946	2,753
	Labor income	\$323.8	\$591.2	\$183.5	\$1,098.5
	Economic output	\$1,545.5	\$1,795.9	\$527.5	\$3,868.9
	Tax impacts				
	State taxes	\$122.0	\$24.0	\$7.4	\$153.4
	Local taxes	\$4.2	\$26.1	\$8.1	\$38.4
Total state and local taxes	\$126.2	\$50.1	\$15.6	\$191.9	
Stage A	Economic impacts				
	Temporary employment (average annual)	328	634	498	1,459
	Labor income	\$160.0	\$319.1	\$96.7	\$575.8
	Economic output	\$860.5	\$965.8	\$277.9	\$2,104.3
	Tax impacts				
	State taxes	\$71.1	\$12.9	\$3.9	\$88.0
	Local taxes	\$2.1	\$14.1	\$4.3	\$20.4
Total state and local taxes	\$73.2	\$27.1	\$8.2	\$108.4	
Stage B	Economic impacts				
	Temporary employment (average annual)	174	249	224	647
	Labor income	\$81.9	\$136.1	\$43.4	\$261.3
	Economic output	\$342.5	\$415.0	\$124.8	\$882.3
	Tax impacts				
	State taxes	\$25.4	\$5.5	\$1.8	\$32.7
	Local taxes	\$1.1	\$6.0	\$1.9	\$9.0
Total state and local taxes	\$26.5	\$11.5	\$3.7	\$41.7	
Stage C	Economic impacts				
	Temporary employment (average annual)	174	249	224	647
	Labor income	\$81.9	\$136.1	\$43.4	\$261.3
	Economic output	\$342.5	\$415.0	\$124.8	\$882.3
	Tax impacts				
	State taxes	\$25.4	\$5.5	\$1.8	\$32.7
	Local taxes	\$1.1	\$6.0	\$1.9	\$9.0
Total state and local taxes	\$26.5	\$11.5	\$3.7	\$41.7	

Note: Figures may not sum due to rounding.
 Source: EY analysis.

Table A2.

Annual statewide economic and tax impacts related to Project Annova's operations

Millions of current dollars: Number of full- and part-time jobs

	Direct effect	Indirect effect	Induced effect	Total effect	
Total, Stages A, B, and C	Economic impacts				
	Employment	165	1,185	1,504	2,855
	Labor income	\$17.3	\$244.2	\$72.7	\$334.3
	Economic output	\$463.6	\$478.0	\$208.9	\$1,150.6
	Tax impacts				
	State taxes	\$0.6	\$9.9	\$3.0	\$13.5
	Local taxes	\$33.8	\$10.8	\$3.2	\$47.8
	Total state and local taxes	\$34.4	\$20.7	\$6.2	\$61.3
	Stage A	Economic impacts			
Employment		115	395	1,048	1,558
Labor income		\$12.1	\$81.4	\$50.7	\$144.2
Economic output		\$160.8	\$159.3	\$145.6	\$465.8
Tax impacts					
State taxes		\$0.4	\$3.3	\$2.1	\$5.8
Local taxes		\$16.5	\$3.6	\$2.2	\$22.3
Total state and local taxes		\$16.9	\$6.9	\$4.3	\$28.1
Stage B		Economic impacts			
	Employment	30	395	273	699
	Labor income	\$3.2	\$81.4	\$13.2	\$97.8
	Economic output	\$151.9	\$159.3	\$38.0	\$349.2
	Tax impacts				
	State taxes	\$0.1	\$3.3	\$0.5	\$4.0
	Local taxes	\$8.6	\$3.6	\$0.6	\$12.8
	Total state and local taxes	\$8.8	\$6.9	\$1.1	\$16.8
	Stage C	Economic impacts			
Employment		20	395	182	597
Labor income		\$2.1	\$81.4	\$8.8	\$92.3
Economic output		\$150.9	\$159.3	\$25.3	\$335.5
Tax impacts					
State taxes		\$0.1	\$3.3	\$0.4	\$3.7
Local taxes		\$8.6	\$3.6	\$0.4	\$12.6
Total state and local taxes		\$8.7	\$6.9	\$0.7	\$16.4

Note: Figures may not sum due to rounding.
Source: EY analysis.

B

Appendix B – Technical details

This analysis uses an input-output model to estimate the economic contributions of the initial investment and subsequent operations of the Project Annova LNG facility. The regional economic multipliers in this study were estimated using the 2012 Impacts for Planning (IMPLAN) input-output model of the State of Texas and the 2012 IMPLAN model of Cameron County, Texas. IMPLAN is used by more than 500 universities and government agencies. Unlike other economic models, IMPLAN includes the interaction of over 400 industry sectors, thus identifying the interaction of specific industries that relate to LNG production.

The economic impacts are described in terms of direct, indirect, and induced effects. Direct effects include employment and spending by Project Annova in Texas. Indirect effects are attributable to input purchases from local suppliers to support the facility's construction and operations. Induced effects are attributable to spending by Project Annova and supplier employees, based on regional household spending patterns for different levels of income. Indirect and induced effects are driven by (1) input purchases by Project Annova and its suppliers; (2) the percentage of each type of commodity that is purchased from within the state; and (3) household consumption profiles for employees, based on income.

The magnitude of each economic effect is described in terms of an economic multiplier. The multipliers in the IMPLAN model are based on the Leontief matrix, which estimates the total economic requirements for every unit of direct output in a given industry using detailed inter-industry relationships documented in the input-output model. The input-output framework connects commodity supply from one industry to commodity demand by another. The multipliers estimated using this approach capture all of the upstream economic activity (or backward linkages) related to an industry's production by attaching technical coefficients to expenditures. These output coefficients (dollars of demand) are then translated into dollars of value added and labor income and number of employees based on industry averages. For this study, the Leontief matrix was custom-calibrated to reflect the specifics of Project Annova's capital investments and operations.

Table B-1 shows the estimated multipliers for the statewide and Cameron County analyses.

Table B1.
Estimated multipliers: Stages A, B, and C

	Texas, statewide	Cameron County
Capital investment		
Employment	4.08	4.50
Labor income	3.39	2.80
Economic output	2.50	2.13
Operations		
Employment	17.30	2.70
Labor income	19.30	1.78
Economic output	2.48	1.13

Source: EY analysis based on data provided by Exelon management and the 2012 IMPLAN models of Texas and Cameron County.



About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2015 Ernst & Young LLP.
All Rights Reserved.

SCORE No. XX0000

CSG No. 1501-1386099 EC

ED None

ey.com

- 16) Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office; b) legal description of reinvestment zone; c) order, resolution or ordinance establishing the reinvestment zone; d) guidelines and criteria for creating the zone

County	2013 Distressed County	2010 Decennial Adults without High School Diploma or Equivalent										2008	
		2010 Decennial Population	2010 Decennial Poverty	2010 Decennial School Diploma or Equivalent	2012 Unemployment Rate	2011 Unemployment Rate	2010 Unemployment Rate	2009 Unemployment Rate	2008 Unemployment Rate				
Anderson	no	58,458	16.50%	25.20%	7.70%	9.1%	9.5%	8.8%	5.7%				
Andrews	no	14,756	17.10%	27.30%	3.70%	5.0%	6.0%	7.1%	3.4%				
Angelina	no	86,771	17.80%	22.00%	6.70%	7.7%	8.0%	8.3%	4.9%				
Aransas	no	23,158	17.40%	14.80%	6.10%	8.0%	8.1%	6.9%	4.5%				
Archer	no	9,054	10.00%	16.00%	4.90%	5.9%	6.0%	6.0%	3.8%				
Armstrong	no	1,901	10.70%	8.50%	4.80%	4.9%	4.7%	4.8%	3.6%				
Atascosa	no	44,911	18.80%	26.20%	6.60%	7.9%	7.9%	7.4%	4.7%				
Austin	no	28,417	8.80%	18.80%	6.00%	8.2%	8.0%	7.4%	4.3%				
Bailey	no	7,165	17.30%	26.60%	6.60%	7.3%	7.1%	5.6%	4.2%				
Bandera	no	20,485	18.40%	11.00%	6.00%	6.8%	7.1%	6.5%	4.4%				
Bastrop	no	74,171	14.10%	19.40%	6.40%	7.8%	8.4%	7.8%	4.9%				
Baylor	no	3,726	17.30%	15.30%	4.30%	5.8%	6.6%	5.8%	3.8%				
Bee	yes	31,861	19.00%	30.50%	7.00%	8.6%	9.1%	9.3%	6.3%				
Bell	no	310,235	14.10%	11.40%	7.30%	8.0%	7.5%	6.7%	4.9%				
Bexar	no	1,714,773	16.90%	18.60%	6.60%	7.6%	7.4%	6.8%	4.7%				
Blanco	no	10,497	11.70%	11.70%	5.50%	6.1%	5.9%	5.1%	3.8%				
Borden	no	641	4.30%	14.90%	3.00%	3.9%	5.0%	5.7%	3.2%				
Bosque	no	18,212	16.20%	19.90%	7.40%	8.5%	8.7%	7.9%	4.7%				
Bowie	no	92,565	16.80%	16.50%	6.80%	7.7%	8.3%	6.7%	5.1%				
Brazoria	no	313,166	10.60%	15.70%	7.00%	8.6%	9.0%	8.1%	5.2%				
Brazos	no	194,851	29.70%	15.50%	5.50%	6.4%	6.1%	5.4%	3.9%				
Brewster	no	9,232	16.50%	19.80%	4.70%	5.3%	5.9%	4.9%	3.7%				
Briscoe	no	1,637	19.90%	19.00%	6.30%	6.8%	5.9%	5.6%	4.2%				
Brooks	yes	7,223	34.00%	46.30%	7.10%	8.9%	9.9%	9.5%	5.4%				
Brown	no	38,106	16.20%	18.30%	6.00%	7.2%	7.3%	6.9%	4.5%				
Burleson	no	17,187	13.50%	23.20%	6.00%	6.8%	6.9%	6.8%	4.4%				
Burnet	no	42,750	13.70%	16.50%	5.40%	6.2%	6.5%	6.1%	4.0%				
Caldwell	no	38,066	19.60%	24.40%	7.00%	8.5%	8.6%	8.3%	5.2%				
Calhoun	no	21,381	16.30%	21.80%	7.00%	9.1%	9.0%	8.6%	4.9%				
Callahan	no	13,544	13.90%	13.70%	5.10%	6.2%	6.0%	5.9%	3.7%				
Cameron	yes	406,220	34.70%	37.70%	10.50%	11.8%	11.2%	9.9%	6.8%				
Camp	no	12,401	20.40%	25.30%	7.70%	8.8%	8.8%	8.9%	5.0%				
Carson	no	6,182	5.70%	12.10%	4.50%	5.0%	5.2%	5.9%	3.4%				
Cass	no	30,464	19.30%	17.70%	9.10%	10.6%	11.0%	11.5%	6.2%				
Castro	no	8,062	23.30%	31.90%	5.10%	5.7%	5.6%	5.0%	3.7%				
Chambers	no	35,096	10.50%	15.20%	7.70%	8.9%	9.9%	9.4%	5.8%				
Cherokee	yes	50,845	22.40%	25.80%	7.70%	8.9%	9.1%	9.0%	6.0%				
Childress	no	7,041	16.20%	17.90%	5.30%	6.1%	7.1%	6.0%	5.1%				
Clay	no	10,752	11.70%	10.80%	5.10%	6.1%	6.6%	7.0%	4.0%				
Cochran	no	3,127	24.90%	33.50%	7.70%	9.0%	8.2%	6.7%	4.8%				
Coke	no	3,320	15.10%	13.70%	6.20%	7.0%	7.9%	8.4%	7.7%				
Coleman	no	13,544	29.40%	22.20%	5.90%	7.1%	6.9%	7.0%	4.0%				
Collin	no	782,341	6.90%	7.20%	6.10%	7.0%	7.5%	7.3%	4.6%				

County	2013 Distressed County	2010 Decennial Adults without High School Diploma or Equivalent										2013		2012		2011		2010		2009		2008	
		Population	Poverty	2010 Decennial	Unemployment Rate																		
Collingsworth	no	3,057	20.80%	25.80%	25.80%	4.70%	5.3%	5.4%	5.5%	5.5%	3.9%												
Colorado	no	20,874	15.20%	20.40%	20.40%	5.70%	7.1%	7.5%	6.5%	4.0%													
Comal	no	108,472	10.00%	11.40%	11.40%	6.10%	6.9%	6.6%	6.2%	4.1%													
Comanche	no	13,974	22.10%	25.30%	25.30%	5.80%	6.7%	6.7%	6.1%	3.9%													
Concho	yes	4,087	20.00%	28.30%	28.30%	7.10%	7.9%	8.3%	7.4%	5.3%													
Cooke	no	38,437	13.60%	18.20%	18.20%	4.40%	5.4%	6.6%	6.6%	3.5%													
Coryell	no	75,388	13.20%	12.40%	12.40%	8.60%	9.2%	8.8%	8.4%	6.1%													
Cottle	no	1,505	10.90%	20.90%	20.90%	6.10%	6.4%	6.3%	5.6%	4.0%													
Crane	no	4,375	17.00%	27.80%	27.80%	5.30%	7.3%	8.1%	8.7%	4.1%													
Crockett	no	3,719	15.90%	38.10%	38.10%	4.00%	5.3%	6.8%	8.6%	2.9%													
Crosby	no	6,059	23.90%	24.80%	24.80%	6.80%	9.3%	7.9%	6.9%	4.9%													
Culberson	no	2,398	28.80%	38.20%	38.20%	3.50%	4.2%	4.4%	4.3%	3.0%													
Dallam	no	6,703	12.50%	28.20%	28.20%	3.90%	4.6%	5.2%	4.3%	3.0%													
Dallas	no	2,368,139	17.60%	23.50%	23.50%	7.20%	8.4%	8.8%	8.2%	5.4%													
Dawson	yes	13,833	19.10%	33.00%	33.00%	6.90%	7.9%	8.2%	8.1%	5.4%													
Deaf Smith	no	19,372	17.50%	33.70%	33.70%	4.90%	5.6%	5.7%	5.3%	3.8%													
Delta	no	5,231	14.50%	15.80%	15.80%	7.60%	8.9%	9.1%	8.4%	5.3%													
Denton	no	662,614	8.00%	8.80%	8.80%	6.00%	7.0%	7.5%	7.2%	4.5%													
DeWitt	no	20,097	16.40%	24.50%	24.50%	5.00%	6.7%	7.9%	7.7%	4.2%													
Dickens	no	2,444	24.60%	27.10%	27.10%	9.50%	13.6%	10.3%	7.4%	4.4%													
Dimmit	yes	9,996	36.40%	39.00%	39.00%	5.10%	7.0%	9.6%	10.2%	6.7%													
Donley	no	3,677	10.50%	17.80%	17.80%	5.50%	6.1%	6.4%	6.2%	4.2%													
Duval	yes	11,782	22.90%	35.10%	35.10%	6.70%	9.1%	11.2%	11.1%	5.4%													
Eastland	no	18,583	21.00%	22.30%	22.30%	6.10%	7.1%	7.9%	7.6%	4.6%													
Ector	no	137,130	16.70%	27.10%	27.10%	4.20%	5.8%	7.8%	8.2%	3.4%													
Edwards	no	2,002	24.70%	32.30%	32.30%	6.80%	7.1%	7.2%	7.3%	3.8%													
El Paso	yes	800,647	25.60%	29.00%	29.00%	6.80%	10.3%	9.5%	8.0%	6.3%													
Ellis	no	149,610	11.30%	17.10%	17.10%	9.30%	8.1%	8.5%	9.0%	5.1%													
Erath	no	37,890	19.70%	20.50%	20.50%	5.50%	6.2%	6.5%	6.3%	3.8%													
Falls	yes	17,866	23.40%	26.50%	26.50%	8.40%	9.5%	9.6%	8.9%	5.8%													
Fannin	no	33,915	14.70%	17.60%	17.60%	8.60%	9.9%	9.3%	8.8%	5.9%													
Fayette	no	24,554	11.00%	21.00%	21.00%	4.80%	5.8%	5.9%	5.6%	3.5%													
Fisher	no	3,974	13.90%	19.00%	19.00%	5.20%	6.4%	6.5%	6.1%	3.9%													
Floyd	no	6,446	23.80%	25.40%	25.40%	6.80%	8.3%	8.5%	6.8%	4.7%													
Foard	no	1,336	23.40%	24.20%	24.20%	5.70%	7.0%	6.3%	5.8%	4.0%													
Fort Bend	no	585,375	8.00%	11.40%	11.40%	6.10%	7.3%	8.0%	7.2%	4.5%													
Franklin	no	10,605	14.80%	17.30%	17.30%	6.50%	7.3%	7.7%	6.9%	4.3%													
Freestone	no	19,816	16.00%	21.30%	21.30%	5.40%	6.4%	6.6%	6.3%	4.1%													
Frio	yes	17,217	21.80%	35.70%	35.70%	5.60%	7.3%	7.6%	7.6%	5.5%													
Gaines	no	17,526	18.00%	41.80%	41.80%	4.60%	5.6%	6.2%	6.4%	3.9%													
Galveston	no	291,309	12.80%	14.10%	14.10%	7.70%	9.1%	9.2%	8.2%	5.8%													
Garza	no	6,461	21.70%	37.10%	37.10%	6.10%	7.1%	5.4%	5.3%	3.8%													
Gillespie	no	24,837	8.00%	13.60%	13.60%	4.20%	4.7%	4.8%	4.5%	3.1%													

County	2013 Distressed County	2010 Decennial Adults without High School Diploma or Equivalent										2010 Decennial Poverty	2010 Decennial Population	2010 Decennial Unemployment Rate	2011 Unemployment Rate	2010 Unemployment Rate	2009 Unemployment Rate	2008 Unemployment Rate
		2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial	2010 Decennial							
Glasscock	no	1,226	11.20%	22.00%	4.30%	4.4%	5.6%	4.9%	3.7%									
Goliad	no	7,210	11.80%	16.20%	5.30%	6.1%	7.3%	6.9%	3.8%									
Gonzales	no	19,807	20.30%	32.40%	4.60%	5.7%	6.2%	5.5%	4.0%									
Gray	no	22,535	15.00%	20.70%	4.80%	6.0%	7.5%	8.2%	3.5%									
Grayson	no	120,877	13.50%	14.80%	7.20%	8.3%	8.4%	8.1%	5.3%									
Gregg	no	121,730	16.50%	17.60%	5.70%	6.8%	7.2%	7.2%	4.0%									
Grimes	no	26,604	15.90%	22.80%	6.50%	7.9%	8.8%	8.6%	5.2%									
Guadalupe	no	131,533	9.70%	14.90%	5.80%	6.7%	6.9%	6.5%	4.4%									
Hale	no	36,273	19.00%	30.00%	6.50%	7.2%	7.0%	6.2%	4.6%									
Hall	yes	3,353	27.70%	27.80%	8.00%	8.9%	9.2%	8.5%	5.6%									
Hamilton	no	8,517	11.40%	17.40%	5.40%	5.9%	6.1%	5.7%	3.6%									
Hansford	no	5,613	13.50%	24.00%	3.90%	4.5%	4.8%	5.2%	3.2%									
Hardeman	no	4,139	19.20%	20.60%	5.10%	5.9%	6.9%	7.5%	3.6%									
Hardin	no	54,635	12.00%	14.90%	7.90%	9.4%	9.3%	8.8%	5.5%									
Harris	no	4,092,459	16.80%	22.40%	6.80%	8.2%	8.5%	7.6%	4.8%									
Harrison	no	65,631	15.20%	16.30%	6.90%	7.8%	8.8%	8.2%	4.7%									
Hartley	no	6,062	9.30%	21.60%	4.40%	5.1%	4.8%	4.2%	3.3%									
Haskell	no	5,899	18.80%	22.10%	5.60%	5.2%	5.0%	5.2%	3.3%									
Hays	no	157,107	16.40%	11.90%	5.70%	6.7%	7.1%	6.6%	4.3%									
Hemphill	no	3,807	16.80%	19.30%	2.30%	2.7%	3.2%	3.5%	2.0%									
Henderson	no	78,532	16.80%	21.00%	7.30%	8.4%	8.6%	8.2%	5.4%									
Hidalgo	yes	774,769	34.40%	39.80%	11.00%	12.0%	11.8%	10.6%	7.3%									
Hill	no	35,089	15.00%	21.90%	6.90%	8.3%	8.3%	7.9%	5.1%									
Hockley	no	22,935	17.00%	25.90%	4.70%	5.7%	6.3%	6.9%	3.8%									
Hood	no	51,182	10.90%	13.80%	5.60%	7.2%	7.5%	7.1%	4.2%									
Hopkins	no	35,161	15.80%	21.30%	6.00%	6.9%	6.8%	6.1%	4.2%									
Houston	no	23,732	23.70%	21.50%	9.50%	10.4%	9.8%	9.4%	6.6%									
Howard	no	35,012	17.70%	29.20%	6.10%	7.2%	7.2%	7.4%	4.6%									
Hudspeth	no	3,476	46.00%	49.50%	5.70%	6.1%	5.8%	5.6%	4.1%									
Hunt	no	86,129	19.20%	20.00%	7.80%	8.4%	8.8%	8.2%	5.3%									
Hutchinson	no	22,150	15.20%	16.50%	5.50%	6.8%	7.3%	6.9%	4.2%									
Irion	no	1,599	1.50%	18.40%	4.30%	5.5%	4.8%	5.3%	3.3%									
Jack	no	9,044	17.80%	21.10%	4.50%	5.4%	6.1%	6.3%	3.3%									
Jackson	no	14,075	11.70%	22.80%	5.20%	6.6%	7.3%	7.5%	4.1%									
Jasper	no	35,710	18.60%	18.40%	9.90%	11.7%	11.5%	10.2%	6.5%									
Jeff Davis	no	2,342	14.70%	16.10%	5.50%	5.7%	5.3%	5.1%	3.7%									
Jefferson	no	252,273	18.80%	18.60%	10.70%	11.3%	10.9%	9.7%	6.8%									
Jim Hogg	no	5,300	12.00%	31.10%	4.80%	6.5%	7.9%	7.8%	3.9%									
Jim Wells	no	40,838	21.90%	29.40%	4.90%	6.7%	8.6%	8.9%	4.3%									
Johnson	no	150,934	10.50%	18.30%	6.60%	7.6%	8.3%	8.2%	4.7%									
Jones	no	20,202	12.30%	30.40%	6.30%	7.5%	8.0%	7.8%	5.0%									
Karnes	yes	14,824	19.00%	34.40%	6.80%	8.4%	9.4%	9.2%	6.1%									
Kaufman	no	103,350	11.40%	17.30%	7.10%	8.3%	9.0%	8.3%	5.4%									

County	2013 Distressed County	2010 Decennial Adults without High School Diploma or Equivalent										2008 Unemployment Rate
		2010 Decennial Population	2010 Decennial Poverty	2010 Decennial School Diploma or Equivalent	2012 Unemployment Rate	2011 Unemployment Rate	2010 Unemployment Rate	2009 Unemployment Rate	2008 Unemployment Rate			
Kendall	no	33,410	7.10%	8.90%	5.50%	6.2%	6.0%	5.7%	5.7%	3.8%		
Kenedy	no	416	14.90%	40.20%	3.30%	4.7%	5.5%	6.0%	6.0%	3.3%		
Kent	no	808	5.40%	9.40%	5.00%	6.0%	5.9%	5.4%	5.4%	4.5%		
Kerr	no	49,625	14.10%	13.80%	5.50%	6.4%	6.2%	5.8%	5.8%	4.0%		
Kimble	no	4,607	14.60%	23.50%	5.50%	6.8%	6.5%	5.2%	5.2%	3.8%		
King	no	286	0.00%	9.20%	6.30%	5.7%	6.7%	5.2%	5.2%	4.2%		
Kinney	no	3,598	32.20%	24.60%	7.50%	8.6%	9.0%	7.7%	5.4%	4.3%		
Kleberg	no	32,061	24.80%	23.90%	5.90%	6.9%	7.0%	6.8%	6.8%	4.3%		
Knox	no	3,719	16.00%	24.50%	5.60%	6.1%	5.8%	6.1%	3.9%	3.9%		
La Salle	yes	6,886	21.80%	40.10%	9.00%	6.5%	7.9%	9.7%	9.7%	5.6%		
Lamar	no	49,793	16.70%	17.60%	7.70%	9.7%	9.0%	7.8%	7.8%	5.5%		
Lamb	no	13,977	17.90%	28.10%	6.90%	7.2%	7.1%	7.4%	7.4%	4.5%		
Lampasas	no	19,677	14.60%	17.40%	4.30%	7.2%	6.2%	5.9%	5.9%	4.1%		
Lavaca	no	19,263	10.50%	23.70%	4.50%	5.7%	6.6%	5.9%	5.9%	3.5%		
Lee	no	16,612	10.80%	20.90%	4.90%	5.9%	6.7%	6.8%	6.8%	4.0%		
Leon	no	16,801	16.70%	21.30%	6.70%	7.6%	7.8%	6.9%	6.9%	4.4%		
Liberty	no	75,643	15.40%	26.80%	8.80%	10.6%	11.0%	10.1%	10.1%	6.0%		
Limestone	no	23,384	18.90%	25.50%	6.10%	7.3%	6.8%	6.3%	6.3%	4.5%		
Lipscomb	no	3,302	14.20%	18.50%	3.50%	4.5%	5.6%	6.7%	6.7%	2.7%		
Live Oak	no	11,531	13.30%	22.90%	4.20%	5.5%	6.7%	7.3%	7.3%	4.3%		
Llano	no	19,301	12.60%	12.00%	6.50%	7.5%	7.5%	7.0%	7.0%	4.5%		
Loving	no	82	0.00%	7.70%	9.30%	9.8%	8.0%	10.0%	10.0%	8.9%		
Lubbock	no	278,831	18.80%	16.60%	5.50%	6.1%	6.2%	5.3%	5.3%	3.8%		
Lynn	no	5,915	16.90%	25.80%	6.80%	7.3%	7.1%	6.3%	6.3%	4.7%		
Madison	no	13,664	20.40%	21.80%	5.30%	8.1%	7.9%	7.5%	7.5%	5.3%		
Marion	no	10,546	23.20%	23.10%	6.50%	9.2%	10.3%	10.5%	10.5%	5.1%		
Martin	no	4,799	7.20%	29.10%	2.60%	5.3%	5.7%	4.9%	4.9%	3.4%		
Mason	no	4,012	16.30%	20.10%	6.90%	4.9%	5.1%	3.0%	3.0%	5.1%		
Matagorda	no	36,702	21.60%	23.40%	7.90%	11.6%	11.3%	10.3%	10.3%	7.0%		
Maverick	yes	54,258	33.60%	44.80%	4.30%	14.2%	15.2%	14.4%	14.4%	11.0%		
McCulloch	no	8,283	22.90%	25.20%	4.30%	5.9%	7.1%	8.1%	8.1%	4.1%		
McLennan	no	234,906	20.50%	19.70%	9.90%	7.4%	7.4%	6.7%	6.7%	4.6%		
McMullen	no	707	9.10%	21.30%	12.60%	3.8%	6.7%	7.2%	7.2%	5.6%		
Medina	no	46,006	15.90%	21.70%	6.40%	7.4%	7.4%	6.7%	6.7%	5.1%		
Menard	no	2,242	18.60%	19.90%	6.10%	7.0%	7.0%	6.8%	6.8%	4.4%		
Midland	no	136,872	12.50%	18.80%	3.50%	4.4%	5.3%	5.6%	5.6%	2.9%		
Milam	no	24,757	17.60%	18.50%	7.90%	9.6%	10.4%	11.1%	11.1%	5.5%		
Mills	no	4,936	15.70%	22.80%	5.10%	6.1%	6.0%	5.4%	5.4%	4.0%		
Mitchell	no	9,403	15.30%	26.60%	6.40%	7.8%	8.6%	8.6%	8.6%	5.4%		
Montague	no	19,719	13.20%	18.80%	4.90%	5.9%	7.2%	7.2%	7.2%	3.7%		
Montgomery	no	455,746	10.90%	14.10%	6.00%	7.2%	7.6%	7.0%	7.0%	4.3%		
Moore	no	21,904	13.40%	30.50%	4.10%	4.7%	4.9%	4.7%	4.7%	3.1%		
Morris	no	12,934	16.70%	17.70%	9.20%	11.5%	13.1%	14.9%	14.9%	6.2%		

County	2013 Distressed County	2010 Decennial Adults without High School Diploma or Equivalent										2008	
		2010 Decennial Population	2010 Decennial Poverty	2010 Decennial School Diploma or Equivalent	2012 Unemployment Rate	2011 Unemployment Rate	2010 Unemployment Rate	2009 Unemployment Rate	2008 Unemployment Rate				
Motley	no	1,210	22.10%	15.30%	5.40%	6.0%	5.6%	5.4%	4.1%				
Nacogdoches	no	64,524	24.60%	19.50%	6.30%	6.8%	6.9%	6.4%	4.4%				
Navarro	no	47,735	19.80%	23.50%	7.70%	8.8%	9.1%	8.0%	5.6%				
Newton	no	14,445	16.20%	22.30%	11.80%	13.9%	13.0%	11.5%	7.3%				
Nolan	no	15,216	19.40%	22.60%	5.60%	6.6%	6.9%	6.4%	3.9%				
Nueces	no	340,223	19.10%	21.80%	6.20%	7.6%	7.6%	6.9%	4.6%				
Ochiltree	no	10,223	17.70%	29.30%	3.30%	4.2%	5.1%	6.0%	2.7%				
Oldham	no	2,052	13.40%	17.70%	4.40%	5.1%	6.0%	5.9%	4.2%				
Orange	no	81,837	13.90%	14.20%	9.80%	11.2%	10.8%	9.9%	6.6%				
Palo Pinto	no	28,111	13.80%	23.20%	6.20%	7.4%	7.9%	7.8%	4.3%				
Panola	no	23,796	12.50%	18.50%	5.60%	6.9%	7.3%	7.4%	3.9%				
Parker	no	116,927	10.50%	14.60%	6.10%	7.1%	7.7%	7.7%	4.5%				
Parmer	no	10,269	18.60%	35.00%	4.80%	5.1%	4.7%	4.5%	3.4%				
Pecos	no	15,507	19.90%	34.90%	4.50%	5.3%	6.7%	9.1%	4.8%				
Polk	no	45,413	21.80%	25.10%	8.30%	9.7%	9.9%	9.1%	6.4%				
Potter	no	121,073	22.70%	24.60%	5.60%	6.3%	6.5%	6.1%	4.1%				
Presidio	yes	7,818	24.10%	46.30%	12.40%	14.3%	17.3%	16.7%	10.8%				
Rains	no	10,914	11.50%	19.20%	7.30%	8.5%	9.2%	8.1%	5.2%				
Randall	no	120,725	9.40%	8.70%	4.20%	4.7%	5.0%	4.6%	3.1%				
Reagan	no	3,367	10.50%	31.50%	2.40%	3.2%	4.1%	6.5%	2.0%				
Real	no	3,309	26.80%	22.40%	7.20%	7.3%	5.8%	5.6%	3.9%				
Red River	yes	12,860	17.50%	27.50%	10.40%	11.8%	11.0%	11.0%	6.6%				
Reeves	yes	13,783	28.70%	47.20%	9.60%	11.0%	10.9%	11.8%	6.0%				
Refugio	no	7,383	16.00%	27.30%	4.60%	5.9%	6.9%	6.5%	3.9%				
Roberts	no	929	14.60%	8.10%	3.90%	4.0%	4.7%	5.2%	2.4%				
Robertson	no	16,620	21.20%	23.40%	7.70%	8.8%	8.6%	7.8%	4.9%				
Rockwall	no	78,337	5.60%	8.70%	6.20%	7.2%	7.6%	7.3%	4.6%				
Runnels	no	10,501	21.60%	22.90%	6.20%	8.2%	9.0%	7.6%	4.8%				
Rusk	no	53,330	12.40%	20.60%	6.20%	7.0%	7.6%	7.8%	4.4%				
Sabine	no	10,834	18.00%	22.50%	15.30%	16.3%	16.3%	14.9%	9.2%				
San Augustine	yes	8,865	27.10%	28.60%	10.50%	12.4%	11.1%	10.2%	6.4%				
San Jacinto	no	26,384	17.60%	23.00%	8.00%	9.6%	10.4%	9.2%	5.8%				
San Patricio	no	64,804	16.60%	23.70%	7.60%	9.5%	10.3%	8.7%	5.4%				
San Saba	no	6,131	23.40%	18.60%	7.80%	7.5%	8.3%	7.3%	5.5%				
Schleicher	no	3,461	12.40%	21.50%	4.40%	6.3%	8.0%	9.4%	3.5%				
Scurry	no	16,921	17.70%	25.80%	4.30%	5.6%	6.4%	6.8%	4.1%				
Shackelford	no	3,378	13.20%	13.20%	2.90%	4.2%	4.6%	4.1%	2.7%				
Shelby	no	25,448	25.40%	24.60%	6.50%	7.9%	7.9%	7.4%	4.9%				
Sherman	no	3,034	12.90%	25.60%	4.60%	5.0%	4.8%	4.7%	3.7%				
Smith	no	209,714	15.40%	15.80%	7.00%	7.8%	7.9%	7.6%	5.0%				
Somervell	no	8,490	10.80%	12.60%	6.00%	7.6%	7.9%	7.0%	4.5%				
Starr	yes	60,968	38.00%	52.10%	15.00%	16.9%	17.9%	16.7%	11.9%				
Stephens	no	9,630	19.90%	17.80%	5.70%	7.5%	7.1%	6.8%	3.7%				

County	2013 Distressed County	2010 Decennial Adults without High School Diploma or Equivalent										2008	
		2010 Decennial Population	2010 Decennial Poverty	2010 Decennial School Diploma or Equivalent	2012 Unemployment Rate	2011 Unemployment Rate	2010 Unemployment Rate	2009 Unemployment Rate	2008 Unemployment Rate				
Sterling	no	1,143	21.00%	22.50%	3.00%	4.2%	4.6%	4.4%	2.8%				
Stonewall	no	1,490	11.90%	14.50%	3.90%	5.0%	4.9%	4.7%	3.4%				
Sutton	no	4,128	11.70%	30.60%	3.20%	4.5%	6.4%	6.7%	2.0%				
Swisher	no	7,854	15.40%	24.10%	5.70%	6.5%	6.2%	6.0%	4.5%				
Tarrant	no	1,809,034	13.40%	66.20%	6.60%	7.8%	8.3%	7.7%	4.9%				
Taylor	no	131,506	16.50%	15.90%	5.30%	6.3%	6.4%	5.7%	3.8%				
Terrell	no	984	16.50%	19.60%	6.30%	8.6%	8.5%	9.0%	5.8%				
Terry	no	12,651	16.60%	31.90%	6.60%	7.3%	7.4%	7.0%	4.4%				
Throckmorton	no	1,641	13.20%	21.60%	4.50%	5.6%	4.8%	5.2%	3.4%				
Titus	no	32,334	17.90%	27.10%	7.10%	7.9%	7.8%	7.4%	4.3%				
Tom Green	no	110,224	16.80%	18.80%	5.30%	6.3%	6.4%	6.5%	4.1%				
Travis	no	1,024,266	16.20%	13.70%	5.70%	6.6%	6.9%	6.7%	4.2%				
Trinity	no	14,585	16.60%	19.10%	7.90%	9.2%	8.8%	8.5%	5.6%				
Tyler	no	21,766	18.30%	17.10%	10.00%	11.5%	10.6%	9.8%	6.1%				
Upshur	no	39,309	13.10%	16.60%	5.80%	7.2%	7.8%	7.6%	4.3%				
Upton	no	3,355	13.90%	24.50%	3.40%	4.5%	5.0%	5.7%	3.1%				
Uvalde	yes	26,405	26.70%	30.10%	8.00%	9.0%	9.1%	8.1%	5.9%				
Val Verde	yes	48,879	24.00%	30.10%	7.60%	9.0%	9.1%	9.3%	6.0%				
Van Zandt	no	52,579	24.00%	36.00%	6.40%	7.4%	7.6%	7.0%	4.4%				
Victoria	no	86,793	16.40%	19.90%	5.40%	6.4%	7.3%	7.1%	3.9%				
Walker	no	67,861	21.10%	19.70%	6.70%	7.8%	7.6%	7.0%	5.3%				
Waller	no	43,205	21.10%	20.50%	7.00%	8.2%	8.9%	8.2%	5.0%				
Ward	no	10,658	17.30%	29.60%	4.50%	6.2%	8.0%	8.9%	3.9%				
Washington	no	33,718	16.00%	20.80%	5.10%	6.0%	6.4%	6.1%	4.1%				
Webb	yes	250,304	29.80%	37.30%	7.10%	8.1%	8.6%	8.7%	5.4%				
Wharton	no	41,280	17.20%	24.90%	6.80%	8.3%	8.6%	7.0%	4.5%				
Wheeler	no	5,410	13.90%	20.60%	3.60%	4.0%	4.7%	5.7%	2.5%				
Wichita	no	131,500	15.30%	17.20%	6.30%	7.3%	8.0%	7.6%	5.0%				
Wilbarger	no	13,535	23.30%	26.40%	4.60%	5.6%	6.1%	4.9%	3.7%				
Willacy	yes	22,134	43.40%	42.60%	14.00%	14.3%	12.7%	12.3%	9.0%				
Williamson	no	422,679	6.50%	8.40%	5.90%	6.8%	7.4%	7.4%	4.6%				
Wilson	no	42,918	9.00%	15.50%	5.90%	7.1%	7.4%	6.5%	4.7%				
Winkler	no	7,110	16.30%	37.10%	4.70%	6.1%	7.8%	9.4%	3.9%				
Wise	no	59,127	9.80%	18.50%	6.30%	7.2%	8.2%	8.7%	4.4%				
Wood	no	41,964	14.00%	19.20%	7.20%	8.0%	8.6%	8.0%	5.1%				
Yoakum	no	7,879	25.00%	28.60%	3.50%	4.7%	6.3%	7.7%	3.1%				
Young	no	18,550	15.60%	23.50%	5.00%	6.5%	6.7%	6.5%	3.6%				
Zapata	yes	14,018	37.60%	43.30%	6.50%	8.5%	11.0%	10.8%	5.6%				
Zavala	yes	11,677	43.00%	83.20%	14.10%	15.4%	15.6%	14.9%	10.8%				

**Annova LNG Brownsville Project
Description of Enterprise Zone**

b) Legal description of reinvestment zone.

Not applicable.

c) Order, resolution or ordinance establishing the reinvestment zone.

Not applicable.

d) Guidelines and criteria for creating the zone.

Not applicable.

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



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 applications 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 *Lisa Garcia*
Print Name (Authorized School District Representative)

Superintendent
Title

sign here *Lisa Garcia*
Signature (Authorized School District Representative)

6/29/15
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 *DAVID CHUNG*
Print Name (Authorized Company Representative (Applicant))

PRESIDENT
Title

sign here *David Chung*
Signature (Authorized Company Representative (Applicant))

4/2/2015
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

2nd day of April, 2015

Laura Sims Negri
Notary Public in and for the State of Texas

My Commission expires: 10/19/15

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.