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August 8, 2013

Michelle Luera
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

Re: Ch. 313 Application No. 319 from Palo Duro Wind, LLC
to Spearman ISD
Amendment No. 001 to Application

Dear Michelle,

Enclosed please find amended pages for the Chapter 313 Application submitted by Palo Duro Wind, LLC to Spearman ISD (the "Palo Duro Application") that update the wage data. Specifically, we are enclosing:

- Amended page 10;
- Amended Attachment 14;
- Amended Attachment 17-Schedule A; and,
- Amended Attachment 19-Schedule C.

A CD containing these documents is also enclosed. This Amendment, dated August 8, 2013 and numbered 001, is the first Amendment to the Palo Duro Application. Please let me know if you require any additional information.

Thank you,

A handwritten signature in black ink that reads "Audie Sciumbato". The signature is written in a cursive, flowing style.

Audie Sciumbato, PhD

AS/ph
H00WG6W60D4CG5
Encl.

cc: Wes Jackson, Cummings Westlake, LLC

via email wjackson@cwlp.net



WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. 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(7).

110% of the county average weekly wage for all jobs (all industries) in the county is \$1,098

110% of the county average weekly wage for manufacturing jobs in the county is \$871

110% of the county average weekly wage for manufacturing jobs in the region is \$885.29

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

§313.021(5)(A) or §313.021(5)(B) or §313.021(3)(E)(ii), or §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \$46,035

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \$ 46,035

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? Yes No

Will each qualifying job require at least 1,600 of work a year? Yes No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? Yes No

Will any of the qualifying jobs be retained jobs? Yes No

Will any of the qualifying jobs be created to replace a previous employee? Yes No

Will any required qualifying jobs be filled by employees of contractors? Yes No

If yes, what percent? estimated 75%

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? Yes No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

Medical Insurance. company pays at least 80% of medical premiums for employee only coverage. Paid holidays and vacation, Retirement Savings Plan

ECONOMIC IMPACT

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? Yes No

Is Schedule A completed and signed for all years and attached? Yes No

Is Schedule B completed and signed for all years and attached? Yes No

Is Schedule C (Application) completed and signed for all years and attached? Yes No

Is Schedule D completed and signed for all years and attached? Yes No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

**PALO DURO WIND ENERGY, LLC
ATTACHMENT 14**

**SPEARMAN ISD - HANSFORD COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
SECOND	2012	\$ 871	\$ 45,292
THIRD	2012	\$ 984	\$ 51,168
FOURTH	2012	\$ 1,012	\$ 52,624
FIRST	2013	\$ 1,127	\$ 58,604
AVERAGE		\$ 999	\$ 51,922
X		110%	110%
		<u>\$ 1,098</u>	<u>\$ 57,114</u>

**SPEARMAN ISD - HANSFORD COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
SECOND	2012	\$ 776	\$ 40,352
THIRD	2012	\$ 786	\$ 40,872
FOURTH	2012	\$ 874	\$ 45,448
FIRST	2013	\$ 730	\$ 37,960
AVERAGE		\$ 792	\$ 41,158
X		110%	110%
		<u>\$ 871</u>	<u>\$ 45,274</u>

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

REGION	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Panhandle	2012	\$ 804.81	\$ 41,850
X		110%	110%
		<u>\$ 885.29</u>	<u>\$ 46,035</u>

* SEE ATTACHED TWC DOCUMENTATION

Quarterly Employment and Wages (QCEW)

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 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2012	1st Qtr	Hansford County	Private	00	0	10	Total, All Industries	\$1,131
2013	1st Qtr	Hansford County	Private	00	0	10	Total, All Industries	\$1,127
2012	2nd Qtr	Hansford County	Private	00	0	10	Total, All Industries	\$871
2012	3rd Qtr	Hansford County	Private	00	0	10	Total, All Industries	\$984
2012	4th Qtr	Hansford County	Private	00	0	10	Total, All Industries	\$1,012

Quarterly Employment and Wages (QCEW)

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 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2012	1st Qtr	Hansford County	Private	31	2	31-33	Manufacturing	\$1,085
2013	1st Qtr	Hansford County	Private	31	2	31-33	Manufacturing	\$730
2012	2nd Qtr	Hansford County	Private	31	2	31-33	Manufacturing	\$776
2012	3rd Qtr	Hansford County	Private	31	2	31-33	Manufacturing	\$786
2012	4th Qtr	Hansford County	Private	31	2	31-33	Manufacturing	\$874

**2012 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$23.56	\$48,996
1. Panhandle Regional Planning Commission	\$20.12	\$41,850
2. South Plains Association of Governments	\$16.18	\$33,662
3. NORTEX Regional Planning Commission	\$17.83	\$37,076
4. North Central Texas Council of Governments	\$24.68	\$51,333
5. Ark-Tex Council of Governments	\$16.84	\$35,032
6. East Texas Council of Governments	\$19.61	\$40,797
7. West Central Texas Council of Governments	\$18.24	\$37,941
8. Rio Grande Council of Governments	\$16.17	\$33,631
9. Permian Basin Regional Planning Commission	\$21.93	\$45,624
10. Concho Valley Council of Governments	\$16.33	\$33,956
11. Heart of Texas Council of Governments	\$19.07	\$39,670
12. Capital Area Council of Governments	\$26.03	\$54,146
13. Brazos Valley Council of Governments	\$16.55	\$34,424
14. Deep East Texas Council of Governments	\$16.20	\$33,698
15. South East Texas Regional Planning Commission	\$29.38	\$61,118
16. Houston-Galveston Area Council	\$26.59	\$55,317
17. Golden Crescent Regional Planning Commission	\$21.03	\$43,742
18. Alamo Area Council of Governments	\$18.40	\$38,280
19. South Texas Development Council	\$13.54	\$28,170
20. Coastal Bend Council of Governments	\$22.97	\$47,786
21. Lower Rio Grande Valley Development Council	\$16.33	\$33,961
22. Texoma Council of Governments	\$22.57	\$46,949
23. Central Texas Council of Governments	\$17.16	\$35,689
24. Middle Rio Grande Development Council	\$18.93	\$39,380

110% x \$41,850
= \$46,035

Source: Texas Occupational Employment and Wages

Data published: July 2013

Data published annually, next update will be July 31, 2014

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.

**Amendment No. 001
Attachment 17**

Schedule A (Rev. January 2013): Investment

Applicant Name **PALO DURO WIND ENERGY, LLC**
 ISO Name **SPEARMAN ISD**

Form 50-296

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)				0	0		0	0
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)		2013-2014	2013	-	-		0	-
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)				3,315,000	-	3,315,000	0	3,315,000
Complete tax years of qualifying time period		1	2014-2015	2014	62,985,000	-	62,985,000	0	62,985,000
		2	2015-2016	2015	0	0		0	-
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3	2016-2017	2016	0	0		0	0
		4	2017-2018	2017	0	0		0	0
		5	2018-2019	2018	0	0		0	0
		6	2019-2020	2019	0	0		0	0
		7	2020-2021	2020	0	0		0	0
		8	2021-2022	2021	0	0		0	0
		9	2022-2023	2022	0	0		0	0
		10	2023-2004	2023	0	0		0	0
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024	0	0		0	0
		12	2025-2026	2025	0	0		0	0
		13	2026-2027	2026	0	0		0	0
Post- Settle-Up Period		14	2027-2028	2027	0	0		0	0
Post- Settle-Up Period		15	2028-2029	2028	0	0		0	0

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

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

(For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property)

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

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

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

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

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

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

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


 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

August 7, 2013
 DATE

Amendment No. 001
Attachment 19

Schedule C- Application: Employment Information

Applicant Name
ISD Name

PALO DURO WIND ENERGY, LLC
SPEARMAN ISD

Form 50-296

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
					Column A: Number of Construction FTE's or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
		pre- year 1	2013-2014	2013	5 FTEs	\$40,000.00	0	\$0.00	0	\$0.00
	Complete tax years of qualifying time period	1	2014-2015	2014	100 FTEs	\$40,000.00	0	\$0.00	0	\$0.00
		2	2015-2016	2015				2	\$46,035.00	2
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3	2016-2017	2016			2	\$46,035.00	2	\$46,035.00
		4	2017-2018	2017			2	\$46,035.00	2	\$46,035.00
		5	2018-2019	2018			2	\$46,035.00	2	\$46,035.00
		6	2019-2020	2019			2	\$46,035.00	2	\$46,035.00
		7	2020-2021	2020			2	\$46,035.00	2	\$46,035.00
		8	2021-2022	2021			2	\$46,035.00	2	\$46,035.00
		9	2022-2023	2022			2	\$46,035.00	2	\$46,035.00
		10	2023-2004	2023			2	\$46,035.00	2	\$46,035.00
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024			2	\$46,035.00	2	\$46,035.00
		12	2025-2026	2025			2	\$46,035.00	2	\$46,035.00
		13	2026-2027	2026			2	\$46,035.00	2	\$46,035.00
Post- Settle-Up Period		14	2027-2028	2027			2	\$46,035.00	2	\$46,035.00
Post- Settle-Up Period		15	2028-2029	2028			2	\$46,035.00	2	\$46,035.00

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

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



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE August 7, 2013