



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

May 26, 2016

Jim Haley
Superintendent
Pecos-Barstow-Toyah Independent School District
1302 South Park Street
Pecos, Texas 79772

Dear Superintendent Haley:

On April 21, 2016, the Comptroller issued written notice that Brazos Delaware, LLC (the applicant) submitted a completed application (Application #1127) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted on March 09, 2016, to the Pecos-Barstow-Toyah School District (the school district) by the applicant.

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

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

Determination required by 313.025(h)

Sec. 313.024(a)	Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b)	Applicant is proposing to use the property for an eligible project.
Sec. 313.024(d)	Applicant has committed to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
Sec. 313.024(d-2)	Not applicable to Application #1127.

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

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

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

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

Determination required by 313.026(c)(2)

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

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

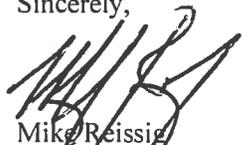
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2016.

Note that any building or improvement existing as of the application review start date of April 21, 2016, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Korry Castillo, Director, Data Analysis & Transparency, by email at korry.castillo@cpa.texas.gov or by phone at 1-800-531-5441, ext. 3-3806, or direct in Austin at 512-463-3806.

Sincerely,



Mike Reissig
Deputy Comptroller

Enclosure

cc: Korry Castillo

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Brazos Delaware, LLC (the project) applying to Pecos-Barstow-Toyah Independent School District (the district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Brazos Delaware, LLC.

Applicant	Brazos Delaware, LLC
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Pecos-Barstow-Toyah ISD
2014-15 Enrollment in School District	2,228
County	Reeves
Proposed Total Investment in District	\$150,000,000
Proposed Qualified Investment	\$150,000,000
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2017-2018
Number of new qualifying jobs committed to by applicant	10
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,040.68
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,040.68
Minimum annual wage committed to by applicant for qualified jobs	\$54,115.60
Minimum weekly wage required for non-qualifying jobs	\$786.25
Minimum annual wage required for non-qualifying jobs	\$40,885
Investment per Qualifying Job	\$15,000,000
Estimated M&O levy without any limit (15 years)	\$15,013,440
Estimated M&O levy with Limitation (15 years)	\$6,620,640
Estimated gross M&O tax benefit (15 years)	\$8,392,800

Table 2 is the estimated statewide economic impact of Brazos Delaware, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2016	75	84	159	\$4,125,000	\$6,875,000	\$11,000,000
2017	130	158	288	\$7,145,578	\$13,854,422	\$21,000,000
2018	10	50	60	\$541,156	\$5,458,844	\$6,000,000
2019	10	43	53	\$541,156	\$4,458,844	\$5,000,000
2020	10	37	47	\$541,156	\$4,458,844	\$5,000,000
2021	10	33	43	\$541,156	\$4,458,844	\$5,000,000
2022	10	32	42	\$541,156	\$4,458,844	\$5,000,000
2023	10	31	41	\$541,156	\$4,458,844	\$5,000,000
2024	10	32	42	\$541,156	\$4,458,844	\$5,000,000
2025	10	32	42	\$541,156	\$4,458,844	\$5,000,000
2026	10	33	43	\$541,156	\$4,458,844	\$5,000,000
2027	10	34	44	\$541,156	\$5,458,844	\$6,000,000
2028	10	34	44	\$541,156	\$5,458,844	\$6,000,000
2029	10	34	44	\$541,156	\$5,458,844	\$6,000,000
2030	10	35	45	\$541,156	\$6,458,844	\$7,000,000
2031	10	36	46	\$541,156	\$6,458,844	\$7,000,000
2032	10	37	47	\$541,156	\$6,458,844	\$7,000,000

Source: CPA, REMI, Brazos Delaware, LLC

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Pecos-Barstow-Toyah ISD I&S Tax Levy	Pecos-Barstow-Toyah ISD M&O Tax Levy	Pecos-Barstow-Toyah M&O and I&S Tax	Reeves County Tax Levy	Reeves County Hospital Tax Levy		Estimated Total Property Taxes
				0.0550	1.0400		0.4995	0.2144	0.1230	
2017	\$45,000,000	\$45,000,000		\$24,750	\$468,000	\$492,750	\$224,784	\$96,458	\$55,350	\$869,342
2018	\$135,000,000	\$135,000,000		\$74,250	\$1,404,000	\$1,478,250	\$674,352	\$289,373	\$166,050	\$2,608,025
2019	\$129,600,000	\$129,600,000		\$71,280	\$1,347,840	\$1,419,120	\$647,378	\$277,798	\$159,408	\$2,503,704
2020	\$124,200,000	\$124,200,000		\$68,310	\$1,291,680	\$1,359,990	\$620,404	\$266,223	\$152,766	\$2,399,383
2021	\$118,800,000	\$118,800,000		\$65,340	\$1,235,520	\$1,300,860	\$593,430	\$254,648	\$146,124	\$2,295,062
2022	\$113,400,000	\$113,400,000		\$62,370	\$1,179,360	\$1,241,730	\$566,456	\$243,073	\$139,482	\$2,190,741
2023	\$108,000,000	\$108,000,000		\$59,400	\$1,123,200	\$1,182,600	\$539,482	\$231,498	\$132,840	\$2,086,420
2024	\$102,600,000	\$102,600,000		\$56,430	\$1,067,040	\$1,123,470	\$512,508	\$219,923	\$126,198	\$1,982,099
2025	\$97,200,000	\$97,200,000		\$53,460	\$1,010,880	\$1,064,340	\$485,533	\$208,348	\$119,556	\$1,877,778
2026	\$91,800,000	\$91,800,000		\$50,490	\$954,720	\$1,005,210	\$458,559	\$196,773	\$112,914	\$1,773,457
2027	\$86,400,000	\$86,400,000		\$47,520	\$898,560	\$946,080	\$431,585	\$185,198	\$106,272	\$1,669,136
2028	\$81,000,000	\$81,000,000		\$44,550	\$842,400	\$886,950	\$404,611	\$173,624	\$99,630	\$1,564,815
2029	\$75,600,000	\$75,600,000		\$41,580	\$786,240	\$827,820	\$377,637	\$162,049	\$92,988	\$1,460,494
2030	\$70,200,000	\$70,200,000		\$38,610	\$730,080	\$768,690	\$350,663	\$150,474	\$86,346	\$1,356,173
2031	\$64,800,000	\$64,800,000		\$35,640	\$673,920	\$709,560	\$323,689	\$138,899	\$79,704	\$1,251,852
			Total	\$793,980	\$15,013,440	\$15,807,420	\$7,211,071	\$3,094,357	\$1,775,628	\$27,888,475

Source: CPA, Brazos Delaware, LLC

¹Tax Rate per \$100 Valuation

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

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

Table 4 Estimated Direct Ad Valorem Taxes with all property tax incentives sought										
Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Pecos-Barstow-Toyah ISD I&S Tax Levy	Pecos-Barstow-Toyah ISD M&O Tax Levy	Pecos-Barstow-Toyah M&O and I&S Tax Levies	Reeves County Tax Levy	Reeves County Hospital Tax Levy	Reeves County WCID #2 Tax Levy	Estimated Total Property Taxes
				0.0550	1.0400		0.49952	0.21435	0.1230	
2017	\$45,000,000	\$45,000,000		\$24,750	\$468,000	\$492,750	\$224,784	\$96,458	\$55,350	\$813,992
2018	\$135,000,000	\$30,000,000		\$74,250	\$312,000	\$386,250	\$337,176	\$289,373	\$166,050	\$1,012,799
2019	\$129,600,000	\$30,000,000		\$71,280	\$312,000	\$383,280	\$323,689	\$277,798	\$159,408	\$984,767
2020	\$124,200,000	\$30,000,000		\$68,310	\$312,000	\$380,310	\$310,202	\$266,223	\$152,766	\$956,735
2021	\$118,800,000	\$30,000,000		\$65,340	\$312,000	\$377,340	\$296,715	\$254,648	\$146,124	\$928,703
2022	\$113,400,000	\$30,000,000		\$62,370	\$312,000	\$374,370	\$283,228	\$243,073	\$139,482	\$900,671
2023	\$108,000,000	\$30,000,000		\$59,400	\$312,000	\$371,400	\$539,482	\$231,498	\$132,840	\$1,142,380
2024	\$102,600,000	\$30,000,000		\$56,430	\$312,000	\$368,430	\$512,508	\$219,923	\$126,198	\$1,100,861
2025	\$97,200,000	\$30,000,000		\$53,460	\$312,000	\$365,460	\$485,533	\$208,348	\$119,556	\$1,059,342
2026	\$91,800,000	\$30,000,000		\$50,490	\$312,000	\$362,490	\$458,559	\$196,773	\$112,914	\$1,017,823
2027	\$86,400,000	\$30,000,000		\$47,520	\$312,000	\$359,520	\$431,585	\$185,198	\$106,272	\$976,304
2028	\$81,000,000	\$30,000,000		\$44,550	\$312,000	\$356,550	\$404,611	\$173,624	\$99,630	\$1,465,185
2029	\$75,600,000	\$30,000,000		\$41,580	\$312,000	\$353,580	\$377,637	\$162,049	\$92,988	\$1,367,506
2030	\$70,200,000	\$30,000,000		\$38,610	\$312,000	\$350,610	\$350,663	\$150,474	\$86,346	\$1,269,827
2031	\$64,800,000	\$30,000,000		\$35,640	\$312,000	\$347,640	\$323,689	\$138,899	\$79,704	\$1,172,148
			Total	\$793,980	\$6,620,640	\$7,414,620	\$5,660,061	\$3,094,357	\$1,775,628	\$16,169,038
			Diff	\$0	\$8,392,800	\$8,392,800	\$1,551,010	\$0	\$0	\$11,719,438

Source: CPA, Brazos Delaware, LLC

¹Tax Rate per \$100 Valuation

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

Attachment B – Tax Revenue over 25 Years

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

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2015	\$0	\$0	\$0	\$0
	2016	\$0	\$0	\$0	\$0
	2017	\$468,000	\$468,000	\$0	\$0
Limitation Period (10 Years)	2018	\$312,000	\$780,000	\$1,092,000	\$1,092,000
	2019	\$312,000	\$1,092,000	\$1,035,840	\$2,127,840
	2020	\$312,000	\$1,404,000	\$979,680	\$3,107,520
	2021	\$312,000	\$1,716,000	\$923,520	\$4,031,040
	2022	\$312,000	\$2,028,000	\$867,360	\$4,898,400
	2023	\$312,000	\$2,340,000	\$811,200	\$5,709,600
	2024	\$312,000	\$2,652,000	\$755,040	\$6,464,640
	2025	\$312,000	\$2,964,000	\$698,880	\$7,163,520
	2026	\$312,000	\$3,276,000	\$642,720	\$7,806,240
	2027	\$312,000	\$3,588,000	\$586,560	\$8,392,800
Maintain Viable Presence (5 Years)	2028	\$842,400	\$4,430,400	\$0	\$8,392,800
	2029	\$786,240	\$5,216,640	\$0	\$8,392,800
	2030	\$730,080	\$5,946,720	\$0	\$8,392,800
	2031	\$673,920	\$6,620,640	\$0	\$8,392,800
	2032	\$617,760	\$7,238,400	\$0	\$8,392,800
Additional Years as Required by 313.026(c)(1) (10 Years)	2033	\$561,600	\$7,800,000	\$0	\$8,392,800
	2034	\$505,440	\$8,305,440	\$0	\$8,392,800
	2035	\$449,280	\$8,754,720	\$0	\$8,392,800
	2036	\$393,120	\$9,147,840	\$0	\$8,392,800
	2037	\$351,000	\$9,498,840	\$0	\$8,392,800
	2038	\$351,000	\$9,849,840	\$0	\$8,392,800
	2039	\$351,000	\$10,200,840	\$0	\$8,392,800
	2040	\$351,000	\$10,551,840	\$0	\$8,392,800
	2041	\$351,000	\$10,902,840	\$0	\$8,392,800
	2042	\$351,000	\$11,253,840	\$0	\$8,392,800
		\$11,253,840	is greater than	\$8,392,800	
Analysis Summary					
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?					Yes

Source: CPA, Brazos Delaware, LLC

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

Attachment C – Limitation as a Determining Factor

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

Methodology

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

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

Determination

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

- Per Brazos Delaware, LLC, “a 313 agreement is vital to the proposed Comanche Plant economics.” Additionally, “other potential projects are presently competing for the same capital expenditures” which include “possible gas processing plants, gathering and crude terminals in Southern New Mexico.”
- Pursuant to Application Amendment 1, Tab 5, “Brazos Delaware is planning to construct and operate a regional gas manufacturing complex within the Delaware Basin. Based on the geologic boundaries of the Delaware Basin, this region includes large portions of SE New Mexico as well as far west Texas.” The applicant further states that they “are in ongoing discussions [with] oil and gas producers within the Basin, which have operations in either or both the Texas and NM portions of the Basin.”
- Per Brazos Delaware, LLC they “have not received any specific incentive offers from New Mexico as to a particular location as [they] have initiated the economic analysis of a 313 agreement in Texas first.”
- In the attached applicant email correspondence dated May 03, 2016, Brazos Delaware, LLC states that they are not associated with the Comanche Trail Pipeline and that there are “numerous pipeline outlets in the southern Delaware” that the applicant can conduct business with.

- Attached map indicates project location in relation to adjacent natural gas and natural gas liquid pipelines.

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

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

Supporting Information

Section 8 of the Application for
a Limitation on Appraised Value

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.

Supporting Information

Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value

Limitation as Determining Factor w/ability to locate or relocate:

Brazos Delaware, LLC (or "the Company") Brazos Delaware, LLC provides gathering systems, and liquids handling and compressor stations. The company offers designs and operates natural gas or crude oil gathering facilities; low-pressure and high-pressure compression facilities; and processing and treating facilities, as well as condensate stabilization and vapor recovery systems. It serves producers in Texas and the adjoining states. Brazos Midstream currently operates a crude terminal and natural gas gathering systems in far West Texas soon to be expanding into Southern New Mexico.

As the primary available property tax incentive in Texas, a 313 agreement is vital to the proposed Comanche Plant economics just as potential customer response will be. Both factors will be considered before any determination is made. Moreover, other potential projects are presently competing for the same capital expenditures by our company, including possible gas processing plants, gathering and crude terminals in Southern New Mexico.

Supporting Information

Amended Tab 5 of the
Application submitted April 14,
2016

Limitation as Determining Factor w/ability to locate or relocate:

Brazos Delaware, LLC (or “the Company”) Brazos Delaware, LLC provides gathering systems, and liquids handling and compressor stations. The company offers designs and operates natural gas or crude oil gathering facilities; low-pressure and high-pressure compression facilities; and processing and treating facilities, as well as condensate stabilization and vapor recovery systems. It serves producers in Texas and the adjoining states. Brazos Midstream currently operates a crude terminal and natural gas gathering systems in far West Texas soon to be expanding into Southern New Mexico.

Brazos Delaware is planning to construct and operate a regional gas manufacturing complex within the Delaware Basin. Based on the geologic boundaries of the Delaware Basin, this region includes large portions of SE New Mexico as well as far west Texas. We are in ongoing discussions oil and gas producers within the Basin, which have operations in either or both the Texas and NM portions of the Basin. We are therefore evaluating potential locations and within New Mexico as well that are geographically located within the Delaware Basin. We have not received any specific incentive offers from New Mexico as to a particular location as we have initiated the economic analysis of a 313 agreement in Texas first. As the primary available property tax incentive in Texas, a 313 agreement is vital to the proposed Comanche Plant economics just as potential customer response will be. Both factors will be considered before any determination is made.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

COMPTROLLER QUERY RELATED TO FUTURE COMANCHE TRAIL PIPELINE
INTERCONNECTIONS

– Pecos-Barstow-Toyah ISD – Brazos Delaware, LLC App. #1127

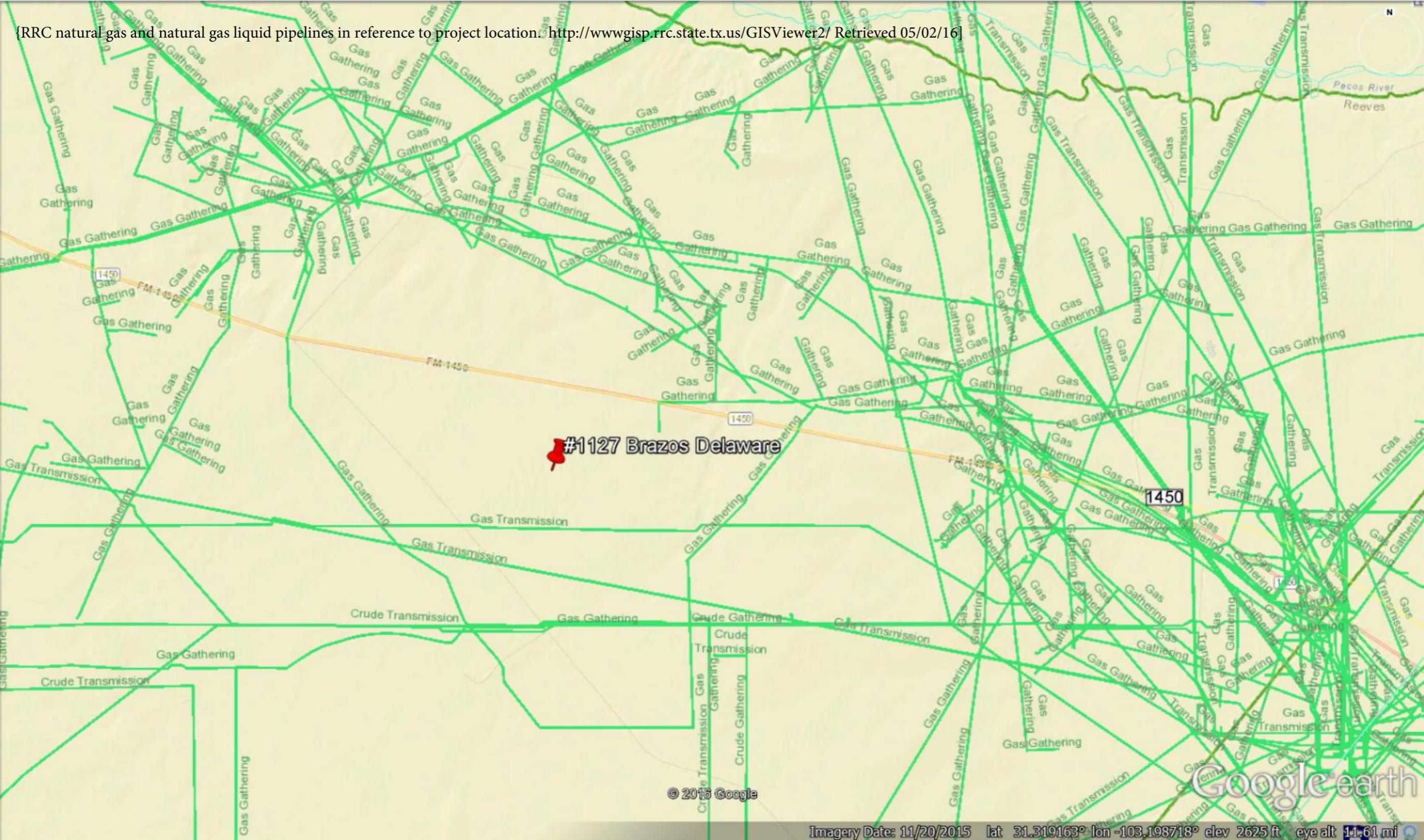
Comptroller Question (via email on May 03, 2016):

Could you please provide information regarding any future plans for this project to interconnect with the Comanche Trail Pipeline?

Applicant Response (via email on May 03, 2016):

We have nothing to do with that pipeline and are not currently planning to interconnect with it. There are numerous pipeline outlets in the southern Delaware that we could work a deal with.

RRCC natural gas and natural gas liquid pipelines in reference to project location: <http://www.gisp.rrc.state.tx.us/GISViewer2/> Retrieved 05/02/16



#1127 Brazos Delaware

© 2016 Google

Google earth

Imagery Date: 11/20/2015 lat 31.310163° lon -103.198718° elev 2625 ft eye alt 11.61 mi