

FINDINGS
of the
***TULIA INDEPENDENT
SCHOOL DISTRICT
BOARD OF TRUSTEES***

**Under Chapter 313 of the
Texas Tax Code**

**ON THE APPLICATION FOR
APPRAISED VALUE LIMITATION
ON QUALIFIED PROPERTY**

SUBMITTED BY

WILDROSEWIND LLC

Comptroller Application Number 1072

RESOLUTION AND FINDINGS OF FACT
of the
TULIA INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES
UNDER CHAPTER 313 OF THE TEXAS TAX CODE
ON THE APPLICATION FOR APPRAISED VALUE LIMITATION
ON QUALIFIED PROPERTY
SUBMITTED BY WILDROSEWIND LLC

STATE OF TEXAS §
 §
COUNTY OF SWISHER §

PREAMBLE

On the 21st day of January, 2016, a public meeting of the Board of Trustees of the Tulia Independent School District (the “Board”) was held to solicit input from interested parties on the application by WildRoseWind LLC (“WildRoseWind” or “Applicant”) for an appraised value limitation on qualified property under Chapter 313 of the Texas Tax Code. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board considered the application by WildRoseWind for a Limitation on Appraised Value on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations from interested parties within the District. After hearing presentations from the District’s administrative staff and the consultants retained by the District to advise the Board in this matter and reviewing the Comptroller’s Economic Impact Evaluation under Texas Tax Code §313.026 and 34 T.A.C. §9.1054, the Board of Trustees of the Tulia Independent School District makes the following Findings regarding the Application:

On or about the 21st day of May, 2015, the Board of Trustees for the Tulia Independent School District received an Application for Appraised Value Limitation on Qualified Property from WildRoseWind, pursuant to Chapter 313 of the Texas Tax Code (the “Application”). The general nature of Applicant’s investment in qualified property set forth in the Application is for equipment and material related to the construction of a wind-powered electric generating facility (the “Property”). *See* Application, page 4 and Tab 4, attached hereto as Attachment A. The Board agreed to consider such Application, and the District’s Superintendent formally acknowledged receipt of the Application for consideration on behalf of the District, which was delivered to the Texas Comptroller of Public Accounts immediately upon a determination that the Application was complete. The Comptroller acknowledged receipt of the Application on or about May 29, 2015. On or about June 25, 2015, on behalf of Applicant, the District submitted Amendment No. 001 (revised confidential map and reinvestment zone guidelines), and the Comptroller issued its notice of completeness by letter dated July 10, 2015, the Application Review Start Date. The Application and Amendment No. 001 are collectively referred to as the “Application.” A copy of the Application and Comptroller’s completeness letter of July 10, 2015 are attached hereto as Attachment A.

The Texas Taxpayer Identification number for WildRoseWind LLC is 32033411334. WildRoseWind is an entity subject to Chapter 171 of the Texas Tax Code and is certified to be in

good standing with the Texas Comptroller of Public Accounts as required by Texas Tax Code §313.024(a). *See* Attachments A, B and C.

The Board acknowledged receipt of the Application and necessary application fee as established by §313.025(a)(1) of the Texas Tax Code and Local District Policy.

The Application was delivered to the Texas Comptroller's Office for review pursuant to §313.025(b) of the Texas Tax Code.

A copy of the Application was delivered to the Swisher County Appraisal District for review pursuant to 34 Texas Administrative Code §9.1054.

The Application was reviewed by the Texas Comptroller's Office pursuant to Texas Tax Code §§313.025 and 313.026. After receipt of the Application, the Texas Comptroller's Office caused an Economic Impact Evaluation to be conducted. The Comptroller, pursuant to Texas Tax Code §313.025(h), determined the project subject to the Application meets the requirements for eligibility under Texas Tax Code §313.024 for a limitation on appraised value, and after reviewing the Application based on the criteria set out in Texas Tax Code § 313.026, issued a Certificate for a Limitation on Appraised Value on October 8, 2015 that the Application be approved (the "Certification"). *See* Attachment C. The Board of Trustees has carefully considered such Evaluation and Certification. Copies of the Certification and Economic Impact Evaluation are attached to these Findings as Attachments C and D.

The Board also directed that a specific school financial analysis be conducted of the impact of the proposed value limitation on the finances of Tulia Independent School District. A copy of a report prepared by McDowell & Brown, LLC is attached to these Findings as Attachment E.

The Board has confirmed that the taxable value of industrial property in the Tulia Independent School District for the preceding tax year, as determined under Subchapter M, Chapter 403 of the Texas Government Code, falls within a rural school district, Category III of §313.054 of the Texas Tax Code. *See* Comptroller's "2014 ISD Summary Worksheet," attached hereto as Attachment G; *see also* Attachment D.

The District's Board of Trustees, by resolution dated November 19, 2015, granted Applicant's request to extend the statutory deadline by which the District must consider its Application until March 6, 2015. The Comptroller was provided notice of this extension, as set out under 34 Texas Administrative Code §9.1054(d). *See* Resolution authorizing extension of consideration period and notice to Applicant, collectively attached hereto as Attachment K.

After receipt of the completed Application, the District entered into negotiations with WildRoseWind regarding the specific language to be included in the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (the "Agreement") pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The parties were able to agree upon language for inclusion into a draft agreement pursuant to Texas Tax Code §313.027. Some of the terms agreed to by the parties were at variance with specific language contained in Comptroller Form 50-286. Such changes were submitted to the Texas Comptroller for review pursuant to 34 Tex. Admin. Code

§9.1055(e)(1). At the specific direction of the Comptroller's Office, the parties used the template Texas Economic Development Agreement. As required by the Comptroller's Office, the parties changed only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these Findings as Attachment H, and that form of the Agreement was submitted to and approved by the Comptroller as set out under 34 Texas Administrative Code §9.1015, *et seq.* See copy of January 14, 2016 Agreement Review Letter from the Comptroller, attached to these Findings as Attachment I. After submission of the parties' proposed Agreement to the Comptroller on January 8, 2016, the Texas Comptroller's Office issued a new template agreement, Form 50-826, and new related Rules, effective on and after January 24, 2016. The draft Agreement attached as Exhibit H was prepared and submitted for the Comptroller's consideration prior to January 24, 2016, and therefore use the 2014 Form 50-286 as the template.

After review of the Comptroller's Certification and Economic Impact Evaluation, and in consideration of its own analysis of WildRoseWind's Application and all other substantive documentation related thereto, the Board, in addition to the above Findings, further finds as follows:

Board Finding Number 1.

Based on the Application and the Comptroller's Certification, the Property meets the requirements of Texas Tax Code §313.024 for eligibility for a limitation on appraised value under Texas Tax Code §313.024(5) as a renewable energy electric generation project.

In support of Finding Number 1, the Comptroller's Certification states:

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 [renewable electric power generation] project.
- Sec. 313.024(d) Applicant has requested a waiver to create three (3) 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.

* * *

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.

See Attachment C.

Board Finding Number 2.

The Project proposed by Applicant is reasonably likely to generate tax revenue sufficient to offset the District's maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period.

In support of Finding Number 2, the Certification states:

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.

Also in support of Finding Number 2, the Economic Impact Evaluation states:

Attachment B - Tax Revenue over 25 Years

This represents the Comptroller's determination that WILD ROSE WIND 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 directly related to this project, using estimated taxable values provided in the application.

[see table on next page]

| | 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 | 2014 | \$0 | \$0 | \$0 | \$0 |
| | 2015 | \$0 | \$0 | \$0 | \$0 |
| | 2016 | \$0 | \$0 | \$0 | \$0 |
| Limitation Period (10 Years) | 2017 | \$232,000 | \$232,000 | \$2,169,200 | \$2,169,200 |
| | 2018 | \$232,000 | \$464,000 | \$2,001,116 | \$4,170,316 |
| | 2019 | \$232,000 | \$696,000 | \$1,844,794 | \$6,015,110 |
| | 2020 | \$232,000 | \$928,000 | \$1,699,423 | \$7,714,534 |
| | 2021 | \$232,000 | \$1,160,000 | \$1,564,225 | \$9,278,759 |
| | 2022 | \$232,000 | \$1,392,000 | \$1,438,493 | \$10,717,252 |
| | 2023 | \$232,000 | \$1,624,000 | \$1,321,553 | \$12,038,805 |
| | 2024 | \$232,000 | \$1,856,000 | \$1,212,803 | \$13,251,608 |
| | 2025 | \$232,000 | \$2,088,000 | \$1,111,663 | \$14,363,271 |
| | 2026 | \$232,000 | \$2,320,000 | \$1,017,610 | \$15,380,881 |
| Maintain Viable Presence (5 Years) | 2027 | \$1,162,134 | \$3,482,134 | \$0 | \$15,380,881 |
| | 2028 | \$1,115,653 | \$4,597,788 | \$0 | \$15,380,881 |
| | 2029 | \$1,071,028 | \$5,668,816 | \$0 | \$15,380,881 |
| | 2030 | \$1,028,189 | \$6,697,005 | \$0 | \$15,380,881 |
| | 2031 | \$987,067 | \$7,684,072 | \$0 | \$15,380,881 |
| Additional Years as Required by 313.026(c)(1) (10 Years) | 2032 | \$947,581 | \$8,631,653 | \$0 | \$15,380,881 |
| | 2033 | \$909,672 | \$9,541,325 | \$0 | \$15,380,881 |
| | 2034 | \$873,283 | \$10,414,608 | \$0 | \$15,380,881 |
| | 2035 | \$838,355 | \$11,252,963 | \$0 | \$15,380,881 |
| | 2036 | \$804,820 | \$12,057,782 | \$0 | \$15,380,881 |
| | 2037 | \$772,630 | \$12,830,412 | \$0 | \$15,380,881 |
| | 2038 | \$741,727 | \$13,572,139 | \$0 | \$15,380,881 |
| | 2039 | \$712,054 | \$14,284,194 | \$0 | \$15,380,881 |
| | 2040 | \$683,576 | \$14,967,770 | \$0 | \$15,380,881 |
| | 2041 | \$683,576 | \$15,651,346 | \$0 | \$15,380,881 |

\$15,651,346

is greater than

\$15,380,881

Analysis Summary

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

Yes

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

Source: CPA, WILD ROSE WIND, 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.

See Attachment D.

Board Finding Number 3.

The new qualifying jobs creation requirement under § 313.051(b) exceeds the industry standard for the number of employees reasonably necessary for the operation of the Applicant's facility described in the Application, and Applicant qualifies for a waiver of the new jobs requirement pursuant to § 313.025(f-1).

In support of this Finding, Applicant submitted information as Tab 12 to its Application regarding the industry standard for the number of jobs for a project with qualified property of this size and type. Tab 12 provides that for a project of the size and type described in the Application, the project will require less than ten (10) permanent jobs. According to the Applicant, the industry standard requires approximately one (1) full time position for every 15 turbines, which is less than the requirements of §313.051(b). Applicant intends to install approximately 68 turbines within Tulia ISD. A copy of Tab 12 submitted with the Application is attached hereto as Attachment J. Applicant reported in its Application that it would create a total of three (3) new qualifying jobs to service and support those turbines within Tulia ISD, which was deemed acceptable by the Comptroller.

See Attachments A and D.

Board Finding Number 4.

The Applicant will create three (3) new qualifying jobs, which Applicant affirms will meet all of the requirements set out in Texas Tax Code §313.021(3).

See Attachments A and D.

Board Finding Number 5.

The ability of the Applicant to locate the proposed wind energy facility in another state or another region of this state is significant because of the highly competitive marketplace for economic development. Therefore, the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in Texas.

See Attachment C.

In support of Finding Number 5, the Economic Impact Evaluation states:

The Comptroller has determined that the limitation on appraised value is a determining factor in the Wild Rose Wind, LLC 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 the company, early stage due diligence work to explore the feasibility of constructing a wind facility at this site has begun. As such, certain contracts have been executed. None of these contracts obligate Wild Rose Wind to construct the project.
- Per the company, it maintains a large portfolio of wind developments including 47 operating wind projects and almost 1,500 MW in ten states including New Mexico, Oklahoma, and Kansas, all with similar wind resources and competitive regulatory environments.
- Per the applicant, while this project is specific to this location, the potential economic return for the project will be compared to the potential returns from other locations within and outside of Texas that Exelon Wind or another potential owner is considering.

See Attachment D.

Board Finding Number 6.

The proposed limitation on appraised value for the qualified property is \$20,000,000.

See Attachments A and D.

Board Finding Number 7.

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

In support of this Finding, McDowell & Brown, LLC estimate in the District's Financial Impact Report, based on WildRoseWind's Application, that the project would add \$207,000,000 to the tax base at the peak investment level for the 2017 tax year. This additional value is fully taxable for debt service taxes and can be used to meet any current or future debt needs. See Table I of Attachment E. See also Table 4 of Attachment D. In addition, the projected revenue gains from the proposed Agreement would be approximately \$1,419,600. See estimated supplemental payments in Table VI of Attachment E; see also Attachment H at Section 6.2.A.

Board Finding Number 8.

The effect of the Applicant’s proposal, if approved, is not expected to increase the District’s instructional facility needs. Tulia ISD can easily accommodate the projected student growth anticipated from Applicant’s project with its existing facilities. However, possible increases in and/or changes to class size and personnel could cause the District to incur extraordinary educational expenses.

In support of this finding, the District’s Financial Impact Report states:

WildRoseWind LLC provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that three full-time employees are expected. It is not known whether these would be new employees to the Tulia ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new three positions equates to 2 new students.

This minimal projected student growth can easily be accommodated with the current facilities of Tulia ISD.

See Attachment E. See also TEA’s Facilities Impact Review Letter at Attachment F.

Board Finding Number 9.

The projected dollar amount of the taxes that would be imposed on the qualified property for each year of the Agreement if the property does not receive a limitation on appraised value, based on the further depreciations of investment provided by Applicant, is shown in Table II of Attachment E (column labeled “Taxes w/o Agreement”), and is further based on the assumption that the projected total maintenance and operations tax rate and interest and sinking fund tax rate per \$100 in valuation in each year of the Agreement will be as indicated in the Table.

[see table on next page]

TABLE II- Computation of Net Tax Savings:

| Fiscal Year | Projected M&O Tax Rate | Projected I&S Tax Rate | Taxes w/o Agreement | Tax Savings with Agreement | Payment of District's Revenue Losses | Net Tax Savings |
|-------------|------------------------------|------------------------------|------------------------|----------------------------------|---|--------------------|
| 2015-2016 | 1.16 | 0.000 | 0 | 0 | 0 | 0 |
| 2016-2017 | 1.16 | 0.000 | 0 | 0 | 0 | 0 |
| 2017-2018 | 1.14 | 0.000 | 2,359,800 | 2,131,800 | (1,259,476) | 872,324 |
| 2018-2019 | 1.16 | 0.000 | 2,233,116 | 2,001,116 | 0 | 2,001,116 |
| 2019-2020 | 1.16 | 0.000 | 2,076,794 | 1,844,794 | 0 | 1,844,794 |
| 2020-2021 | 1.16 | 0.000 | 1,931,423 | 1,699,423 | 0 | 1,699,423 |
| 2021-2022 | 1.16 | 0.000 | 1,796,225 | 1,564,225 | 0 | 1,564,225 |
| 2022-2023 | 1.16 | 0.000 | 1,670,493 | 1,438,493 | 0 | 1,438,493 |
| 2023-2024 | 1.16 | 0.000 | 1,553,553 | 1,321,553 | 0 | 1,321,553 |
| 2024-2025 | 1.16 | 0.000 | 1,444,803 | 1,212,803 | 0 | 1,212,803 |
| 2025-2026 | 1.16 | 0.000 | 1,343,663 | 1,111,663 | 0 | 1,111,663 |
| 2026-2027 | 1.16 | 0.000 | 1,249,610 | 1,017,610 | 0 | 1,017,610 |
| 2027-2028 | 1.04 | 0.000 | 1,041,914 | 0 | 0 | 0 |
| 2028-2029 | 1.16 | 0.000 | 1,115,653 | 0 | 0 | 0 |
| 2029-2030 | 1.16 | 0.000 | 1,071,028 | 0 | 0 | 0 |
| 2030-2031 | 1.16 | 0.000 | 1,028,189 | 0 | 0 | 0 |
| 2031-2032 | 1.16 | 0.000 | 987,067 | 0 | 0 | 0 |
| Totals | | | 22,903,332 | 15,343,481 | (1,259,476) | 14,084,005 |

Board Finding Number 10.

The projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does receive a limitation on appraised value with the projected depreciations of investment, is discernible from Table II of Attachment E (subtracting the amounts in the column labeled “Tax Savings with Agreement” from the column labeled “Taxes w/o Agreement”), and is based on the assumption that the projected total maintenance and operations tax rate and interest and sinking fund tax rate per \$100 in valuation in each year of the Agreement will be as indicated in the Table.

[see table on next page]

TABLE II- Computation of Net Tax Savings:

| Fiscal Year | Projected M&O Tax Rate | Projected I&S Tax Rate | Taxes w/o Agreement | Tax Savings with Agreement | Payment of District's Revenue Losses | Net Tax Savings |
|-------------|------------------------------|------------------------------|------------------------|----------------------------------|---|--------------------|
| 2015-2016 | 1.16 | 0.000 | 0 | 0 | 0 | 0 |
| 2016-2017 | 1.16 | 0.000 | 0 | 0 | 0 | 0 |
| 2017-2018 | 1.14 | 0.000 | 2,359,800 | 2,131,800 | (1,259,476) | 872,324 |
| 2018-2019 | 1.16 | 0.000 | 2,233,116 | 2,001,116 | 0 | 2,001,116 |
| 2019-2020 | 1.16 | 0.000 | 2,076,794 | 1,844,794 | 0 | 1,844,794 |
| 2020-2021 | 1.16 | 0.000 | 1,931,423 | 1,699,423 | 0 | 1,699,423 |
| 2021-2022 | 1.16 | 0.000 | 1,796,225 | 1,564,225 | 0 | 1,564,225 |
| 2022-2023 | 1.16 | 0.000 | 1,670,493 | 1,438,493 | 0 | 1,438,493 |
| 2023-2024 | 1.16 | 0.000 | 1,553,553 | 1,321,553 | 0 | 1,321,553 |
| 2024-2025 | 1.16 | 0.000 | 1,444,803 | 1,212,803 | 0 | 1,212,803 |
| 2025-2026 | 1.16 | 0.000 | 1,343,663 | 1,111,663 | 0 | 1,111,663 |
| 2026-2027 | 1.16 | 0.000 | 1,249,610 | 1,017,610 | 0 | 1,017,610 |
| 2027-2028 | 1.04 | 0.000 | 1,041,914 | 0 | 0 | 0 |
| 2028-2029 | 1.16 | 0.000 | 1,115,653 | 0 | 0 | 0 |
| 2029-2030 | 1.16 | 0.000 | 1,071,028 | 0 | 0 | 0 |
| 2030-2031 | 1.16 | 0.000 | 1,028,189 | 0 | 0 | 0 |
| 2031-2032 | 1.16 | 0.000 | 987,067 | 0 | 0 | 0 |
| Totals | | | 22,903,332 | 15,343,481 | (1,259,476) | 14,084,005 |

See also Comptroller's estimates at Table 4 of Attachment D.

Board Finding Number 11.

Based upon the Applicant's certification that the Application is true and correct, the Comptroller's Economic Impact Evaluation, the Comptroller's Certification, and the consultants' review of these and other documents, the Board has determined that the information provided by the Applicant in its Application was true and correct when it was submitted (see Attachments C, D and E).

Board Finding Number 12.

The Applicant (Taxpayer Id. 32033411334) is eligible for the limitation on appraised value of qualified property as specified in the Agreement based on its "good standing" certification as a franchise-tax paying entity. See Attachments A, B and C.

Board Finding Number 13.

The Project will be located within an area that is currently designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code. Should it be required, the District will cooperate with the Applicant's efforts to ensure that the

area remains designated as a reinvestment zone through the Final Termination Date of the Agreement.

Board Finding Number 14.

The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment H, includes adequate and appropriate revenue protection provisions for the District.

In support of this Finding and based on the information provided by Applicant in its Application, the District's Financial Impact Analysis demonstrates that the District will incur a revenue loss during tax year 2017. However, the negative consequences of granting the value limitation are offset through the revenue protection provision of the Agreement and other revenue protection provisions agreed to by the Applicant and the District. See Table II in Attachment E, and proposed Agreement, Articles IV, at Attachment H.

Board Finding Number 15.

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

Board Finding Number 16.

The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment H, is in the form of the 2014 template Texas Economic Development Act Agreement adopted by the Comptroller. Since the time that the proposed Agreement was submitted for approval to the Comptroller, the Comptroller has issued a new 2016 template Agreement, Form 50-826, that has not yet taken effect. Therefore, the Board finds that it would be in the District's best interest to approve the form attached as Exhibit H, which has been reviewed and approved by the Comptroller. See Exhibit I.

IT IS THEREFORE ORDERED, that all of the Findings above, including the recitals and statements set out in the Preamble herein, are adopted and approved as the Findings of the Tulia Independent School District Board of Trustees, and the Board of Trustees has made the above factual Findings in accordance with the Texas Tax Code § 313.025(e) and Texas Administrative Code 34, Chapter 9, subchapter F; and,

IT IS FURTHER ORDERED that the Application attached hereto as Attachment A is hereby APPROVED; and,

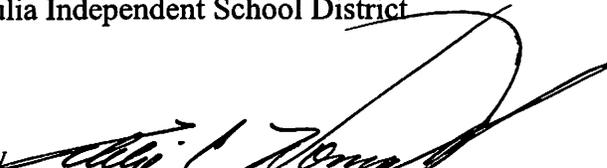
IT IS FURTHER ORDERED that the new jobs requirement pursuant to § 313.051(b) is hereby WAIVED; and,

IT IS FURTHER ORDERED that the Agreement attached hereto as Attachment H is APPROVED and is hereby authorized to be executed and delivered by the Trustees whose signatures appear below on behalf of the Tulia Independent School District, along with a copy of the these Findings, which shall be binding upon the parties upon receipt of an executed original of the Agreement from Applicant; and,

IT IS FURTHER ORDERED that these Findings and the Attachments referenced herein be made a part of the official minutes of this meeting, and maintained in the permanent records of the Tulia Independent School District Board of Trustees.

Dated this 21st day of January, 2016.

Tulia Independent School District

By 
Signature

Eddie C. Nomack
Printed Name and Title

Attest:

By 
Signature

STEVEN R. POND Sec.
Printed Name and Title

LIST OF ATTACHMENTS

| <i>Attachment</i> | <i>Description</i> |
|-------------------|---|
| A | Application and Comptroller's Completeness Letter |
| B | Franchise Tax Certification of Account Status |
| C | Comptroller's Certification Letter |
| D | Comptroller Economic Impact Analysis |
| E | District's Financial Impact Analysis |
| F | TEA's Facilities Impact Letter |
| G | Comptroller's 2014 ISD Property Value Study Report |
| H | Proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes |
| I | Comptroller's January 14, 2016 Agreement Review Letter |
| J | Job Waiver Request |
| K | Notice to Applicant and Resolution re Extension of 151 Day Deadline |



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

July 10, 2015

Steve Post
Superintendent
Tulia Independent School District
702 NW 8th Street
Tulia, Texas 79088

Dear Superintendent Post:

On May 29, 2015, the Comptroller's office received from Tulia Independent School District (Tulia ISD) an application from Wild Rose Wind, LLC for a limitation on appraised value (App #1072).

The purpose of this letter is to inform you that the Comptroller's office has reviewed the submitted application and determined that it includes the information necessary to be determined as complete on July 10, 2015.

Texas Tax Code §313.025(d) directs the Comptroller's office to issue a certificate for a limitation on the appraised value of the property, or provide the governing body of the school district with a written explanation of the comptroller's decision to not issue a certificate no later than the 90th day after receiving the completed application. The requirements to determine eligibility and to issue a certificate for a limitation do not begin until an application is complete as determined by this agency. The Comptroller's office will move forward with our economic impact evaluation and will send a letter of determination to the ISD and the applicant.

This letter does not constitute a review of the application under Section 313.025(h) to determine if the project meets the requirements of Section 313.024 for eligibility for a limitation on appraised value. Likewise, this letter does not address the determinations required under Section 313.026(c).

Should you have any questions, please contact Stephanie Jones with our office. She can be reached by email at stephanie.jones@cpa.texas.gov or by phone at 1-800-531-5441, ext. 3-4594, or direct in Austin at 512-463-4594.

Sincerely,

A handwritten signature in black ink, reading "Korry Castillo", is written over a faint, larger version of the same signature.

Korry Castillo
Director
Data Analysis & Transparency Division

cc: Fred Stormer, Underwood Law Firm, P.C.

Jennifer Defenbaugh, Wild Rose Wind, LLC
Michele Dybel, Exelon Wind LLC
Robert Daniel, Duff and Phelps, LLC

WildRoseWind LLC
Swisher Wind Project

**Tulia Independent School
District**

**Application for Appraised
Value Limitation on Qualified
Property**



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

May 21, 2015

Date Application Received by District

Steve

First Name

Post

Last Name

School Superintendent

Title

Tulia Independent School District

School District Name

702 NW 8th Street

Street Address

Mailing Address

Tulia

City

(806) 995-4591

Phone Number

TX

State

806-995-3169

Fax Number

spost@tuliaisd.org

Email Address

79088

ZIP

Mobile Number (optional)

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

| | |
|---|---|
| <p>Fred First Name</p> <p>Attorney Title</p> <p>Underwood Law Firm, PC Firm Name</p> <p>806-379-0306 Phone Number</p> <p>Mobile Number (optional)</p> | <p>Stormer Last Name</p> <p>806-379-0316 Fax Number</p> <p>fred.stormer@uwlaw.com Email Address</p> |
|---|---|

4. On what date did the district determine this application complete? May 26, 2015
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)

| | |
|---|--|
| <p>Jennifer First Name</p> <p>Vice President Title</p> <p>3807 Shady Meadow Drive Street Address</p> <p>Grapevine City</p> <p>(817) 307-4444 Phone Number</p> <p>Mobile Number (optional)</p> | <p>Defenbaugh Last Name</p> <p>WildRoseWind LLC Organization</p> <p>TX State</p> <p>76051 ZIP</p> <p>Fax Number</p> <p>jennifer@windrosepower.com Business Email Address</p> |
|---|--|

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.

| | |
|---|---|
| <p>Michele First Name</p> <p>Business Developer Title</p> <p>10 S. Dearborn St.; Floor 51 Street Address</p> <p>Chicago City</p> <p>(312) 394-3770 Phone Number</p> <p>Mobile Number (optional)</p> | <p>Dybel Last Name</p> <p>Exelon Wind LLC Organization</p> <p>IL State</p> <p>60603-2398 ZIP</p> <p>Fax Number</p> <p>michele.dybel@exeloncorp.com Business Email Address</p> |
|---|---|

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)

| | |
|---------------------------------|----------------|
| Robert | Daniel |
| First Name | Last Name |
| Vice President | |
| Title | |
| Duff and Phelps, LLC | |
| Firm Name | |
| (512) 671-5557 | (512) 765-9191 |
| Phone Number | Fax Number |
| robert.daniel@duffandphelps.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? WildRoseWind LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32033411334

3. List the NAICS code 221115

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

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

SECTION 5: Applicant Business Structure

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

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

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

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

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

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, 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.

SECTION 9: Projected Timeline

- 1. Application approval by school board Aug 2015
- 2. Commencement of construction 1Q 2016
- 3. Beginning of qualifying time period Aug 2015
- 4. First year of limitation 2017
- 5. Begin hiring new employees 2Q 2016
- 6. Commencement of commercial operations 4Q 2016
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? 1Q 2017

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Swisher County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Swisher 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>Swisher / \$0.725 / 100%</u> <small>(Name, tax rate and percent of project)</small> | City: _____ <small>(Name, tax rate and percent of project)</small> |
| Hospital District: <u>Swisher County / \$0.3183 / 100%</u> <small>(Name, tax rate and percent of project)</small> | Water District: <u>High Plains Water District / \$0.0075 / 100%</u> <small>(Name, tax rate and percent of project)</small> |
| Other (describe): _____ <small>(Name, tax rate and percent of project)</small> | Other (describe): _____ <small>(Name, tax rate and percent of project)</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? 20,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
- 3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
- 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
- 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

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

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

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

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

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? 3

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

- a. Average weekly wage for all jobs (all industries) in the county is 647.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is 771.00
- c. 110% of the average weekly wage for manufacturing jobs in the region is 899.00

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 40,097.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 42,000.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(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**.

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here → STEVE POST
Print Name (Authorized School District Representative)

SUPERINTENDENT
Title

sign here → [Signature]
Signature (Authorized School District Representative)

5-21-15
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 → JENNIFER DEFENBAUGH
Print Name (Authorized Company Representative (Applicant))

Vice-President
Title

sign here → [Signature]
Signature (Authorized Company Representative (Applicant))

5-18-15
Date

GIVEN under my hand and seal of office this, the

18 day of May, 2015



Jennifer Melear
Notary Public in and for the State of ~~Texas~~ Florida
My Commission expires: 11/9/2016

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

| TAB | ATTACHMENT |
|-----|---|
| 1 | Pages 1 through 11 of Application |
| 2 | Proof of Payment of Application Fee |
| 3 | Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i> |
| 4 | Detailed description of the project |
| 5 | Documentation to assist in determining if limitation is a determining factor |
| 6 | Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i> |
| 7 | Description of Qualified Investment |
| 8 | Description of Qualified Property |
| 9 | Description of Land |
| 10 | Description of all property not eligible to become qualified property <i>(if applicable)</i> |
| 11 | <p>Maps that clearly show:</p> <ul style="list-style-type: none"> 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> |

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 2

Proof of Payment of Application Fee

See Attached

WINDROSEPOWER, LLC
3807 SHADY MEADOW DR.
GRAPEVINE, TX 76051

1875

37-65/1119 2315
9995132892

May 18, 2015
Date

Pay to the order of Julia Independent School District \$ 80,000 ⁰⁰/₁₀₀
Eighty thousand & ⁰⁰/₁₀₀ Dollars

 Security Features Details on Back



Wells Fargo Bank, N.A.
Texas
wellsfargo.com

For

Lennya Dejenburg

⑆ 111900659⑆ 9995132892⑆ 01875

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 3

Combined Group Membership Documentation

See Attached.

TX 2015 05-164
 Ver. 6.0 (Rev.9-13/7)

Texas Franchise Tax Extension Request

n Tcode 13258 Annual

| | | |
|-------------------|---------------|------------|
| n Taxpayer number | n Report year | Due date |
| 32015167144 | 2015 | 05/15/2015 |

| | | | | | |
|--|--------------------|---------------------------------|--------------------------|--------|---|
| Taxpayer name WINDROSEPOWER LLC | | | | | Secretary of State file number or Comptroller file number 0800348781 |
| Mailing address 3807 SHADY MEADOW DRIVE | | | | | |
| City GRAPEVINE | State TX | Country United States | ZIP Code 76051 | Plus 4 | Check box if the address has changed n <input type="checkbox"/> |
| Check box if this is a combined report <input checked="" type="checkbox"/> | | | | | |

If this extension is for a combined group, you must also complete and submit Form 05-165.

Note to mandatory Electronic Fund Transfer (EFT) payers:
 When requesting a second extension do not submit an Affiliate List Form 05-165.

| | | |
|--|-----|-------------|
| 1. Extension payment (Dollars and cents) | 1.n | 0.00 |
|--|-----|-------------|

| | |
|---|---|
| Print or type name JENNIFER DEFENBAUGH | Area code and phone number (817) 307-4444 |
| I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief. | |
| sign here } | Date 04/05/2015 |
| Mail original to: Texas Comptroller of Public Accounts P.O. Box 149348 Austin, TX 78714-9348 | |

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

Taxpayers who paid \$10,000 or more during the preceding fiscal year (Sept. 1 thru Aug. 31) are required to electronically pay their franchise tax.
 For more information visit www.window.state.tx.us/webfile/req_franchise.html.

Texas Comptroller Official Use Only



| | |
|---------|--------------------------|
| VE/DE | <input type="checkbox"/> |
| PM Date | <input type="text"/> |



1022

TX 2015 05-165
 Ver. 6.0 (Rev.9-11/3)

Texas Franchise Tax Extension Affiliate List



n Tcode 13298

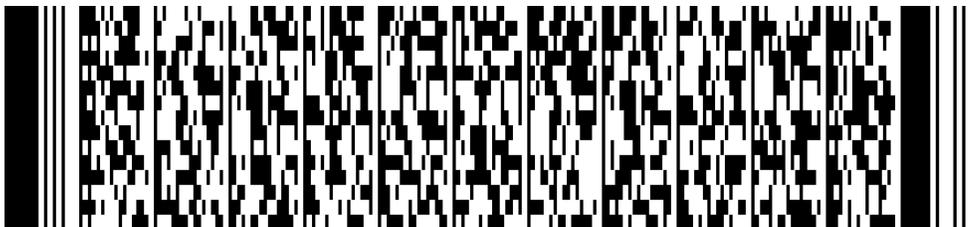
| | | |
|--|------------------------------|--|
| n Reporting entity taxpayer number 32015167144 | n Report year 2015 | Reporting entity taxpayer name WINDROSEPOWER LLC |
|--|------------------------------|--|

| LEGAL NAME OF AFFILIATE | AFFILIATE'S TEXAS TAXPAYER NUMBER <small>(If none, enter FEI number)</small> | CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS |
|-------------------------|---|---|
| 1. WILDROSEWIND LLC | 32033411334 | n <input type="checkbox"/> |
| 2. | | n <input type="checkbox"/> |
| 3. | | n <input type="checkbox"/> |
| 4. | | n <input type="checkbox"/> |
| 5. | | n <input type="checkbox"/> |
| 6. | | n <input type="checkbox"/> |
| 7. | | n <input type="checkbox"/> |
| 8. | | n <input type="checkbox"/> |
| 9. | | n <input type="checkbox"/> |
| 10. | | n <input type="checkbox"/> |
| 11. | | n <input type="checkbox"/> |
| 12. | | n <input type="checkbox"/> |
| 13. | | n <input type="checkbox"/> |
| 14. | | n <input type="checkbox"/> |
| 15. | | n <input type="checkbox"/> |
| 16. | | n <input type="checkbox"/> |
| 17. | | n <input type="checkbox"/> |
| 18. | | n <input type="checkbox"/> |
| 19. | | n <input type="checkbox"/> |
| 20. | | n <input type="checkbox"/> |
| 21. | | n <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"/> |
|-------|--------------------------|----|--------------------------|



1022

Tab 4

Detailed Description of Project

WildRoseWind, LLC is proposing to construct a wind-powered electric generating facility with an operating capacity up to 300 megawatts (MW) in Swisher and Castro County. This project, the Swisher Wind Project, is being jointly developed with Exelon Wind, LLC, who has a contractual right to own the project. The exact number of wind turbines and the size of each turbine would depend upon ongoing wind and siting analysis, the wind turbine selected and the final MW generating capacity of the final layout. The wind farm is under development for up to a 300 MW project and could be installed in phases depending on the timing of contracts for power output. It is possible any project size between 150-300 MW is installed as a first phase for 2016. Subsequent phases could follow in later year(s) for operation up to 300 MW.

The Project anticipates using a mix of GE 100-1.7 MW and GE 116-2.0 MW. In the first phase is an estimated 151.5 MW, 77 turbines would be used in which 68 would be located in Swisher County and within the Tulia Independent School District. For a 300 MW wind farm, an estimated 151 turbines would be required with 142 located in Swisher County (130 turbines within Tulia ISD). Improvements and investments with the wind farm Project will include but not limited to wind turbines, turbine transformers (pad-mounts), towers, foundations, underground collection systems (low-voltage cabling systems), electrical substations and associated control systems, overhead electrical generation tie lines (high-voltage transmission lines), electrical interconnections, metrological towers, project access roads, an operations and maintenance building and spare parts.

Construction of the Project is anticipated to begin in the first quarter of 2016 with commercial operation by end of 2016.

Tab 5

Documentation to assist in determining if limitation is a determining factor

Section 8, #2: Has the applicant entered into any agreements, contracts, or letters of intent related to the proposed project?

WildRoseWind, in coordination with Exelon Wind, has begun early stage due diligence work to explore the feasibility of constructing a wind facility at this site. As such, certain contracts have been executed including agreements to site and install meteorological monitoring equipment, wind study reports, lease and easement agreements with landowners, establishment of a Reinvestment Zone, contracts with environmental contractors to explore environmental impacts of the proposed project and an interconnection agreement with the transmission provider. None of these contracts obligate WildRoseWind to construct the project.

Section 8, #7: Is the applicant evaluating other locations not in Texas for the proposed project?

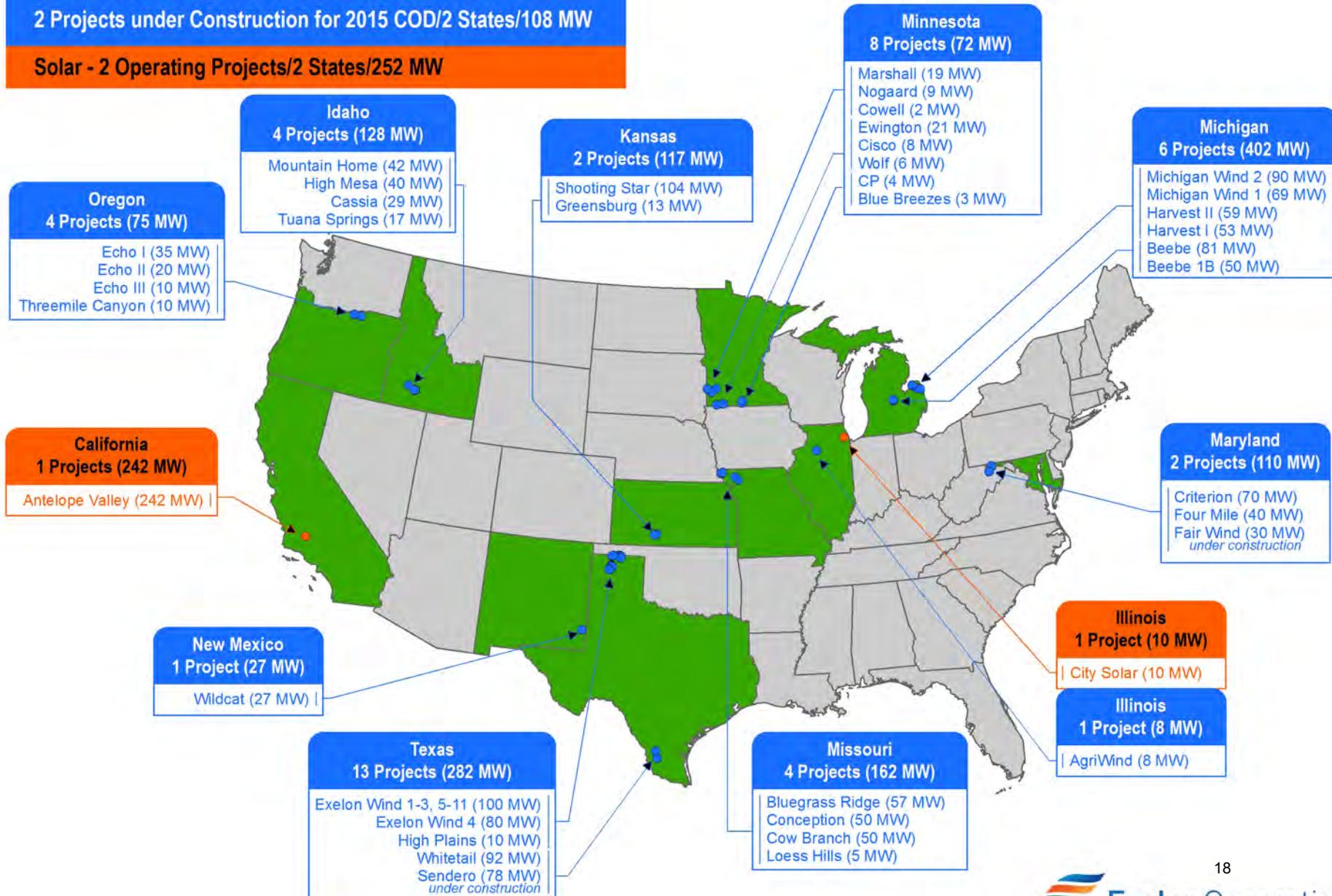
Exelon Wind maintains a large portfolio of wind developments including 47 operating wind projects and almost 1,500 MW in ten states including New Mexico, Oklahoma, and Kansas, all with similar wind resources and competitive regulatory environments. Exelon Wind has 13 of these projects in Texas totaling 288 MW of wind generation with another 78 MW project under construction. Additionally Exelon has a 30 MW wind project under construction in Maryland. See attached map of Exelon's Wind and Solar portfolio.

While the project developer, WildRoseWind LLC, is specific to this location in Texas, the potential economic return for the Swisher Wind project will be compared to the potential returns from other locations within and outside of Texas that Exelon Wind or another potential owner is considering. Exelon Wind has limited capital, human and turbine resources, and must pick the best projects to advance as a company each year. The economic return is the primary input for this decision.

Wind - 45 Operating Projects/10 States/1,383 MW

2 Projects under Construction for 2015 COD/2 States/108 MW

Solar - 2 Operating Projects/2 States/252 MW



Tab 6

Description of how the project is located in more than one district, including list of percentage in each district

The project, when fully developed, would span three school districts, Tulia ISD and Kress ISD in Swisher County and Nazareth ISD in Castro County. WildRose Wind LLC will only be pursuing a limitation of Value agreement with Tulia ISD. The distribution of investment dollars, installed turbines and electric generating capacity across the three school districts is described in the table below:

| 151.5 MW Project | Tulia ISD | Kress ISD | Nazareth ISD | Total |
|-----------------------------------|------------------|------------------|---------------------|----------------|
| Estimated Investment | \$ 207,000,000 | \$ - | \$ 27,000,000 | \$ 234,000,000 |
| Percentage per ISD | 88% | 0% | 12% | 100% |
| Estimated Installed Turbines | 68 | 0 | 9 | 77 |
| Estimated Installed Capacity (MW) | 134.3 | - | 17.2 | 151.5 |
| Total Qualifying Jobs | 3 | 0 | 0 | 3 |

| 300 MW Project | Tulia ISD | Kress ISD | Nazareth ISD | Total |
|-----------------------------------|------------------|------------------|---------------------|----------------|
| Estimated Investment | \$ 390,000,000 | \$ 36,000,000 | \$ 27,000,000 | \$ 453,000,000 |
| Percentage per ISD | 86% | 8% | 6% | 100% |
| Estimated Installed Turbines | 130 | 12 | 9 | 151 |
| Estimated Installed Capacity (MW) | 258.3 | 24.00 | 17.2 | 299.5 |
| Total Qualifying Jobs | 8 | 0 | 0 | 8 |

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 7

Description of qualified investment

See Tab #4

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 8

Description of qualified property

See Tab #4

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 9

Description of Land

WildRoseWind LLC will lease approximately 35,000 acres of land with local land owner in Swisher and Castro County, Texas. See Tab #16 for legal description of the leased land parcels.

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 10

Description of Property not Eligible to become Qualified Property

Not Applicable

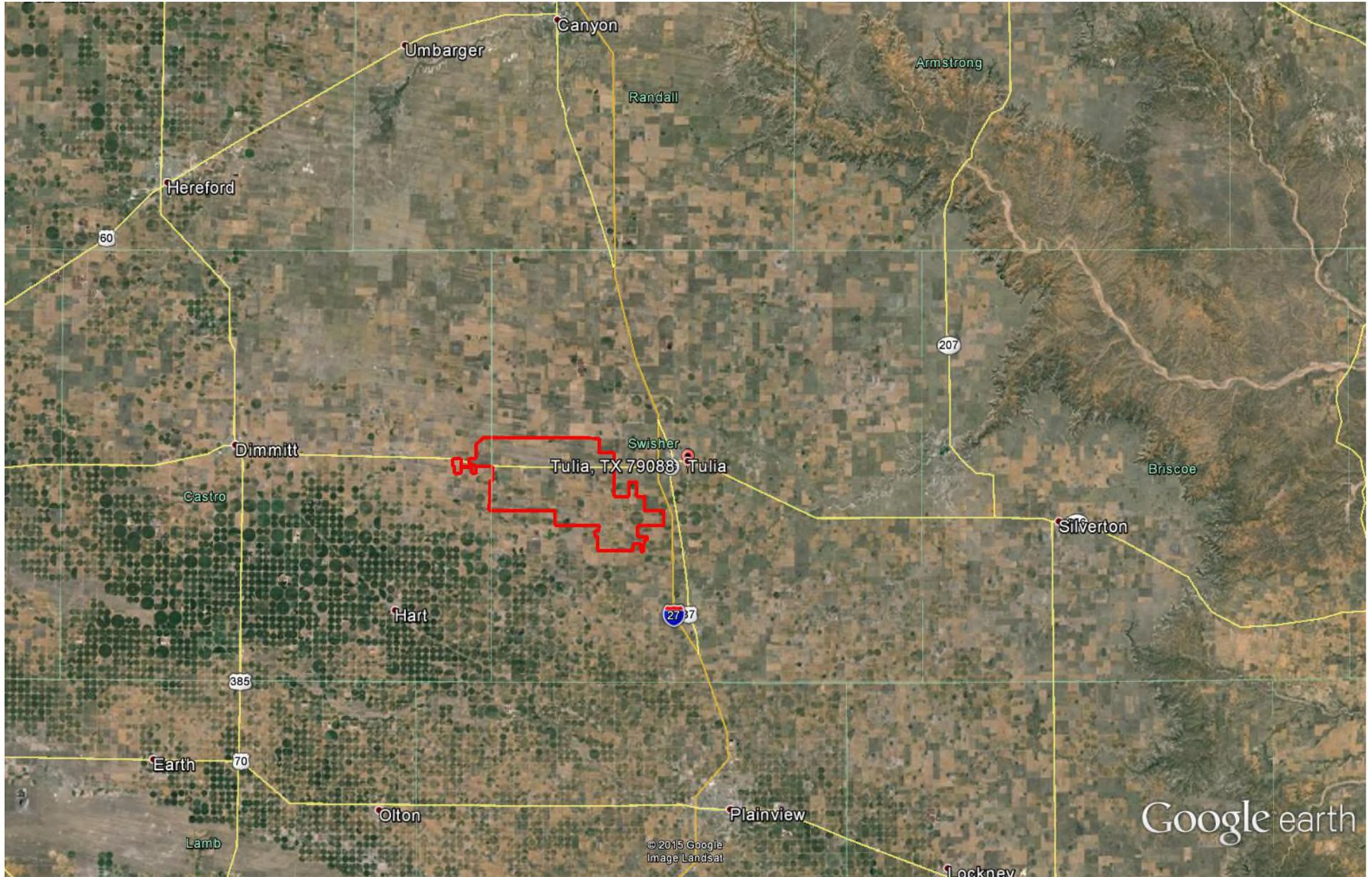
WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 11

Map of Project

See attached Project Vicinity Map. Map of qualified investment and property is Business Confidential Information and located in separate attachment provided to Tulia Independent School District.

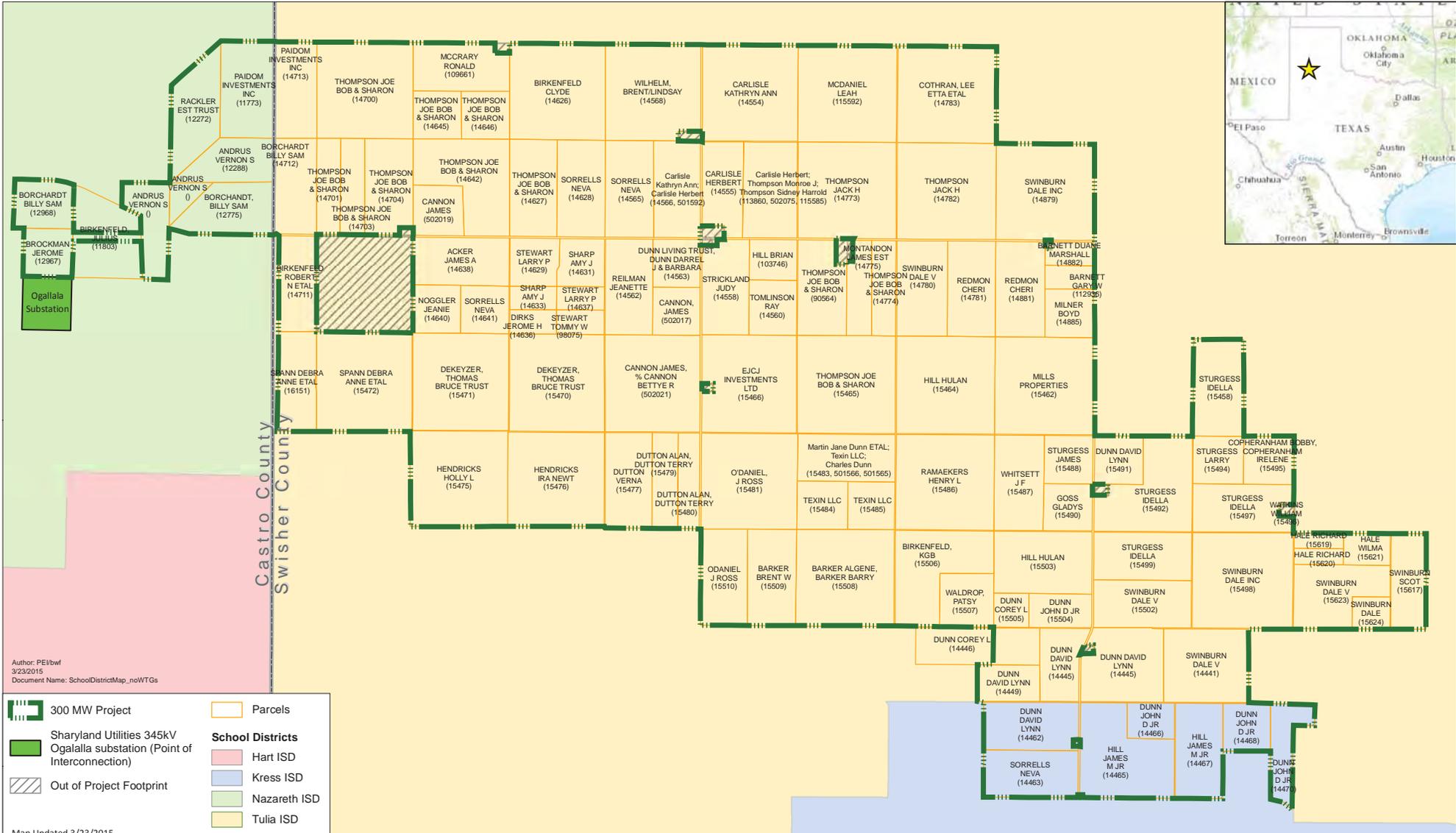
SWISHER WIND PROJECT VICINITY MAP



Google earth



— Approximate Project Boundary



Author: PEI/bw
3/23/2015
Document Name: SchoolDistrictMap_noWTGs

| | |
|--|-------------------------|
| 300 MW Project | Parcels |
| Sharyland Utilities 345kV Ogallala substation (Point of Interconnection) | School Districts |
| Out of Project Footprint | Hart ISD |
| | Kress ISD |
| | Nazareth ISD |
| | Tulia ISD |

Map Updated 3/23/2015

Swisher - Tax Abatement Map



EXELON WIND, LLC
SWISHER WIND PROJECT - 300 MW
SWISHER AND CASTRO COUNTIES, TX



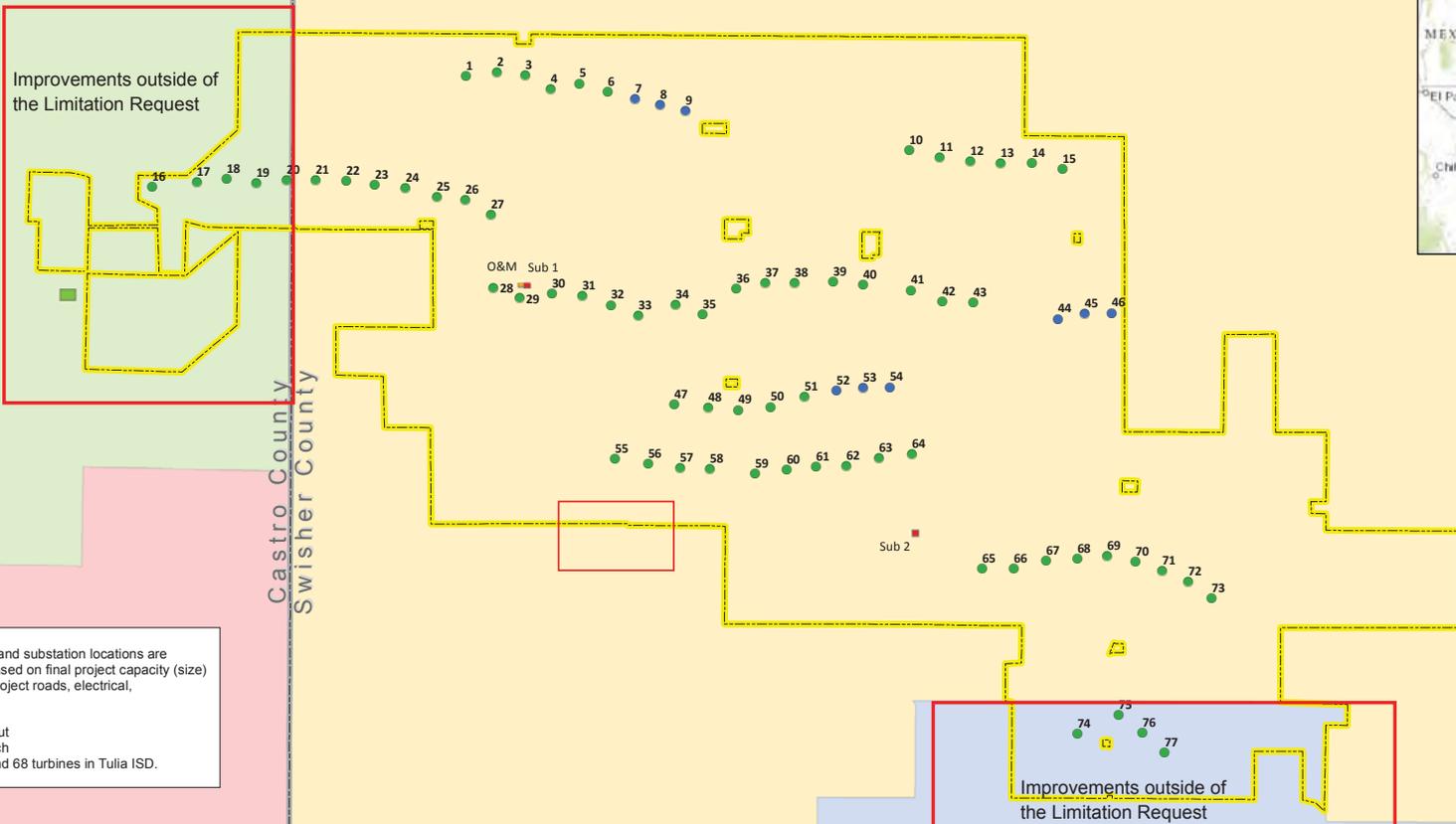
WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 11

Map of Project

See attached Project Vicinity Map. Map of qualified investment and property is Business Confidential Information and located in separate attachment provided to Tulia Independent School District.

CONFIDENTIAL



NOTE: Turbine layouts and building and substation locations are preliminary and subject to change based on final project capacity (size) and design. Other improvements (project roads, electrical, etc.) are not shown.

Layout shown is for a 151.3MW layout with an estimated 77 turbines of which 72 turbines are in Swisher County and 68 turbines in Tulia ISD.

Author: PEI/mkp
6/23/2015
Document Name: SchoolDistrictMap_20150623

- | | |
|--|--------------|
| Project Boundary | Hart ISD |
| Sharyland Utilities 345kV Ogalalla substation (Point of Interconnection) | Kress ISD |
| Out of Project Footprint | Nazareth ISD |
| OM Building Footprint (300x300 ft) | Tulia ISD |
| Substation Footprint (3 acres) | |

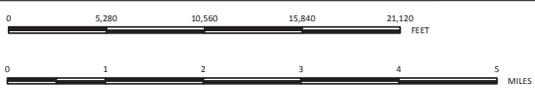
Turbines by School District

| | |
|--|-----------------|
| County: Castro ISD: Nazareth (5) | GE 100 - 1.7 MW |
| County: Swisher ISD: Tulia (68) ISD: Kress (4) | GE 116 - 2.0 MW |

Map Updated 6/23/2015

Swisher Wind - Submitted for Tulia ISD Value Limitation Application

Confidential & Proprietary
Do Not Distribute Without Authorization of Exelon Generation



EXELON WIND, LLC
SWISHER WIND PROJECT - 151.3 MW
SWISHER AND CASTRO COUNTIES, TX

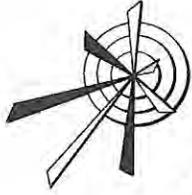


WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 12

Request for Waiver of Job Creation Requirement

See attached letter.



WildRoseWind, LLC

Re: Chapter 313 Job Waiver Request

Tulia Independent School District
Attn: School Superintendent Steve Post
702 NW 8th Street
Tulia, TX 79088

May 18, 2015

Dear Mr. Post,

WildRoseWind LLC requests that the Tulia Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the tax code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

WildRoseWind LLC requests that the Tulia Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, WildRoseWind LLC has committed to create at least three total jobs for the project for a 151.5 MW wind project, all of which would be in Tulia ISD. A larger wind project would create additional jobs with at least eight jobs being required for a 300 MW wind project.

Wind projects create a large number of full and part-time, but temporary, jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The industry standard for employment is typically one full-time employee for approximately every 15 turbines. This number may vary depending on the operations and maintenance requirements of the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,

Henriette A. Boom
President
WildRoseWind LLC

WildRoseWind LLC
 Swisher Wind Project
 Tulia ISD Limitation of Value Application

Tab 13

Calculation of three possible wage requirements with TWC documentation

Swisher County - All Industries Average Weekly Wages

| Quarterly Employment and Wages - Swisher County | | | | | | | | |
|---|---------|----------------|-----------|----------|-------|----------|-----------------------|------------------|
| Year | Period | Area | Ownership | Division | Level | Ind Code | Industry | Avg Weekly Wages |
| 2014 | 1st Qtr | Swisher County | Private | 0 | 0 | 10 | Total, All Industries | \$ 565 |
| 2014 | 2nd Qtr | Swisher County | Private | 0 | 0 | 10 | Total, All Industries | \$ 561 |
| 2014 | 3rd Qtr | Swisher County | Private | 0 | 0 | 10 | Total, All Industries | \$ 557 |
| 2014 | 4th Qtr | Swisher County | Private | 0 | 0 | 10 | Total, All Industries | \$ 668 |
| 4 Period Weekly Average Wage | | | | | | | | \$ 588 |
| 110% of Average Weekly Wage | | | | | | | | \$ 647 |
| Requisite Wage (110% of Avg County Total, All Industries Wage) | | | | | | | | \$ 33,619 |

Swisher County - Manufacturing Average Weekly Wages

| Quarterly Employment and Wages - Swisher County | | | | | | | | |
|---|---------|----------------|-----------|----------|-------|----------|---------------|------------------|
| Year | Period | Area | Ownership | Division | Level | Ind Code | Industry | Avg Weekly Wages |
| 2014 | 1st Qtr | Swisher County | Private | 31 | 2 | 31-33 | Manufacturing | \$ 613 |
| 2014 | 2nd Qtr | Swisher County | Private | 31 | 2 | 31-33 | Manufacturing | \$ 753 |
| 2014 | 3rd Qtr | Swisher County | Private | 31 | 2 | 31-33 | Manufacturing | \$ 643 |
| 2014 | 4th Qtr | Swisher County | Private | 31 | 2 | 31-33 | Manufacturing | \$ 795 |
| 4 Period Weekly Average Wage | | | | | | | | \$ 701 |
| 110% of Average Weekly Wage | | | | | | | | \$ 771 |
| Requisite Wage (110% of Avg County Total, All Industries Wage) | | | | | | | | \$ 40,097 |

COG Region Wage

| Panhandle Regional Planning Commission | | |
|--|--------|------------------|
| 2013 Manufacturing Wages | Hourly | Annual |
| | | \$ 20.43 |
| Average Weekly Wage | | \$ 817 |
| 110% of Average Weekly Wage | | \$ 899 |
| Requisite Wage (110% of COG Mfg Wage) | | \$ 46,744 |

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 14

Schedules A – D

See Attached.

| 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 new investment made during this year that will not become Qualified Property [SEE NOTE] | Other new investment made during this year that may become Qualified Property [SEE NOTE] | Total Investment (Sum of Columns A+B+C+D) | | |
| Investment made before filing complete application with district | | Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period) | 2016 | Not eligible to become Qualified Property | | | | [The only other investment made before filing complete application with district that may become Qualified Property is land.] | | |
| Investment made after filing complete application with district, but before final board approval of application | -- | | | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period | | | | \$ 206,500,000 | \$ 500,000 | \$ - | \$ - | \$ 207,000,000.00 | | |
| Complete tax years of qualifying time period | QTP1 | 2016-2017 | 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| | QTP2 | 2017-2018 | 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| Total Investment through Qualifying Time Period [ENTER this row in Schedule A2] | | | | \$ 206,500,000 | \$ 500,000 | \$ - | \$ - | \$ 207,000,000 | | |
| | | | | Enter amounts from TOTAL row above in Schedule A2 | | | | | | |
| Total Qualified Investment (sum of green cells) | | | | \$ 207,000,000 | | | | | | |

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

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. 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 not 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 | | \$ 206,500,000 | \$ 500,000 | \$ - | \$ - | \$ 207,000,000 |
| Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i> | 0 | 2015-2016 | 2015 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 0 | 2016-2017 | 2016 | \$ 206,500,000 | \$ 500,000 | \$ - | \$ - | \$ 207,000,000 |
| Value limitation period*** | 1 | 2017-2018 | 2017 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 2 | 2018-2019 | 2018 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 3 | 2019-2020 | 2019 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 4 | 2020-2021 | 2020 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 5 | 2021-2022 | 2021 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 6 | 2022-2023 | 2022 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 7 | 2023-2024 | 2023 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 8 | 2024-2025 | 2024 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 9 | 2025-2026 | 2025 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 10 | 2026-2027 | 2026 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Investment made through limitation | | | | \$ 206,500,000 | \$ 500,000 | \$ - | \$ - | \$ 207,000,000 |
| Continue to maintain viable presence | 11 | 2027-2028 | 2027 | | | \$ - | \$ - | \$ - |
| | 12 | 2028-2029 | 2028 | | | \$ - | \$ - | \$ - |
| | 13 | 2029-2030 | 2029 | | | \$ - | \$ - | \$ - |
| | 14 | 2030-2031 | 2030 | | | \$ - | \$ - | \$ - |
| | 15 | 2031-2032 | 2031 | | | \$ - | \$ - | \$ - |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 16 | 2032-2033 | 2032 | | | \$ - | \$ - | \$ - |
| | 17 | 2033-2034 | 2033 | | | \$ - | \$ - | \$ - |
| | 18 | 2034-2035 | 2034 | | | \$ - | \$ - | \$ - |
| | 19 | 2035-2036 | 2035 | | | \$ - | \$ - | \$ - |
| | 20 | 2036-2037 | 2036 | | | \$ - | \$ - | \$ - |
| | 21 | 2037-2038 | 2037 | | | \$ - | \$ - | \$ - |
| | 22 | 2038-2039 | 2038 | | | \$ - | \$ - | \$ - |
| | 23 | 2039-2040 | 2039 | | | \$ - | \$ - | \$ - |
| | 24 | 2040-2041 | 2040 | | | \$ - | \$ - | \$ - |
| | 25 | 2041-2042 | 2041 | | | \$ - | \$ - | \$ - |

* 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)

Date 5/8/2015
 Applicant Name WildRoseWind LLC
 ISD Name Tulia 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 | 2016-2017 | 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Value Limitation Period | 1 | 2017-2018 | 2017 | \$ - | \$ 500,000 | \$ 206,500,000 | \$ - | \$ 207,000,000 | \$ 20,000,000 |
| | 2 | 2018-2019 | 2018 | \$ - | \$ 480,000 | \$ 192,030,000 | \$ - | \$ 192,510,000 | \$ 20,000,000 |
| | 3 | 2019-2020 | 2019 | \$ - | \$ 461,000 | \$ 178,573,000 | \$ - | \$ 179,034,000 | \$ 20,000,000 |
| | 4 | 2020-2021 | 2020 | \$ - | \$ 443,000 | \$ 166,059,000 | \$ - | \$ 166,502,000 | \$ 20,000,000 |
| | 5 | 2021-2022 | 2021 | \$ - | \$ 425,000 | \$ 154,422,000 | \$ - | \$ 154,847,000 | \$ 20,000,000 |
| | 6 | 2022-2023 | 2022 | \$ - | \$ 408,000 | \$ 143,600,000 | \$ - | \$ 144,008,000 | \$ 20,000,000 |
| | 7 | 2023-2024 | 2023 | \$ - | \$ 392,000 | \$ 133,535,000 | \$ - | \$ 133,927,000 | \$ 20,000,000 |
| | 8 | 2024-2025 | 2024 | \$ - | \$ 376,000 | \$ 124,176,000 | \$ - | \$ 124,552,000 | \$ 20,000,000 |
| | 9 | 2025-2026 | 2025 | \$ - | \$ 361,000 | \$ 115,472,000 | \$ - | \$ 115,833,000 | \$ 20,000,000 |
| Continue to maintain viable presence | 10 | 2026-2027 | 2026 | \$ - | \$ 347,000 | \$ 107,378,000 | \$ - | \$ 107,725,000 | \$ 20,000,000 |
| | 11 | 2027-2028 | 2027 | \$ - | \$ 333,000 | \$ 99,851,000 | \$ - | \$ 100,184,000 | \$ 100,184,000 |
| | 12 | 2028-2029 | 2028 | \$ - | \$ 320,000 | \$ 95,857,000 | \$ - | \$ 96,177,000 | \$ 96,177,000 |
| | 13 | 2029-2030 | 2029 | \$ - | \$ 307,000 | \$ 92,023,000 | \$ - | \$ 92,330,000 | \$ 92,330,000 |
| | 14 | 2030-2031 | 2030 | \$ - | \$ 295,000 | \$ 88,342,000 | \$ - | \$ 88,637,000 | \$ 88,637,000 |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 15 | 2031-2032 | 2031 | \$ - | \$ 283,000 | \$ 84,809,000 | \$ - | \$ 85,092,000 | \$ 85,092,000 |
| | 16 | 2032-2033 | 2032 | \$ - | \$ 272,000 | \$ 81,416,000 | \$ - | \$ 81,688,000 | \$ 81,688,000 |
| | 17 | 2033-2034 | 2033 | \$ - | \$ 261,000 | \$ 78,159,000 | \$ - | \$ 78,420,000 | \$ 78,420,000 |
| | 18 | 2034-2035 | 2034 | \$ - | \$ 251,000 | \$ 75,032,000 | \$ - | \$ 75,283,000 | \$ 75,283,000 |
| | 19 | 2035-2036 | 2035 | \$ - | \$ 241,000 | \$ 72,031,000 | \$ - | \$ 72,272,000 | \$ 72,272,000 |
| | 20 | 2036-2037 | 2036 | \$ - | \$ 231,000 | \$ 69,150,000 | \$ - | \$ 69,381,000 | \$ 69,381,000 |
| | 21 | 2037-2038 | 2037 | \$ - | \$ 222,000 | \$ 66,384,000 | \$ - | \$ 66,606,000 | \$ 66,606,000 |
| | 22 | 2038-2039 | 2038 | \$ - | \$ 213,000 | \$ 63,729,000 | \$ - | \$ 63,942,000 | \$ 63,942,000 |
| | 23 | 2039-2040 | 2039 | \$ - | \$ 204,000 | \$ 61,180,000 | \$ - | \$ 61,384,000 | \$ 61,384,000 |
| 24 | 2040-2041 | 2040 | \$ - | \$ 196,000 | \$ 58,733,000 | \$ - | \$ 58,929,000 | \$ 58,929,000 | |
| 25 | 2041-2042 | 2041 | \$ - | \$ 188,000 | \$ 56,384,000 | \$ - | \$ 56,572,000 | \$ 56,572,000 | |

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

Schedule C: Employment Information

Date 5/8/2015
 Applicant Name WildRoseWind LLC
 ISD Name Tulia ISD

Form 50-296A

Revised May 2014

| | Year | School Year (YYYY-YYYY) | Tax Year (Actual tax year) YYYY | Construction | | Non-Qualifying Jobs | Qualifying Jobs | |
|---|---------------------|----------------------------|---------------------------------------|---|---|---|--|---|
| | | | | Column A Number of Construction FTE's or man-hours (specify) | Column B Average annual wage rates for construction workers | Column C Number of non-qualifying jobs applicant estimates it will create (cumulative) | Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative) | Column E Average annual wage of new qualifying jobs |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | 0 | 2015-2016 | 2015 | 0 | N/A | 0 | 0 | N/A |
| | 0 | 2016-2017 | 2016 | 200 | \$ 65,000 | 0 | 0 | N/A |
| Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i> | 1 | 2017-2018 | 2017 | 25 | \$ 65,000 | 0 | 3 | \$ 42,000 |
| | 2 | 2018-2019 | 2018 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 3 | 2019-2020 | 2019 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 4 | 2020-2021 | 2020 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 5 | 2021-2022 | 2021 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 6 | 2022-2023 | 2022 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 7 | 2023-2024 | 2023 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 8 | 2024-2025 | 2024 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 9 | 2025-2026 | 2025 | 0 | N/A | 0 | 3 | \$ 42,000 |
| | 10 | 2026-2027 | 2026 | 0 | N/A | 0 | 3 | \$ 42,000 |
| Years Following Value Limitation Period | 11 through 25 | 2029-2043 | 2028-2042 | 0 | N/A | 0 | 3 | \$ 42,000 |

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)

Date 5/8/2015
 Applicant Name WildRoseWind LLC
 ISD Name Tulia 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: SWISHER | 2018 | 10 years (2018-2027) | \$ 1,106,000 | \$ 837,360 | \$ 268,640 |
| | City: N/A | | | | | |
| | Other: SWISHER MEMORIAL HOSPITAL DISTRICT | 2018 | 10 years (2018-2027) | \$ 486,000 | \$ 371,828 | \$ 114,172 |
| Local Government Code Chapters 380/381 | County: | | | | | |
| | City: | | | | | |
| | Other: | | | | | |
| Freeport Exemptions | | | | | | |
| Non-Annexation Agreements | | | | | | |
| Enterprise Zone/Project | | | | | | |
| Economic Development Corporation | | | | | | |
| Texas Enterprise Fund | | | | | | |
| Employee Recruitment | | | | | | |
| Skills Development Fund | | | | | | |
| Training Facility Space and Equipment | | | | | | |
| Infrastructure Incentives | | | | | | |
| Permitting Assistance | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| TOTAL | | | | \$ 1,592,000 | \$ 1,209,188 | \$ 382,812 |

Additional information on incentives for this project:

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 15

Economic Impact Analysis

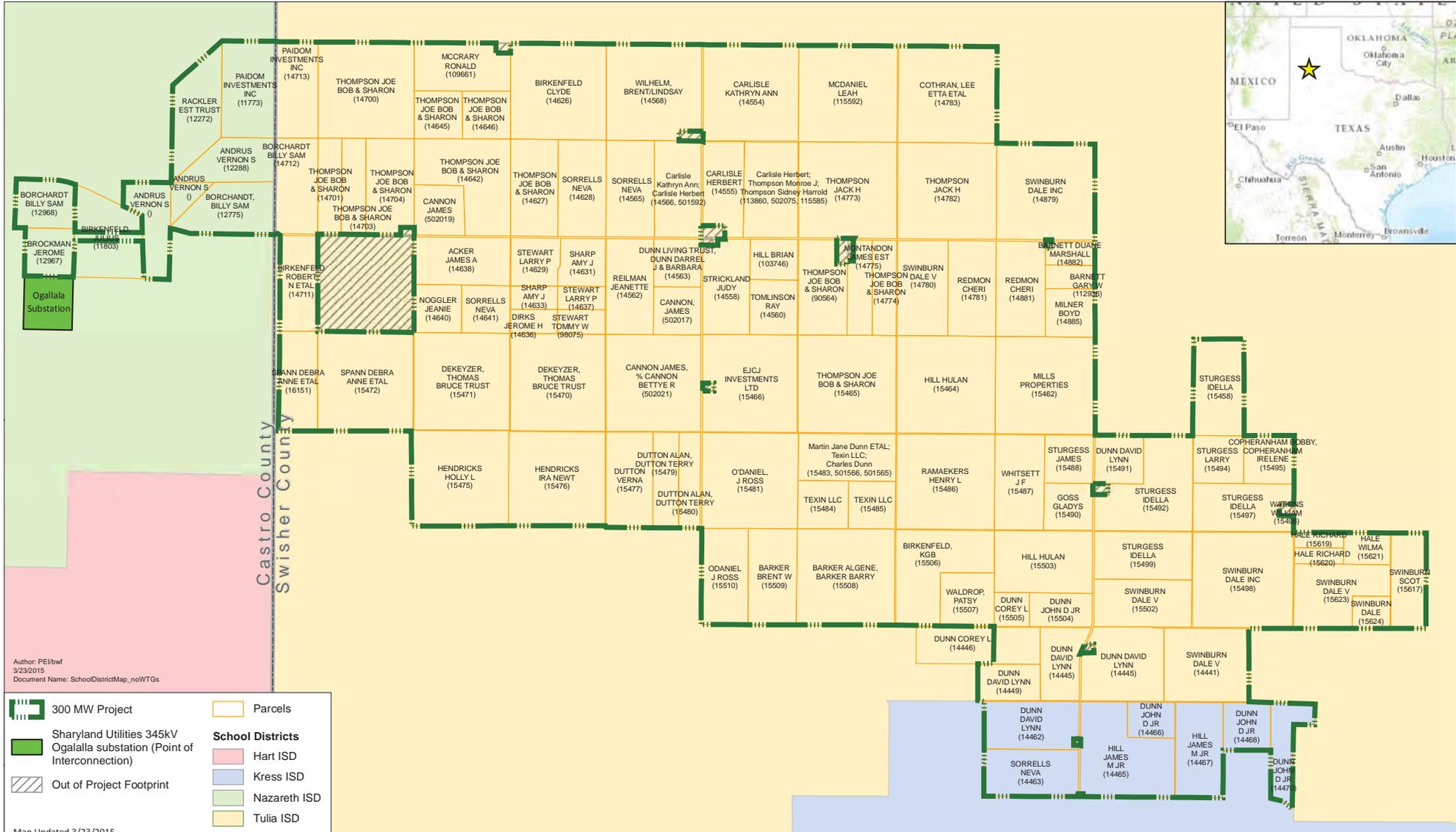
See Attached – Pending

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 16

Map and Description of Reinvestment Zone

See Attached



Author: PEI/bw
3/23/2015
Document Name: SchoolDistrictMap_noWTGs

- 300 MW Project
- Sharyland Utilities 345kV Ogallala substation (Point of Interconnection)
- Out of Project Footprint
- Parcels
- School Districts**
- Hart ISD
- Kress ISD
- Nazareth ISD
- Tulia ISD

Map Updated 3/23/2015

Swisher - Tax Abatement Map



EXELON WIND, LLC
SWISHER WIND PROJECT - 300 MW
SWISHER AND CASTRO COUNTIES, TX



**RESOLUTION OF THE COMMISSIONERS COURT
OF SWISHER COUNTY, TEXAS
DESIGNATING REINVESTMENT ZONE NUMBER #2**

A RESOLUTION DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR A COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN SWISHER COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of Swisher County, Texas desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Tax Code § 312.001, *et seq.*), and the Guidelines and Criteria of the Commissioners Court of Swisher County for Granting a Tax Abatement in Reinvestment Zone Created in Swisher County, Texas (the "Guidelines"); and

WHEREAS, on this date, a hearing before the Commissioners Court of Swisher County, Texas was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in the local newspaper of general circulation in Swisher County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Commissioners Court of Swisher County, Texas at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF SWISHER COUNTY, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Commissioners Court of Swisher County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the Swisher County

Reinvestment Zone #2 has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and

- (b) That the boundaries of the Swisher Reinvestment Zone #2 should be the area described in the legal description and corresponding map attached hereto as Exhibit "A", which is incorporated herein by reference for all purposes; and,
- (c) That creation of the Swisher Reinvestment Zone #2 will result in benefits to Swisher County, Texas and to land included in the reinvestment zone and that the improvements sought are feasible and practical; and
- (d) The Swisher Reinvestment Zone #2 meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of Swisher County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Swisher County, Texas.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, Swisher County Commissioner's Court hereby creates Swisher Reinvestment Zone #2; a reinvestment zone for commercial-industrial tax abatement encompassing only the area described on and as shown on the map in "Exhibit A", and such reinvestment zone is hereby designated and shall hereafter be referred to as Swisher Reinvestment Zone #2.

SECTION 4. That Swisher Reinvestment Zone #2 shall take effect on the date of this Resolution and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

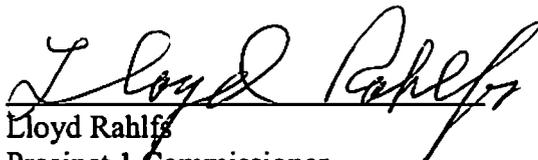
SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the Swisher

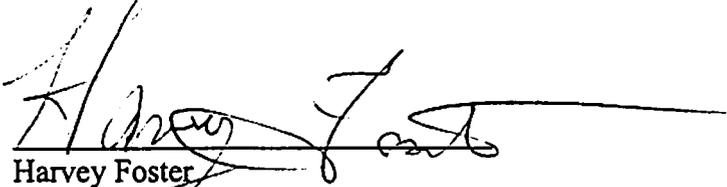
County Commissioners Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this the 27th day of April, 2015.


Harold Keeter, County Judge


Lloyd Rahlfs
Precinct 1 Commissioner


Joe Bob Thompson
Precinct 2 Commissioner


Harvey Foster
Precinct 3 Commissioner


Larry Buske
Precinct 4 Commissioner

Attest:


C. J. Chasco, Swisher County Clerk

EXHIBIT A
LEGAL DESCRIPTION AND MAP OF
SWISHER COUNTY
REINVESTMENT ZONE
NUMBER #2

| Swisher CAD Parcel ID | Owner Name | Legal Description |
|-----------------------|--|---|
| 14441 | SWINBURN DALE V | BLK K-2 SEC 3 W/PT 440 ACRES |
| 14445 | DUNN DAVID LYNN | BLK K-2 SEC 4 638.05 ACRES |
| 14446 | DUNN COREY L | BLK K-2 SEC 5 N/2 320 ACRES |
| 14449 | DUNN DAVID LYNN | BLK K-2 SEC 5 SE/4 160 ACRES |
| 14462 | DUNN DAVID LYNN | BLK K-2 SEC 13 N/2 318.75 ACRES |
| 14463 | SORRELLS NEVA | BLK K-2 SEC 13 S/2 318.94 ACRES |
| 14465 | HILL JAMES M JR | BLK K-2 SEC 14 S & W PT 520 ACRES |
| 14466 | DUNN JOHN D JR | BLK K-2 SEC 14 NE/PT 120 ACRES |
| 14467 | HILL JAMES M JR | BLK K-2 SEC 15 W/2 320 ACRES |
| 14468 | DUNN JOHN D JR | BLK K-2 SEC 15 NE/4 160 ACRES |
| 14470 | DUNN JOHN D JR | BLK K-2 SEC 16 N/PT 176.5 ACRES |
| 14554 | CARLISLE KATHRYN ANN | BLK M-6 SEC 18 650 ACRES |
| 14555 | CARLISLE HERBERT | BLK M-6 SEC 19 PT OF W/2 297.55 ACRES |
| 14558 | STRICKLAND JUDY | BLK M-6 SEC 20 W/2 309.63 ACRES |
| 14560 | TOMLINSON RAY | BLK M-6 SEC 20 S/PT OF E/2 193.75 ACRES |
| 14562 | REILMAN JEANETTE | BLK M-6 SEC 21 W/2 316.97 ACRES |
| 14563 | DUNN LIVING TRUST, DUNN DARREL J & BARBARA | BLK M-6 SEC 21 NE/4 160 ACRES |
| 14565 | SORRELLS NEVA | BLK M-6 SEC 22 W/2 310.7 ACRES |
| 14566 | CARLISLE KATHRYN ANN | BLK M-6 SEC 22 E/2 322.3 ACRES 50% UNDIVIDED INTEREST |
| 14568 | WILHELM, BRENT/LINDSAY | BLK M-6 SEC 23 600.12 ACRES |
| 14626 | BIRKENFELD CLYDE | BLK M-6 SEC 58 645.5 ACRES |
| 14627 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 59 W/2 320 ACRES |
| 14628 | SORRELLS NEVA | BLK M-6 SEC 59 E/2 317 ACRES |
| 14629 | STEWART LARRY P | BLK M-6 SEC 60 NW/4 163 ACRES |
| 14631 | SHARP AMY J | BLK M-6 SEC 60 NE/4 160 ACRES |
| 14633 | SHARP AMY J | BLK M-6 SEC 60 N/2 OF SW/4 78.8 ACRES |
| 14636 | DIRKS JEROME H | BLK M-6 SEC 60 S/2 OF SW/4 78.80 ACRES |
| 14637 | STEWART LARRY P | BLK M-6 SEC 60 N/2 OF SE/4 79 ACRES |
| 14638 | ACKER JAMES A | BLK M-6 SEC 61 N/2 313.9 ACRES |
| 14640 | NOGGLER JEANIE | BLK M-6 SEC 61 SW/4 160 ACRES |
| 14641 | SORRELLS NEVA | BLK M-6 SEC 61 SE/4 160 ACRES |
| 14642 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 62 E/2 & N/145.37 AC OF W/2 467.9 ACRES |
| 14645 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 63 SW/4 160 ACRES |
| 14646 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 63 SE/4 160 ACRES |
| 14700 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 98 647 ACRES |
| 14701 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 99 W/4 158.5 ACRES |
| 14703 | THOMPSON JOE BOB & SHARON | K M-6 SEC 99 E/2 OF W/2 158.5 ACRES |
| 14704 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 99 E/2 297 ACRES |
| 14711 | BIRKENFELD KGB | BLK M-6 SEC 101 E/SIDE 248.9 ACRES |

| | | |
|-------|---|---|
| 14712 | BORCHARDT BILLY SAM | BLK M-6 SEC 102 294.35 ACRES |
| 14713 | PAIDOM INVESTMENTS INC | BLK M-6 SEC 103 E/2 293 ACRES |
| 14773 | THOMPSON JACK H | BLK M-8 SEC 24 632.1 ACRES |
| 14774 | THOMPSON JOE BOB & SHARON | BLK M-8 SEC 25 E/2 OF E/2 164.26 ACRES |
| 14775 | MONTANDON JAMES EST | BLK M-8 SEC 25 W/2 OF E/2 151.5 ACRES |
| 14780 | SWINBURN DALE V | BLK M-8 SEC 26 W/2 315.18 |
| 14781 | REDMON CHERI | BLK M-8 SEC 26 E/2 315.17 ACRES |
| 14782 | THOMPSON JACK H | BLK M-8 SEC 27 640 ACRES |
| 14783 | COTHRAN, LEE ETTA ETAL | BLK M-8 SEC 28 667.87 ACRES |
| 14879 | SWINBURN DALE INC | BLK M-8 SEC 74 661.8 ACRES |
| 14881 | REDMON CHERI | BLK M-8 SEC 75 W/2 316.40 ACRES |
| 14882 | BARNETT DUANE MARSHALL | BLK M-8 SEC 75 N/2 NE/4 76.34 ACRES |
| 14885 | MILNER BOYD | BLK M-8 SEC 75 SE/4 162.92 ACRES |
| 15458 | STURGESS IDELLA | BLK M-11 SEC 1 W/2 320 ACRES |
| 15462 | MILLS PROPERTIES | BLK M-11 SEC 3 670 ACRES |
| 15464 | HILL HULAN | BLK M-11 SEC 4 640 ACRES |
| 15465 | THOMPSON JOE BOB & SHARON | BLK M-11 SEC 5 670.9 ACRES |
| 15466 | EICJ INVESTMENTS LTD | BLK M-11 SEC 6 ENTIRE SEC LESS 6.25 AC HOMESITE 646.25 ACRES |
| 15470 | DEKEYZER, THOMAS BRUCE TRUST | BLK M-11 SEC 8 647.7 ACRES |
| 15471 | DEKEYZER, THOMAS BRUCE TRUST | BLK M-11 SEC 9 659 ACRES |
| 15472 | SPANN DEBRA ANNE ETAL | BLK M-11 SEC 10 636.7 ACRES |
| 15475 | HENDRICKS HOLLY L | BLK M-11 SEC 12 640 ACRES |
| 15476 | HENDRICKS IRA NEWT | BLK M-11 SEC 13 640 ACRES |
| 15477 | DUTTON VERNA | BLK M-11 SEC 14 W/2 320 ACRES |
| 15479 | DUTTON ALAN, DUTTON TERRY | BLK M-11 SEC 14 W/2 OF E/2 160 ACRES |
| 15480 | DUTTON ALAN, DUTTON TERRY | BLK M-11 SEC 14 E/2 OF E/2 160 ACRES |
| 15481 | O'DANIEL, J ROSS | BLK M-11 SEC 15 640 ACRES |
| 15483 | MARTIN JANE DUNN ETAL | BLK M-11 SEC 16 N/2 330 ACRES 50% UNDIVIDED INTEREST |
| 15484 | TEXIN LLC | BLK M-11 SEC 16 SW/4 165 ACRES |
| 15485 | TEXIN LLC | BLK M-11 SEC 16 SE/4 165 ACRES |
| 15486 | RAMAEKERS HENRY L | BLK M-11 SEC 17 663.20 ACRES |
| 15487 | WHITSETT J F | BLK M-11 SEC 18 W/2 320 ACRES |
| 15488 | STURGESS JAMES | BLK M-11 SEC 18 NE/4 166.2 ACRES |
| 15490 | GOSS GLADYS | BLK M-11 SEC 18 SE/4 165 ACRES |
| 15491 | DUNN DAVID LYNN | BLK M-11 SEC 19 NW/4 160 ACRES |
| 15492 | STURGESS IDELLA | BLK M-11 SEC 19 NE/4 & S/2 470 ACRES |
| 15494 | STURGESS LARRY | BLK M-11 SEC 20 NW/4 160 ACRES |
| 15495 | COPHERANHAM BOBBY, COPHERANHAM IRELENE | BLK M-11 SEC 20 NE/4 160 ACRES |
| 15497 | STURGESS IDELLA | BLK M-11 SEC 20 S/2 313.51 ACRES |
| 15498 | SWINBURN DALE INC | BLK M-11 SEC 21 681.4 ACRES |
| 15499 | STURGESS IDELLA | BLK M-11 SEC 22 N/2 320 ACRES |
| 15502 | SWINBURN DALE V | BLK M-11 SEC 22 S/2 320 ACRES |
| 15503 | HILL HULAN | BLK M-11 SEC 23 406 ACRES |
| 15504 | DUNN JOHN D JR | BLK M-11 SEC 23 S/PT 150 ACRES |
| 15505 | DUNN COREY L | BLK M-11 SEC 23 S/PT 84 ACRES |
| 15506 | BIRKENFELD, KGB | BLK M-11 SEC 24 N/2 & SW/PT 440 ACRES |
| 15507 | WALDROP, PATSY | BLK M-11 SEC 24 SE/PT 200 ACRES |
| 15508 | BARKER BRENT W, BARKER BEVERLY | BLK M-11 SEC 25 663.5 ACRES |
| 15509 | BARKER BRENT W, BARKER BEVERLY | BLK M-11 SEC 26 E/2 324.1 ACRES |
| 15510 | O'DANIEL, J ROSS | BLK M-11 SEC 26 W/2 310.91 ACRES |

| | | |
|--------|---------------------------|---|
| 15617 | SWINBURN SCOT | BLK M-13 SEC 9 W/PT 240 ACRES |
| 15619 | HALE RICHARD | BLK M-13 SEC 10 OUT OF NW/PT 54.95 ACRES |
| 15620 | HALE RICHARD | BLK M-13 SEC 10 NW/PT 54.95 ACRES |
| 15621 | HALE WILMA | BLK M-13 SEC 10 N/PT 102.18 ACRES |
| 15623 | SWINBURN DALE V | BLK M-13 SEC 10 MID/PT & SW/PT 343.45 ACRES |
| 15624 | SWINBURN DALE | BLK M-13 SEC 10 OUT OF SE/4 3.22 ACRE HOMESITE |
| 16151 | SPANN DEBRA ANNE ETAL | BLK OD SEC 1 265 ACRES |
| 90564 | THOMPSON JOE BOB & SHARON | BLK M-8 SEC 25 W/2 318.89 ACRES |
| 98075 | STEWART TOMMY W | BLK M-6 SEC 60 S/2 OF SE/4 79 ACRES |
| 103746 | HILL BRIAN | BLK M-6 SEC 20 N/PT OF E/2 126.05 ACRES |
| 109661 | MCCRARY RONALD | BLK M-6 SEC 63 N/2 320 ACRES |
| 112936 | BARNETT GARY W | BLK M-8 SEC 75 S/2 NE/4 76.30 ACRES |
| 113860 | CARLISLE HERBERT | BLK M-6 SEC 19 E/2 320 ACRES 50% UNDIVIDED INTEREST |
| 115585 | THOMPSON SIDNEY HARROLD | BLK M-6 SEC 19 E/2 320 ACRES 25% UNDIVIDED INTEREST |
| 115592 | MCDANIEL LEAH C | BLK M-8 SEC 23 667.4 ACRES |
| 501565 | DUNN, CHARLES | BLK M-11 SEC 16 N/2 330 ACRES 10% UNDIVIDED INTEREST |
| 501566 | TEXIN LLC | BLK M-11 SEC 16 N/2 330 ACRES 40% UNDIVIDED INTEREST |
| 501592 | CARLISLE HERBERT | BLK M-6 SEC 22 E/2 322.3 ACRES 50% UNDIVIDED INTEREST |
| 502017 | COYLE LAUREN ANN JOBE | BLK M-6 SEC 21 SE/4 160 ACRES |
| 502019 | COYLE LAUREN ANN JOBE | BLK M-6 SEC 62 OUT OF W/2 176 ACRES |
| 502021 | COYLE LAUREN ANN JOBE | BLK M-11 SEC 7 650.3 ACRES |
| 502075 | THOMPSON MONROE J | BLK M-6 SEC 19 E/2 320 ACRES 25% UNDIVIDED INTEREST |

EXHIBIT A (CONTINUED)

**MAP OF
SWISHER COUNTY
REINVESTMENT ZONE
NUMBER #2.**

SEE ATTACHED MAP

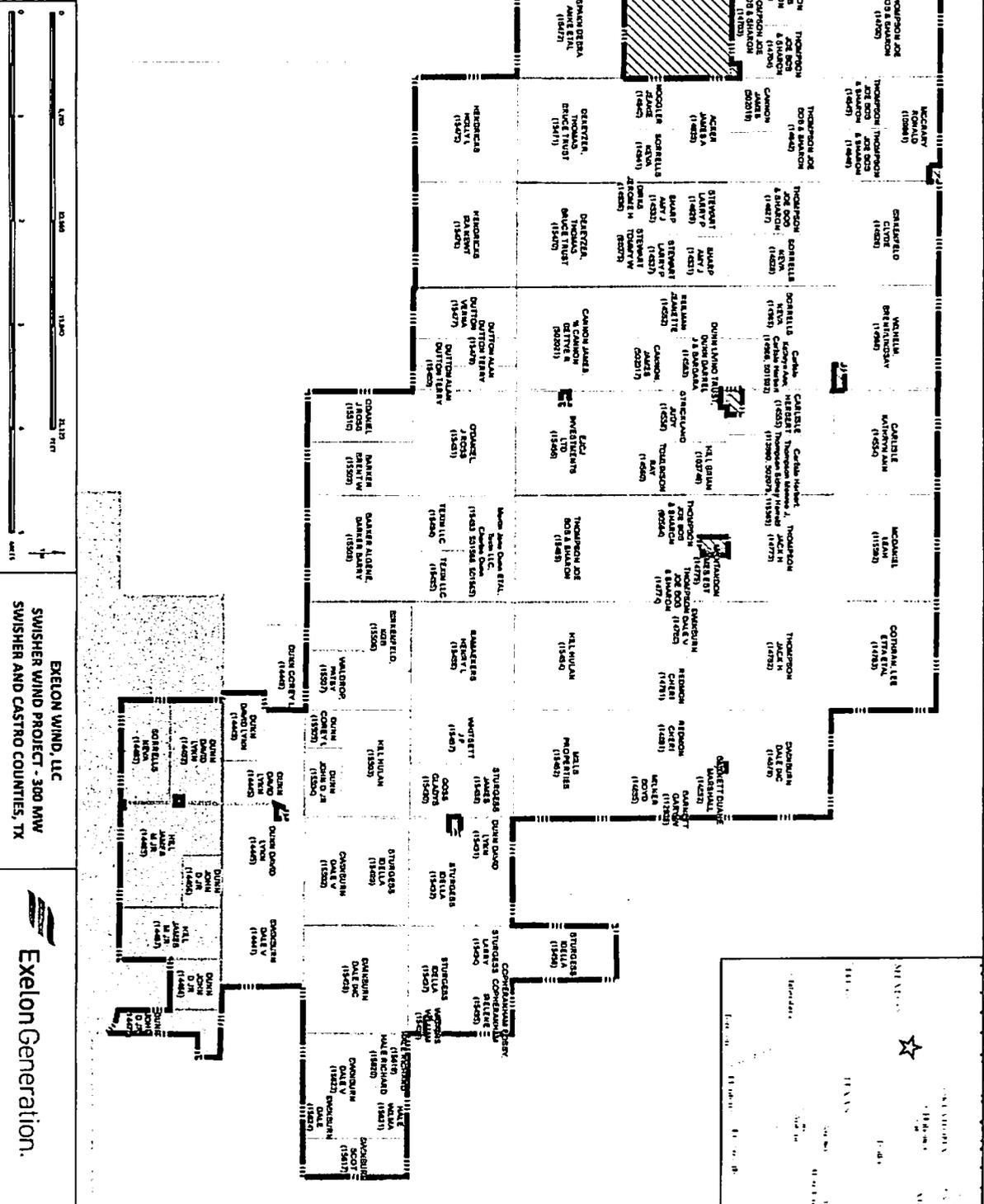
Swisher - Tax Abatement Map

Map Updated 3/23/2015

300 MW Project

- Sharyland Utilities 345KV Openline substation (Point of Interconnection)
- School Districts: Hart ISD, Kress ISD, Nazareth ISD
- Out of Project Footprint: Taddo ISD

Castro County Swisher County



EXELON WIND, LLC
SWISHER WIND PROJECT - 300 MW
SWISHER AND CASTRO COUNTIES, TX



RESOLUTION NUMBER 6-1

RESOLUTION RATIFYING AND EXTENDING SWISHER COUNTY'S TAX ABATEMENT GUIDELINES AND CRITERIA:

Whereas, on April 22, 2013, Swisher County Commissioner's Court adopted Swisher County's Tax Abatement Guidelines and Criteria as authorized by Chapter 312 of the Texas Tax Code allowing Swisher County to participate in tax abatement; and

Whereas, on April 27th, 2015 the Swisher County Commissioner's Court passed and approved a Resolution designating reinvestment Zone #2 in Swisher County pursuant to the County's previously adopted tax abatement guidelines and criteria; and

Whereas, on the 11th day of May, 2015, the Swisher County Commissioner's Court passed and approved a Tax Abatement Agreement by and between Swisher County, Texas and WildRose Wind, LLC pursuant to the previously adopted and approved tax abatement guidelines and criteria; and

Whereas, on the 26th day of May, 2015 the Swisher County Commissioner's Court passed and approved a Resolution designating reinvestment Zone #3 in Swisher County pursuant to the previously adopted tax abatement guidelines and criteria; and

Whereas, on the 26th day of May, 2015, the Swisher County Commissioner's Court passed and approved a Tax Abatement Agreement by and between Swisher County, Texas and Pacific Wind Development LLC pursuant to the County's previously adopted and approved tax abatement guidelines and criteria; and

Whereas, the Swisher County Commissioner's Court desires to ratify, renew and extend Swisher County's Tax Abatement Guidelines and Criteria for a period of two (2) years and ratify all action taken by the Commissioner's Court pursuant to the County's previously adopted and approved tax abatement guidelines and criteria.

Therefore, be it resolved that Commissioner's Court on a motion by Lloyd Rahlfs and a second by Joe Bob Thompson moves to ratify, renew and extend Swisher County's Tax Abatement Guidelines and Criteria for a period of two (2) years and ratify all action taken by the Commissioner's Court pursuant to the County's previously adopted and approved tax abatement guidelines and criteria.

PASSED and APPROVED on the 8th day of June, 2015.

SWISHER COUNTY COMMISSIONERS COURT

Harold Keeter

Harold Keeter,
County Judge

Lloyd Rahlfs

Lloyd Rahlfs,
Precinct 1 Commissioner

Joe Bob Thompson

Joe Bob Thompson,
Precinct 2 Commissioner

Harvey Foster

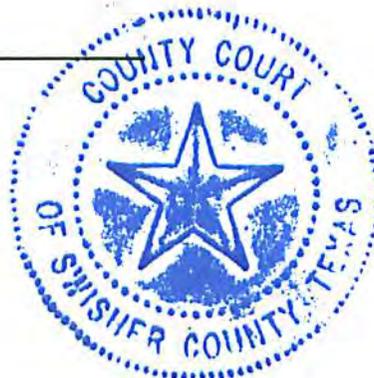
Harvey Foster,
Precinct 3 Commissioner

Larry Buske

Larry Buske
Precinct 4 Commissioner

CJ Chasco

C J Chasco
Swisher County Clerk



STATE OF TEXAS

SWISHER COUNTY

TAX ABATEMENT GUIDELINES AND CRITERIA

Swisher County (the "County") is committed to the promotion of quality development in all parts of Swisher County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider providing Tax Abatements (as defined below) to stimulate economic development. It is the policy of the County that such an incentive will be provided in accord with the guidelines and criteria outlined in this document. All applicants for Tax Abatements shall be considered on an individual basis.

In order to be eligible for designation as a Reinvestment Zone and receive Tax Abatement, the planned improvement:

1. must be an Eligible Facility (as defined below);
2. must add at least Five Hundred Thousand Dollars (\$500,000.00) to the tax roll of eligible property;
3. must be reasonably expected to have an increase in positive net economic benefit to Swisher County of at least One Million Dollars (\$1,000,000.00) over the life of the Abatement, computed to include (but not limited to) new sustaining payroll and/or capital improvement; and
4. must not be expected to solely or primarily have the effect of transferring employment from one part of Swisher County to another.

In addition to the criteria set forth above, the Swisher County Commissioners Court (the "Commissioners Court") reserves the right to negotiate a Tax Abatement Agreement in order to compete favorably with other communities.

Only that increase in the fair market value of the property that is a direct result of the development, redevelopment, and improvement specified in the Agreement will be eligible for Abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the applicant located within the jurisdiction creating the reinvestment zone.

All Tax Abatement Agreements will be no longer than allowed by law.

It is the goal of the County to grant Tax Abatements on the same terms and conditions as the other taxing units having jurisdiction of the property. However, nothing herein shall limit the discretion of the Commissioners Court to consider, adopt, modify or decline any Tax Abatement request.

This policy is effective as of the 8th day of June, 2015, shall at all

times be kept current with regard to the needs of Swisher County and reflective of the official views of the Commissioners Court, and shall be reviewed every two (2) years.

The adoption of these guidelines and criteria by the Commissioners Court does not:

1. limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
2. limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for Tax Abatement; or
3. create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for Tax Abatement.

SECTION I. DEFINITIONS

A. **"Abatement" or "Tax Abatement"** means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated for economic development purposes.

B. **"Agreement" or "Abatement Agreement"** means a contractual Agreement between a property owner and/or lessee and the County.

C. **"Base Year Value"** means the assessed value on the eligible property as of January 1 preceding the execution of the Agreement.

D. **"Deferred Maintenance"** means improvements necessary for continued operation which do not improve productivity or alter the process technology.

E. **"Eligible Facilities"** means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting the Abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Swisher County, but does not include facilities such as, but not limited to, restaurants and retail sales establishments which are intended to provide goods or services primarily to residents or existing businesses located in Swisher County. Eligible facilities may include, but shall not be limited to a(n):

- aquaculture/agriculture facility;
- distribution center facility;
- manufacturing facility;
- office building;
- regional entertainment/tourism facility;
- research service facility;

regional service facility;
historic building in a designated area;
wind energy facility; or
other basic industrial facility.

F. **"Expansion"** means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.

G. **"Facility"** means property improvement(s) completed or in the process of construction which together comprise an interregional whole.

H. **"Modernization"** means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment.

I. **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.

J. **"Productive Life"** means the number of years property improvement(s) is/are expected to be in service in a facility.

SECTION II. ABATEMENT AUTHORIZED

A. **Eligible Facilities.** Upon application, Eligible Facilities shall be considered for Tax Abatement as hereinafter provided.

B. **Creation of New Values.** Abatement may only be granted for the additional value of eligible property improvement(s) made subsequent to and specified in an Abatement Agreement between the County and the property owner or lessee, subject to such limitations as the County may require.

C. **New and Existing Facilities.** Abatement may be granted for the additional value of eligible property improvement(s) made subsequent to and specified in an Abatement Agreement between the County and the property owner or lessee, subject to such limitations as the County may require.

D. **Eligible Property.** Abatement may be extended to the value of new, expanded, or modernized buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility, and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.

E. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for Tax Abatement: land; animals; inventories, supplies; tools; furnishings; vehicles; vessels; aircraft; deferred maintenance investments; housing and property to be rented or leased, except as provided in Section II(F); property owned or used by the State of Texas.

F. Owned/Leased Facilities. If a leased facility is granted Abatement, the Agreement shall be executed with the lessor and the lessee. If the land is leased, but the facility constructed or installed thereon is owned by the lessee, the lessee shall execute the Agreement.

G. Economic Qualifications. In order to be eligible for designation as a reinvestment zone and receive Tax Abatement, the planned improvement:

- (1) must be an Eligible Facility;
- (2) must add at least Five Hundred Thousand Dollars (\$500,000.00) to the tax roll of eligible property;
- (3) must be reasonably expected to have an increase in positive net economic benefit to Swisher County of at least One Million Dollars (\$1,000,000.00) over the life of the Abatement, computed to include (but not limited to) new sustaining payroll and/or capital improvement. The creation of (number and type) of new jobs will also factor into the decision to grant an Abatement; and
- (4) must not be expected to solely or primarily have the effect of transferring employment from one part of Swisher County to another.

H. Standards for Tax Abatement. The following factors, among others, will be considered in determining whether to grant Tax Abatement:

- (1) value of existing improvements, if any;
- (2) type and value of proposed improvements;
- (3) productive life of proposed improvements;
- (4) number of existing jobs to be retained by proposed improvements;
- (5) number and type of new jobs to be created by proposed improvements;
- (6) amount of local payroll to be created;
- (7) whether the new jobs to be created will be filled by persons residing or projected to reside within the affected taxing jurisdiction;
- (8) amount by which property tax base valuation will be increased during the term of Abatement and after Abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than Five Hundred Thousand Dollars (\$500,000.00);
- (9) expenses to be incurred in providing facilities directly resulting from the

new improvements;

(10) the amount of ad valorem taxes to be paid to the County during the Abatement period considering (a) the existing values, (b) the percentage of new value abated, (c) the Abatement period, and (d) the value after expiration of the Abatement period;

(11) the population growth of Swisher County that occurs directly as a result of new improvements;

(12) the types and values of public improvements, if any, to be made by applicant seeking Abatement;

(13) whether the proposed improvements compete with existing businesses to the detriment of the local economy;

(14) the impact on the business opportunities of existing business;

(15) the attraction of other new businesses to the area;

(16) the overall compatibility with the zoning ordinances and comprehensive plan for the area; and

(17) whether the project obtains all necessary permits from the applicable environmental agencies.

Each Eligible Facility shall be reviewed on its merits utilizing the factors provided above. After such review, Abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

I. Denial of Abatement. An Abatement Agreement shall not be authorized if it is determined that:

(1) there would be substantial adverse effect on the provision of government services or tax base;

(2) the applicant has insufficient financial capacity;

(3) violation of other codes or laws; or

(4) any other reason deemed appropriate by the County.

J. Taxability. From the execution of the Abatement to the end of the Agreement period, taxes shall be payable as follows:

(1) the value of ineligible property as provided in Section II(E) shall be fully

taxable;

(2) the base year value of existing eligible property as determined each year shall be fully taxable; and

(3) the additional value of new eligible property shall be fully taxable at the end of the Abatement period.

SECTION III. APPLICATION

A. Any present or potential owner of taxable property in the County may request Tax Abatement by filing a written application with the Commissioners Court.

B. The application shall consist of a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an Abatement is requested; a list of the kind, number and location of all proposed improvements of a property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The Commissioners Court may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant, to be attached to the application. The completed application must be accompanied by the payment of a non-refundable application fee for administrative costs and legal fees associated with the processing of the Tax Abatement request. All checks in payment of the administrative fee shall be made payable to the County. The fee for Abatement requests shall be One Thousand and No/100 Dollars (\$1,000.00).

C. The County shall give notice as provided by the Property Tax Code, including written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the Agreement is located, not later than seven (7) days before acting upon the application.

D. The application process described in Section III(A) hereof shall be followed regardless of whether a particular reinvestment zone is created by Swisher County or a taxing entity within Swisher County. No other notice or hearing shall be required except compliance with the open meetings act, unless the Commissioners Court deem them necessary in a particular case.

SECTION IV. AGREEMENT

A. After approval, the Commissioners Court shall formally pass a resolution and execute an Agreement with the owner of the facility and lessee as required which shall:

(1) include a list of the kind, number and location of all proposed improvements to the property;

- (2) provide access to and authorize inspection of the property by the taxing unit to insure compliance with the Agreement;
- (3) limit the use of the property consistent with the taxing unit's development goals;
- (4) provide for recapturing property tax revenues that are lost if the owner fails to make improvements as provided by the Agreement;
- (5) include each term that was agreed upon with the property owner and require the owner to annually certify compliance with the terms of the Agreement to each taxing unit; and
- (6) allow the taxing unit to cancel or modify the Agreement at any time if the property owner fails to comply with the terms of the Agreement.

SECTION V. RECAPTURE

A. In the event that the applicant or its assignee (1) allows its ad valorem taxes owed to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or content; or (2) violates any of the terms and conditions of the Abatement Agreement and fails to cure during the cure period, the Agreement then may be terminated and all taxes previously abated by virtue of the Agreement will be recaptured and paid within thirty (30) days of the termination.

B. Should the County determine that the applicant or its assignee is in default according to the terms and conditions of its Agreement, the County shall notify the company or individual in writing at the address stated in the Agreement, and if such is not cured within the time set forth in such notice (the "Cure Period"), then the Agreement may be terminated.

SECTION VI. ADMINISTRATION

A. The Chief Appraiser of the Swisher County Appraisal District will annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving Abatement shall furnish the appraiser with such information as may be necessary for the Abatement. Once value has been established, the Chief Appraiser will notify the Commissioners Court of the amount of the assessment.

B. The County may execute a contract with any other jurisdiction(s) to inspect the facility to determine if the terms and conditions of the Abatement Agreement are being met. The Abatement Agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the Abatement to inspect the facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation

of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

C. Upon completion of construction, a designated representative of the County shall annually evaluate each facility receiving Abatement to insure compliance with the Agreement and shall formally report such evaluations to the Commissioners Court.

SECTION VII. ASSIGNMENT

The Abatement Agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility either upon the approval by resolution of the Commissioners Court, or in accordance with the terms of an existing Tax Abatement Agreement. No assignment or transfer shall be approved if the parties to the existing Agreement, the new owner, or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably delayed or withheld. Notice shall be given to the Commissioners Court at least twenty (20) days in advance of any transfer or assignment.

SECTION VIII. SUNSET PROVISION

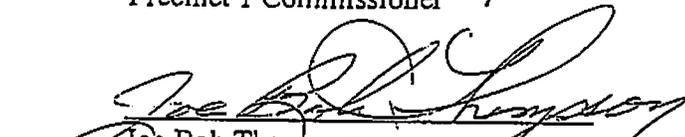
These guidelines and criteria are effective upon the date of their adoption, and shall supersede and replace any and all prior guidelines and criteria for Tax Abatement in the County. These guidelines and criteria shall remain in force for two (2) years, unless amended by three-quarters vote of the Commissioners Court, at which time all reinvestment zones and Tax Abatement Agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on such review, the guidelines and criteria will be modified, renewed or eliminated; provided, however, that no modification or elimination of the Guidelines and Criteria shall affect Tax Abatement Agreements that have been previously approved until the parties thereto shall agree to amend such Agreements.

Remainder of Page Intentionally Left Blank

Adopted on this the 22nd day of April, 2013.

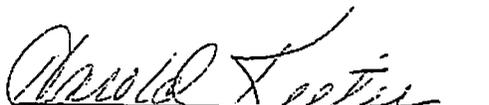
Swisher County Commissioners Court


Lloyd Rahlfs
Precinct 1 Commissioner


Joe Bob Thompson
Precinct 2 Commissioner


Harvey Foster
Precinct 3 Commissioner


Tim Reed
Precinct 4 Commissioner


Harold Keeter
Swisher County Judge

WildRoseWind LLC
Swisher Wind Project
Tulia ISD Limitation of Value Application

Tab 17

Signature and Certification Page

See Attached.

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here → STEVE POST
Print Name (Authorized School District Representative)

SUPERINTENDENT
Title

sign here → [Signature]
Signature (Authorized School District Representative)

5-21-15
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 → JENNIFER DEFENBAUGH
Print Name (Authorized Company Representative (Applicant))

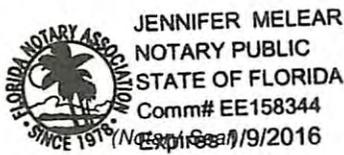
Vice-President
Title

sign here → [Signature]
Signature (Authorized Company Representative (Applicant))

5-18-15
Date

GIVEN under my hand and seal of office this, the

18 day of May, 2015



Jennifer Melear
Notary Public in and for the State of ~~Texas~~ Florida
My Commission expires: 11/9/2016

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



Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here

STEVE POST

Print Name (Authorized School District Representative)

SUPERINTENDENT

Title

sign here

[Handwritten Signature]

Signature (Authorized School District Representative)

6-24-15

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

Jennifer Defenbaugh

Print Name (Authorized Company Representative (Applicant))

Vice-President

Title

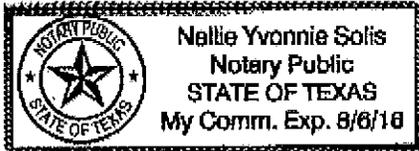
sign here

[Handwritten Signature]

Signature (Authorized Company Representative (Applicant))

June 23, 2015

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

23rd day of June 2015

[Handwritten Signature]

Notary Public in and for the State of Texas

My Commission expires: 8-6-16

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.



Franchise Tax Account Status

As of: 01/12/2016 02:33:44 PM

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

| WILDROSEWIND LLC | |
|--|---|
| Texas Taxpayer Number | 32033411334 |
| Mailing Address | 17830 COUNTY ROAD 4069 KEMP, TX 75143-2729 |
| Right to Transact Business in Texas | ACTIVE |
| State of Formation | TX |
| Effective SOS Registration Date | 07/25/2007 |
| Texas SOS File Number | 0800848610 |
| Registered Agent Name | JENNIFER DEFENBAUGH |
| Registered Office Street Address | 17830 COUNTY ROAD 4069 KEMP, TX 75143 |



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

October 8, 2015

Steve Post
Superintendent
Tulia Independent School District
702 NW 8th Street
Tulia, Texas 79088

Dear Superintendent Post:

On July 10, 2015, the Comptroller issued written notice that Wild Rose Wind, LLC (the applicant) submitted a completed application (Application #1072) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted on May 21, 2015, to the Tulia Independent School District (the school district) by the applicant.

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

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

Determination required by 313.025(h)

| | |
|-------------------|--|
| Sec. 313.024(a) | Applicant is subject to tax imposed by Chapter 171. |
| Sec. 313.024(b) | Applicant is proposing to use the property for an eligible project. |
| Sec. 313.024(d) | Applicant has requested a waiver to create three (3) 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 #1072 |

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

Certificate decision required by 313.025(d)

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

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).

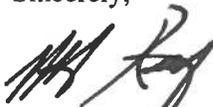
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-286) executed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

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

Note that any building or improvement existing as of the application review start date of July 10, 2015 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

This following tables summarizes the Comptroller’s economic impact analysis of Wild Rose Wind, LLC (the project) applying to Tulia 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 Wild Rose Wind, LLC.

| | |
|--|--|
| Applicant | Wild Rose Wind, LLC |
| Tax Code, 313.024 Eligibility Category | Renewable Energy Electric Power Generation |
| School District | Tulia ISD |
| 2011-12 Enrollment in School District | 1082 |
| County | Swisher |
| Proposed Total Investment in District | \$207,000,000 |
| Proposed Qualified Investment | \$207,000,000 |
| Limitation Amount | \$20,000,000 |
| Number of new qualifying jobs committed to by applicant | 3* |
| Number of new non-qualifying jobs estimated by applicant | 0 |
| Average weekly wage of qualifying jobs committed to by applicant | \$807 |
| Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(A) | \$771 |
| Minimum annual wage committed to by applicant for qualified jobs | \$42,000 |
| Minimum weekly wage required for non-qualifying jobs | \$589 |
| Minimum annual wage required for non-qualifying jobs | \$30,615 |
| Investment per Qualifying Job | \$69,000,000 |
| Estimated M&O levy without any limit (15 years) | \$23,064,953 |
| Estimated M&O levy with Limitation (15 years) | \$7,684,072 |
| Estimated gross M&O tax benefit (15 years) | \$15,380,881 |
| * Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1). | |

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Swisher 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 abatement with Swisher County and High Plains Water District.

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

| Year | Estimated Taxable Value for I&S | Estimated Taxable Value for M&O | Tulia ISD I&S Tax Levy | Tulia ISD M&O Tax Levy | Tulia ISD M&O and I&S Tax Levies | Swisher County Tax Levy | High Plains Water District Tax Levy | Estimated Total Property Taxes | |
|---|---------------------------------|---------------------------------|------------------------|------------------------|----------------------------------|-------------------------|-------------------------------------|--------------------------------|---------------------|
| | | | 0.0000 | 1.1600 | 0.0046 | 0.72 | 0.008026 | | |
| 2017 | \$ 207,000,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$760,104 | \$8,473 | \$1,000,577 | |
| 2018 | \$ 192,510,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$706,897 | \$7,880 | \$946,777 | |
| 2019 | \$ 179,034,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$657,413 | \$7,328 | \$896,741 | |
| 2020 | \$ 166,502,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$611,395 | \$6,815 | \$850,211 | |
| 2021 | \$ 154,847,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$568,598 | \$6,338 | \$806,936 | |
| 2022 | \$ 144,008,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$528,797 | \$5,895 | \$766,692 | |
| 2023 | \$ 133,927,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$491,780 | \$5,482 | \$729,262 | |
| 2024 | \$ 124,552,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$457,355 | \$5,098 | \$694,453 | |
| 2025 | \$ 115,833,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$425,339 | \$4,741 | \$662,080 | |
| 2026 | \$ 107,725,000 | \$20,000,000 | \$0 | \$232,000 | \$232,000 | \$395,566 | \$4,409 | \$631,976 | |
| 2027 | \$ 100,184,000 | \$100,184,000 | \$0 | \$1,162,134 | \$1,162,134 | \$721,325 | \$8,041 | \$1,891,500 | |
| 2028 | \$ 96,177,000 | \$96,177,000 | \$0 | \$1,115,653 | \$1,115,653 | \$692,474 | \$7,719 | \$1,815,847 | |
| 2029 | \$ 92,330,000 | \$92,330,000 | \$0 | \$1,071,028 | \$1,071,028 | \$664,776 | \$7,410 | \$1,743,214 | |
| 2030 | \$ 88,637,000 | \$88,637,000 | \$0 | \$1,028,189 | \$1,028,189 | \$638,186 | \$7,114 | \$1,673,490 | |
| 2031 | \$ 85,092,000 | \$85,092,000 | \$0 | \$987,067 | \$987,067 | \$612,662 | \$6,829 | \$1,606,559 | |
| | | | | | | | | | |
| | | | | | Total | \$7,684,072 | \$8,932,668 | \$99,574 | \$16,716,315 |
| | | | | | Diff | \$15,380,881 | \$5,383,509 | \$60,011 | \$20,824,401 |
| | | | | | | | | | |
| Assumes School Value Limitation and Tax Abatements with Swisher County and High Plains Water Hospital District. | | | | | | | | | |
| | | | | | | | | | |

Source: CPA, Wild Rose Wind, 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.

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

| Year | Employment | | | Personal Income | | |
|------|------------|--------------------|-------|-----------------|--------------------|--------------|
| | Direct | Indirect + Induced | Total | Direct | Indirect + Induced | Total |
| 2015 | 0 | 0 | 0 | \$0 | \$0 | \$0 |
| 2016 | 200 | 240 | 440 | \$13,000,000 | \$19,000,000 | \$32,000,000 |
| 2017 | 28 | 51 | 79 | \$126,000 | \$5,874,000 | \$6,000,000 |
| 2018 | 3 | 27 | 30 | \$126,000 | \$3,874,000 | \$4,000,000 |
| 2019 | 3 | 17 | 20 | \$126,000 | \$2,874,000 | \$3,000,000 |
| 2020 | 3 | 11 | 14 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2021 | 3 | 8 | 11 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2022 | 3 | 7 | 10 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2023 | 3 | 7 | 10 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2024 | 3 | 7 | 10 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2025 | 3 | 7 | 10 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2026 | 3 | 8 | 11 | \$126,000 | \$1,874,000 | \$2,000,000 |
| 2027 | 3 | 6 | 9 | \$126,000 | \$874,000 | \$1,000,000 |
| 2028 | 3 | 5 | 8 | \$126,000 | \$874,000 | \$1,000,000 |
| 2029 | 3 | 5 | 8 | \$126,000 | \$874,000 | \$1,000,000 |
| 2030 | 3 | 5 | 8 | \$126,000 | \$874,000 | \$1,000,000 |

Source: CPA, REMI, Wild Rose Wind, 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 | Tulia ISD I&S Tax Levy | Tulia ISD M&O Tax Levy | Tulia ISD M&O and I&S Tax Levies | Swisher County Tax Levy | High Plains Water District Tax Levy | Estimated Total Property Taxes |
|------|---------------------------------|---------------------------------|-----------------------|------------------------|------------------------|----------------------------------|-------------------------|-------------------------------------|--------------------------------|
| | | | | 0.0000 | 1.1600 | 0.0046 | 0.7200 | 0.0080 | |
| 2017 | \$ 207,000,000 | \$ 207,000,000 | | \$0 | \$2,401,200 | \$2,401,200 | \$1,490,400 | \$16,614 | \$3,908,214 |
| 2018 | \$ 192,510,000 | \$ 192,510,000 | | \$0 | \$2,233,116 | \$2,233,116 | \$1,386,072 | \$15,451 | \$3,634,639 |
| 2019 | \$ 179,034,000 | \$ 179,034,000 | | \$0 | \$2,076,794 | \$2,076,794 | \$1,289,045 | \$14,369 | \$3,380,208 |
| 2020 | \$ 166,502,000 | \$ 166,502,000 | | \$0 | \$1,931,423 | \$1,931,423 | \$1,198,814 | \$13,363 | \$3,143,601 |
| 2021 | \$ 154,847,000 | \$ 154,847,000 | | \$0 | \$1,796,225 | \$1,796,225 | \$1,114,898 | \$12,428 | \$2,923,552 |
| 2022 | \$ 144,008,000 | \$ 144,008,000 | | \$0 | \$1,670,493 | \$1,670,493 | \$1,036,858 | \$11,558 | \$2,718,908 |
| 2023 | \$ 133,927,000 | \$ 133,927,000 | | \$0 | \$1,553,553 | \$1,553,553 | \$964,274 | \$10,749 | \$2,528,577 |
| 2024 | \$ 124,552,000 | \$ 124,552,000 | | \$0 | \$1,444,803 | \$1,444,803 | \$896,774 | \$9,997 | \$2,351,574 |
| 2025 | \$ 115,833,000 | \$ 115,833,000 | | \$0 | \$1,343,663 | \$1,343,663 | \$833,998 | \$9,297 | \$2,186,957 |
| 2026 | \$ 107,725,000 | \$ 107,725,000 | | \$0 | \$1,249,610 | \$1,249,610 | \$775,620 | \$8,646 | \$2,033,876 |
| 2027 | \$ 100,184,000 | \$ 100,184,000 | | \$0 | \$1,162,134 | \$1,162,134 | \$721,325 | \$8,041 | \$1,891,500 |
| 2028 | \$ 96,177,000 | \$ 96,177,000 | | \$0 | \$1,115,653 | \$1,115,653 | \$692,474 | \$7,719 | \$1,815,847 |
| 2029 | \$ 92,330,000 | \$ 92,330,000 | | \$0 | \$1,071,028 | \$1,071,028 | \$664,776 | \$7,410 | \$1,743,214 |
| 2030 | \$ 88,637,000 | \$ 88,637,000 | | \$0 | \$1,028,189 | \$1,028,189 | \$638,186 | \$7,114 | \$1,673,490 |
| 2031 | \$ 85,092,000 | \$ 85,092,000 | | \$0 | \$987,067 | \$987,067 | \$612,662 | \$6,829 | \$1,606,559 |
| | | | | | Total | \$23,064,953 | \$14,316,178 | \$159,586 | \$37,540,716 |

Source: CPA, Wild Rose Wind, LLC

¹Tax Rate per \$100 Valuation

Attachment B – Tax Revenue over 25 Years

This represents the Comptroller’s determination that WILD ROSE WIND, 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 | 2014 | \$0 | \$0 | \$0 | \$0 |
| | 2015 | \$0 | \$0 | \$0 | \$0 |
| | 2016 | \$0 | \$0 | \$0 | \$0 |
| Limitation Period (10 Years) | 2017 | \$232,000 | \$232,000 | \$2,169,200 | \$2,169,200 |
| | 2018 | \$232,000 | \$464,000 | \$2,001,116 | \$4,170,316 |
| | 2019 | \$232,000 | \$696,000 | \$1,844,794 | \$6,015,110 |
| | 2020 | \$232,000 | \$928,000 | \$1,699,423 | \$7,714,534 |
| | 2021 | \$232,000 | \$1,160,000 | \$1,564,225 | \$9,278,759 |
| | 2022 | \$232,000 | \$1,392,000 | \$1,438,493 | \$10,717,252 |
| | 2023 | \$232,000 | \$1,624,000 | \$1,321,553 | \$12,038,805 |
| | 2024 | \$232,000 | \$1,856,000 | \$1,212,803 | \$13,251,608 |
| | 2025 | \$232,000 | \$2,088,000 | \$1,111,663 | \$14,363,271 |
| | 2026 | \$232,000 | \$2,320,000 | \$1,017,610 | \$15,380,881 |
| Maintain Viable Presence (5 Years) | 2027 | \$1,162,134 | \$3,482,134 | \$0 | \$15,380,881 |
| | 2028 | \$1,115,653 | \$4,597,788 | \$0 | \$15,380,881 |
| | 2029 | \$1,071,028 | \$5,668,816 | \$0 | \$15,380,881 |
| | 2030 | \$1,028,189 | \$6,697,005 | \$0 | \$15,380,881 |
| | 2031 | \$987,067 | \$7,684,072 | \$0 | \$15,380,881 |
| Additional Years as Required by 313.026(c)(1) (10 Years) | 2032 | \$947,581 | \$8,631,653 | \$0 | \$15,380,881 |
| | 2033 | \$909,672 | \$9,541,325 | \$0 | \$15,380,881 |
| | 2034 | \$873,283 | \$10,414,608 | \$0 | \$15,380,881 |
| | 2035 | \$838,355 | \$11,252,963 | \$0 | \$15,380,881 |
| | 2036 | \$804,820 | \$12,057,782 | \$0 | \$15,380,881 |
| | 2037 | \$772,630 | \$12,830,412 | \$0 | \$15,380,881 |
| | 2038 | \$741,727 | \$13,572,139 | \$0 | \$15,380,881 |
| | 2039 | \$712,054 | \$14,284,194 | \$0 | \$15,380,881 |
| | 2040 | \$683,576 | \$14,967,770 | \$0 | \$15,380,881 |
| | 2041 | \$683,576 | \$15,651,346 | \$0 | \$15,380,881 |
| | | \$15,651,346 | is greater than | \$15,380,881 | |

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

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

Source: CPA, WILD ROSE WIND, 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 the Wild Rose Wind, LLC 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 the company, early stage due diligence work to explore the feasibility of constructing a wind facility at this site has begun. As such, certain contracts have been executed. None of these contracts obligate Wild Rose Wind to construct the project.
- Per the company, it maintains a large portfolio of wind developments including 47 operating wind projects and almost 1,500 MW in ten states including New Mexico, Oklahoma, and Kansas, all with similar wind resources and competitive regulatory environments.
- Per the applicant, while this project is specific to this location, the potential economic return for the project will be compared to the potential returns from other locations within and outside of Texas that Exelon Wind or another potential owner is considering.

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

Tab 5

Documentation to assist in determining if limitation is a determining factor

Section 8, #2: Has the applicant entered into any agreements, contracts, or letters of intent related to the proposed project?

WildRoseWind, in coordination with Exelon Wind, has begun early stage due diligence work to explore the feasibility of constructing a wind facility at this site. As such, certain contracts have been executed including agreements to site and install meteorological monitoring equipment, wind study reports, lease and easement agreements with landowners, establishment of a Reinvestment Zone, contracts with environmental contractors to explore environmental impacts of the proposed project and an interconnection agreement with the transmission provider. None of these contracts obligate WildRoseWind to construct the project.

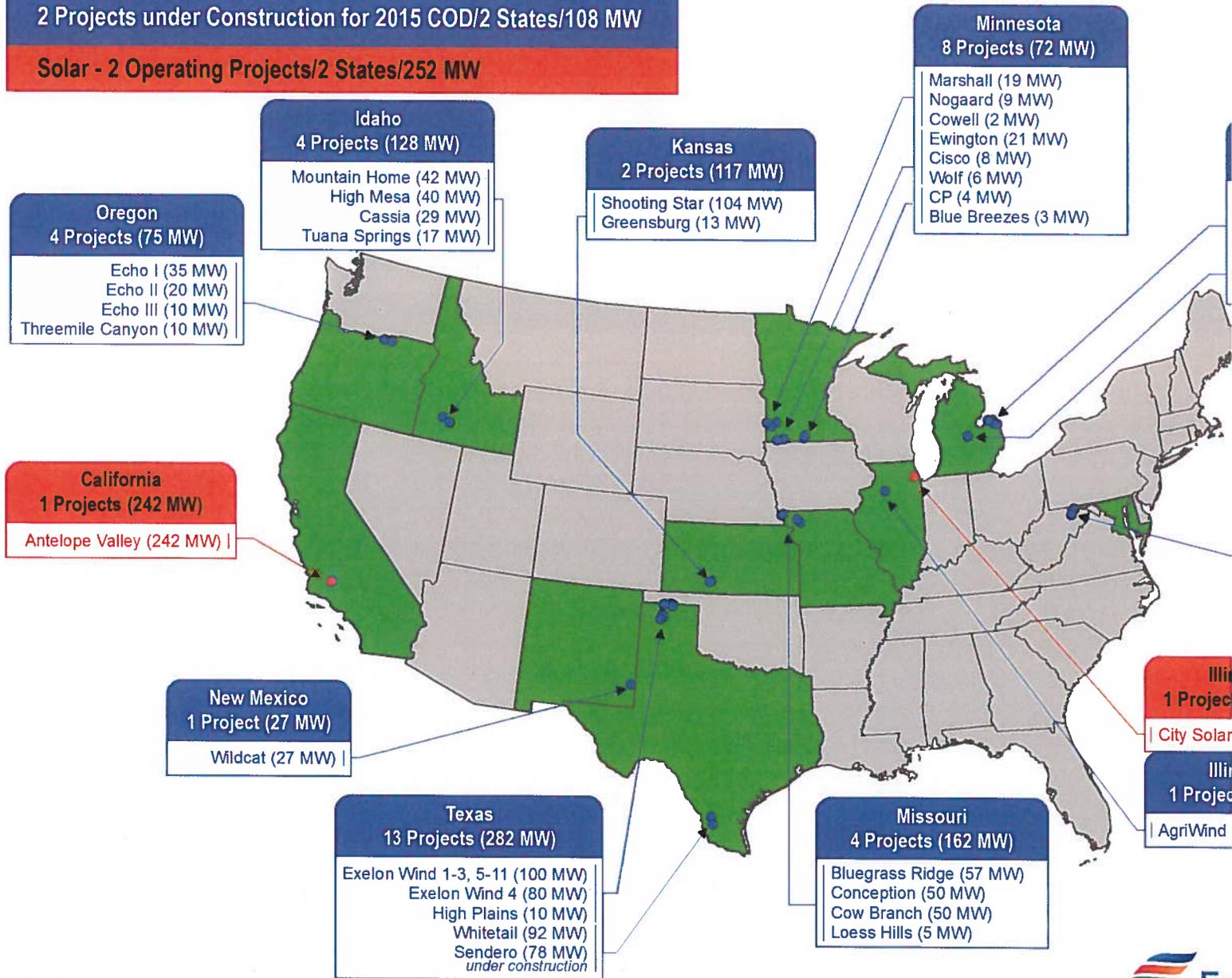
Section 8, #7: Is the applicant evaluating other locations not in Texas for the proposed project?

Exelon Wind maintains a large portfolio of wind developments including 47 operating wind projects and almost 1,500 MW in ten states including New Mexico, Oklahoma, and Kansas, all with similar wind resources and competitive regulatory environments. Exelon Wind has 13 of these projects in Texas totaling 288 MW of wind generation with another 78 MW project under construction. Additionally Exelon has a 30 MW wind project under construction in Maryland. See attached map of Exelon's Wind and Solar portfolio.

While the project developer, WildRoseWind LLC, is specific to this location in Texas, the potential economic return for the Swisher Wind project will be compared to the potential returns from other locations within and outside of Texas that Exelon Wind or another potential owner is considering. Exelon Wind has limited capital, human and turbine resources, and must pick the best projects to advance as a company each year. The economic return is the primary input for this decision.

Wind - 45 Operating Projects/10 States/1,383 MW
 2 Projects under Construction for 2015 COD/2 States/108 MW

Solar - 2 Operating Projects/2 States/252 MW

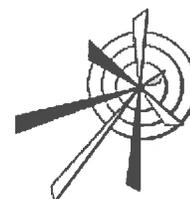


Date: 4/27/2015

Supporting Information

Additional information
located by the Comptroller

Our projects



Childress County Wind One

NEWIND

This project was originated by WRP in August 2006. WRP is pleased to announce that in March 2010, Newind LLC acquired 90% of Childress County Wind One LLC. Additional information about Newind is available at www.newind.com.

- 120MW project with an estimated in service date of March 2012 for the first 80MW
- Located in Childress County, Texas in the ERCOT NERC region
- 13,000 acres under easement with clean titles comprised of 30 landowners
- In the final phase of interconnection studies with AEP and ERCOT
- On site, three transmission lines: ERCOT 69kV and 138kV and SPP 138kV
- Adjacent to the future TESLA Substation
- Three NRG met towers collecting wind data since October 2006 with assessment, including a draft turbine array and a P-90 study
- Completed Phase I-HAZMAT environmental assessment with no issues
- Analysis of pre-construction Avian observations with no concerns
- FAA determinations for the project's perimeter
- Criteria/guidelines and a reinvestment zone in place for tax reduction
- Preliminary discussions to negotiate the county tax abatement and school value limitation/payment in lieu of taxes

300MW project under confidential development

**Summary of the District's Financial Impact
of Chapter 313 Agreement
with Wild Rose Wind, LLC**

September 7, 2015

McDowell & Brown, LLC
School Finance Consulting

Tulia ISD Financial Impact of Chapter 313 Agreement

Summary of Tulia ISD Financial Impact of the Limited Appraised Value Application from Wild Rose Wind, LLC

Introduction

Wild Rose Wind, LLC applied for a property value limitation from Tulia Independent School District under Chapter 313 of the Tax Code. The application was submitted on May 21, 2015 and subsequently approved for consideration by the Tulia ISD Board of Trustees. Wild Rose Wind, LLC (“Wild Rose Wind”), is requesting the property value limitation as a “renewable energy electric generation” project as listed in Sec. 313.024.(b) of the Tax Code.

“The Economic Development Act”, Tax Code Chapter 313, was created by House Bill 1200 of the 77th Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80th Texas Legislative Session in 2007.

The Economic Development Act was created to attract qualifying businesses to Texas by allowing school districts the option of approving a property value limitation to these qualifying entities. The purpose of the property value limitation is to reduce the maintenance and operations taxes paid by the company, to a school district during the applicable years as displayed below.

Tulia ISD Financial Impact of Chapter 313 Agreement

The company must file an application with the school district to qualify for consideration of a Limited Appraised Value Agreement (“LAVA” or “Agreement”) to begin the following tax year or a later year if agreed upon by the District and the Company.

Years Prior to Start of Value Limitation Period:

The first two years of the agreement are considered the “Prior to Start of Value Limitation Period” and the company’s school district taxes will be levied at one-hundred percent of the appraised value. The applicant has requested that tax years 2015 and 2016 be considered the years that are Prior to the Start of Value Limitation Period.

Value Limitation Period:

During the ten years of the Value Limitation Period, the qualifying entity’s taxable value will be reduced to the minimum qualified investment for the applicable school district as determined by the State Comptroller’s Office. Tulia ISD is considered a Rural category 3 District as categorized with total taxable value of industrial property of at least \$1 million but less than \$90 million. Thus, Tulia ISD has a minimum limitation amount of \$20 million. A qualifying entity’s taxable value would be reduced to \$20 million during this ten year period of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Tulia ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy. The applicant has requested that the Value Limitation Period to begin in tax year 2017 and continue through tax year 2026.

Final Five Years of the Agreement – Continue to Maintain a Viable Presence:

Tax years 2027 through 2031 will be the final five years of the agreement and the applicant agrees to maintain a viable presence with this project during this time.

Tulia ISD Financial Impact of Chapter 313 Agreement

Taxable Value Projections from Application

The following data shows the projected taxable values that Wild Rose Wind reported in the application to the District:

| | Year | School Year | Tax Year | Projected Taxable Value | Actual Taxable Value |
|---|------|-------------|----------|-------------------------|----------------------|
| Each Year Prior to Start of Value Limitation Period | 0 | 2015-2016 | 2015 | 0 | 0 |
| | 0 | 2016-2017 | 2016 | 0 | 0 |
| Value Limitation Period | 1 | 2017-2018 | 2017 | \$207,000,000 | \$20,000,000 |
| | 2 | 2018-2019 | 2018 | \$192,510,000 | \$20,000,000 |
| | 3 | 2019-2020 | 2019 | \$179,034,000 | \$20,000,000 |
| | 4 | 2020-2021 | 2020 | \$166,502,000 | \$20,000,000 |
| | 5 | 2021-2022 | 2021 | \$154,847,000 | \$20,000,000 |
| | 6 | 2022-2023 | 2022 | \$144,008,000 | \$20,000,000 |
| | 7 | 2023-2024 | 2023 | \$133,927,000 | \$20,000,000 |
| | 8 | 2024-2025 | 2024 | \$124,552,000 | \$20,000,000 |
| | 9 | 2025-2026 | 2025 | \$115,833,000 | \$20,000,000 |
| | 10 | 2026-2027 | 2026 | \$107,725,000 | \$20,000,000 |
| Continue to Maintain Viable Presence | 11 | 2027-2028 | 2027 | \$100,184,000 | \$100,184,000 |
| | 12 | 2028-2029 | 2028 | \$96,177,000 | \$96,177,000 |
| | 13 | 2029-2030 | 2029 | \$92,330,000 | \$92,330,000 |
| | 14 | 2030-2031 | 2030 | \$88,637,000 | \$88,637,000 |
| | 15 | 2031-2032 | 2031 | \$85,092,000 | \$85,092,000 |
| Additional Years for 25 Year Economic Impact Study | 16 | 2032-2033 | 2032 | \$81,688,000 | \$81,688,000 |
| | 17 | 2033-2034 | 2033 | \$78,420,000 | \$78,420,000 |
| | 18 | 2034-2035 | 2034 | \$75,283,000 | \$75,283,000 |
| | 19 | 2035-2036 | 2035 | \$72,272,000 | \$72,272,000 |
| | 20 | 2036-2037 | 2036 | \$69,381,000 | \$69,381,000 |
| | 21 | 2037-2038 | 2037 | \$66,606,000 | \$66,606,000 |
| | 22 | 2038-2039 | 2038 | \$63,942,000 | \$63,942,000 |
| | 23 | 2039-2040 | 2039 | \$61,384,000 | \$61,384,000 |
| | 24 | 2040-2041 | 2040 | \$58,929,000 | \$58,929,000 |
| | 25 | 2041-2042 | 2041 | \$56,572,000 | \$56,572,000 |

Tulia ISD Financial Impact of Chapter 313 Agreement

Taxable Value Impact from LAVA

The “Additional Value from Wild Rose Wind” represents the values that the company estimated as their taxable values in the application that was filed with the district. During tax years 2017 through 2026, the company’s taxable value will be limited to the \$20,000,000 minimum qualified investment of Tulia ISD.

TABLE I- Calculation of Taxable Value:

| Tax Year | Additional Value From Wild Rose Wind | Minimum Qualified Investment | Abated Value | Taxable Value |
|--------------|--|------------------------------------|-----------------|------------------|
| Jan. 1, 2015 | 0 | n/a | 0 | 0 |
| Jan. 1, 2016 | 0 | n/a | 0 | 0 |
| Jan. 1, 2017 | 207,000,000 | (20,000,000) | 187,000,000 | 20,000,000 |
| Jan. 1, 2018 | 192,510,000 | (20,000,000) | 172,510,000 | 20,000,000 |
| Jan. 1, 2019 | 179,034,000 | (20,000,000) | 159,034,000 | 20,000,000 |
| Jan. 1, 2020 | 166,502,000 | (20,000,000) | 146,502,000 | 20,000,000 |
| Jan. 1, 2021 | 154,847,000 | (20,000,000) | 134,847,000 | 20,000,000 |
| Jan. 1, 2022 | 144,008,000 | (20,000,000) | 124,008,000 | 20,000,000 |
| Jan. 1, 2023 | 133,927,000 | (20,000,000) | 113,927,000 | 20,000,000 |
| Jan. 1, 2024 | 124,552,000 | (20,000,000) | 104,552,000 | 20,000,000 |
| Jan. 1, 2025 | 115,833,000 | (20,000,000) | 95,833,000 | 20,000,000 |
| Jan. 1, 2026 | 107,725,000 | (20,000,000) | 87,725,000 | 20,000,000 |
| Jan. 1, 2027 | 100,184,000 | n/a | 0 | 100,184,000 |
| Jan. 1, 2028 | 96,177,000 | n/a | 0 | 96,177,000 |
| Jan. 1, 2029 | 92,330,000 | n/a | 0 | 92,330,000 |
| Jan. 1, 2030 | 88,637,000 | n/a | 0 | 88,637,000 |
| Jan. 1, 2031 | 85,092,000 | n/a | 0 | 85,092,000 |

Tulia ISD Financial Impact of Chapter 313 Agreement

Wild Rose Wind's Tax Benefit from Agreement

The projected amount of the net tax savings for Wild Rose Wind is \$14.08 million over the life of the Agreement. This net savings is after all tax savings and after estimated payments have been made to the district to offset their revenue losses that were a direct result of entering into this Agreement.

Tulia ISD's projected tax rates for maintenance & operations (M&O) and interest & sinking (I&S) are based on the following assumptions:

- The District held a tax ratification election and the study projects that it will maintain an M&O tax rate of \$1.16 for the life of this agreement. The M&O rates for 2017-2018 & 2027-2028 are projected to drop to \$1.14 & \$1.04 respectively, due to the rollback tax rate calculations.
- The district does not currently have outstanding bonded indebtedness. The district could pursue a bond election and issue additional bonded debt during the life of this agreement.

TABLE II- Computation of Net Tax Savings:

| Fiscal Year | Projected M&O Tax Rate | Projected I&S Tax Rate | Taxes w/o Agreement | Tax Savings with Agreement | Payment of District's Revenue Losses | Net Tax Savings |
|-------------|------------------------|------------------------|---------------------|----------------------------|--------------------------------------|-----------------|
| 2015-2016 | 1.16 | 0.000 | 0 | 0 | 0 | 0 |
| 2016-2017 | 1.16 | 0.000 | 0 | 0 | 0 | 0 |
| 2017-2018 | 1.14 | 0.000 | 2,359,800 | 2,131,800 | (1,259,476) | 872,324 |
| 2018-2019 | 1.16 | 0.000 | 2,233,116 | 2,001,116 | 0 | 2,001,116 |
| 2019-2020 | 1.16 | 0.000 | 2,076,794 | 1,844,794 | 0 | 1,844,794 |
| 2020-2021 | 1.16 | 0.000 | 1,931,423 | 1,699,423 | 0 | 1,699,423 |
| 2021-2022 | 1.16 | 0.000 | 1,796,225 | 1,564,225 | 0 | 1,564,225 |
| 2022-2023 | 1.16 | 0.000 | 1,670,493 | 1,438,493 | 0 | 1,438,493 |
| 2023-2024 | 1.16 | 0.000 | 1,553,553 | 1,321,553 | 0 | 1,321,553 |
| 2024-2025 | 1.16 | 0.000 | 1,444,803 | 1,212,803 | 0 | 1,212,803 |
| 2025-2026 | 1.16 | 0.000 | 1,343,663 | 1,111,663 | 0 | 1,111,663 |
| 2026-2027 | 1.16 | 0.000 | 1,249,610 | 1,017,610 | 0 | 1,017,610 |
| 2027-2028 | 1.04 | 0.000 | 1,041,914 | 0 | 0 | 0 |
| 2028-2029 | 1.16 | 0.000 | 1,115,653 | 0 | 0 | 0 |
| 2029-2030 | 1.16 | 0.000 | 1,071,028 | 0 | 0 | 0 |
| 2030-2031 | 1.16 | 0.000 | 1,028,189 | 0 | 0 | 0 |
| 2031-2032 | 1.16 | 0.000 | 987,067 | 0 | 0 | 0 |
| Totals | | | 22,903,332 | 15,343,481 | (1,259,476) | 14,084,005 |

Tulia ISD Financial Impact of Chapter 313 Agreement

Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Tulia ISD. First, a fifteen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation company. Second, a fifteen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a fifteen year financial forecast was prepared that incorporates the additional taxable value of the company with an approved LAVA. These three forecasts are detailed in the “Calculation of LAVA Impact on District’s Finances” section. The following assumptions were used to compare the financial impact of the LAVA:

- The current state funding formulas (in effect for 2015-2016 fiscal year) were used for state aid and recapture calculation purposes
 - Level 2 of Tier II yield - \$74.28 per weighted student in average daily attendance (WADA) per penny of tax effort
- The district’s tax rate for maintenance & operations (M&O) will remain at the same rate as for tax year 2015.
- A tax collection rate of 100% on current year tax levy with no projected delinquent taxes
- An annual taxable value increase of 2.0% was used to project the district’s taxable value, except as it related to the requested LAVA. The district’s 2015 taxable value was used as a baseline for all projections
- The district’s enrollment is projected to increase slightly; therefore, the projected ADA and WADA for school year 2014-2015 was increased by .25% per year for the life of the agreement.

Although these assumptions were used to develop a baseline scenario for comparison purposes, many of these factors will not remain constant for the thirteen years of this proposed agreement. Also, Legislative changes to the school finance formulas are likely during the near future and almost certain during the life of this agreement.

Tulia ISD Financial Impact of Chapter 313 Agreement

Calculation of LAVA Impact on District's Finances

The tables displayed below (Table III, IV, V) show the different impacts on the school district's finances. These scenarios were computed to compare the District's revenue without the additional taxable value of Wild Rose Wind (Table III), the addition of Wild Rose Wind's taxable values without a Chapter 313 Agreement (Table IV), and the addition of Wild Rose Wind's taxable values with a Chapter 313 Agreement (Table V).

TABLE III – District Revenues *without* Wild Rose Wind, LLC:

| Fiscal Year | Total Taxable Value | M&O Taxes Compressed Rate | State Revenue | Recapture Amount | Hold Harmless Revenue | M&O Taxes > Comp Rate | Total District Revenue |
|-------------|---------------------|---------------------------|---------------|------------------|-----------------------|-----------------------|------------------------|
| 2015-2016 | 153,191,973 | 1,531,920 | 7,817,270 | 0 | 9,349,189 | 1,351,806 | 10,700,996 |
| 2016-2017 | 156,255,812 | 1,562,558 | 7,847,871 | 0 | 9,410,429 | 1,386,354 | 10,796,782 |
| 2017-2018 | 159,380,929 | 1,593,809 | 7,836,321 | 0 | 9,430,130 | 1,389,362 | 10,819,492 |
| 2018-2019 | 162,568,547 | 1,625,685 | 7,831,951 | 0 | 9,457,636 | 1,392,386 | 10,850,023 |
| 2019-2020 | 165,819,918 | 1,658,199 | 7,820,501 | 0 | 9,478,701 | 1,395,426 | 10,874,126 |
| 2020-2021 | 169,136,317 | 1,691,363 | 7,806,866 | 0 | 9,498,230 | 1,398,480 | 10,896,710 |
| 2021-2022 | 172,519,043 | 1,725,190 | 7,800,678 | 0 | 9,525,868 | 1,401,550 | 10,927,418 |
| 2022-2023 | 175,969,424 | 1,759,694 | 7,786,156 | 0 | 9,545,850 | 1,404,634 | 10,950,485 |
| 2023-2024 | 179,488,812 | 1,794,888 | 7,777,008 | 0 | 9,571,896 | 1,407,734 | 10,979,630 |
| 2024-2025 | 183,078,589 | 1,830,786 | 7,761,861 | 0 | 9,592,647 | 1,410,848 | 11,003,495 |
| 2025-2026 | 186,740,160 | 1,867,402 | 7,751,277 | 0 | 9,618,679 | 1,413,977 | 11,032,656 |
| 2026-2027 | 190,474,963 | 1,904,750 | 7,734,666 | 0 | 9,639,416 | 1,417,121 | 11,056,537 |
| 2027-2028 | 194,284,463 | 1,942,845 | 7,722,585 | 0 | 9,665,429 | 1,420,279 | 11,085,708 |
| 2028-2029 | 198,170,152 | 1,981,702 | 7,704,452 | 0 | 9,686,154 | 1,423,452 | 11,109,606 |
| 2029-2030 | 202,133,555 | 2,021,336 | 7,690,817 | 0 | 9,712,153 | 1,426,639 | 11,138,792 |
| 2030-2031 | 206,176,226 | 2,061,762 | 7,671,097 | 0 | 9,732,860 | 1,429,841 | 11,162,700 |
| 2031-2032 | 210,299,751 | 2,102,998 | 7,655,842 | 0 | 9,758,840 | 1,433,056 | 11,191,896 |

Tulia ISD Financial Impact of Chapter 313 Agreement

TABLE IV- District Revenues *with Wild Rose Wind without Chapter 313 Agreement:*

| Fiscal Year | Total Taxable Value | M&O Taxes Compressed Rate | State Revenue | Recapture Amount | Hold Harmless Revenue | M&O Taxes > Comp Rate | Total District Revenue |
|------------------|---------------------|---------------------------|---------------|------------------|-----------------------|-----------------------|------------------------|
| 2015-2016 | 153,191,973 | 1,531,920 | 7,817,270 | 0 | 9,349,189 | 1,351,806 | 10,700,996 |
| 2016-2017 | 156,255,812 | 1,562,558 | 7,847,871 | 0 | 9,410,429 | 1,386,354 | 10,796,782 |
| 2017-2018 | 366,380,929 | 3,663,809 | 7,402,449 | 0 | 11,066,258 | 1,251,903 | 12,318,161 |
| 2018-2019 | 355,078,547 | 3,550,785 | 5,704,198 | 0 | 9,254,983 | 1,311,400 | 10,566,383 |
| 2019-2020 | 344,853,918 | 3,448,539 | 5,841,691 | 0 | 9,290,231 | 1,317,755 | 10,607,985 |
| 2020-2021 | 335,638,317 | 3,356,383 | 5,966,574 | 0 | 9,322,958 | 1,324,147 | 10,647,104 |
| 2021-2022 | 327,366,043 | 3,273,660 | 6,089,204 | 0 | 9,362,864 | 1,330,555 | 10,693,419 |
| 2022-2023 | 319,977,424 | 3,199,774 | 6,194,484 | 0 | 9,394,258 | 1,336,970 | 10,731,229 |
| 2023-2024 | 313,415,812 | 3,134,158 | 6,296,751 | 0 | 9,430,909 | 1,343,374 | 10,774,284 |
| 2024-2025 | 307,630,589 | 3,076,306 | 6,385,226 | 0 | 9,461,532 | 1,349,763 | 10,811,295 |
| 2025-2026 | 302,573,160 | 3,025,732 | 6,471,007 | 0 | 9,496,739 | 1,356,115 | 10,852,853 |
| 2026-2027 | 298,199,963 | 2,982,000 | 6,544,018 | 0 | 9,526,018 | 1,362,425 | 10,888,444 |
| 2027-2028 | 294,468,463 | 2,944,685 | 6,615,280 | 0 | 9,559,964 | 1,368,674 | 10,928,638 |
| 2028-2029 | 294,347,152 | 2,943,472 | 6,673,758 | 0 | 9,617,230 | 1,388,915 | 11,006,145 |
| 2029-2030 | 294,463,555 | 2,944,636 | 6,701,348 | 0 | 9,645,984 | 1,393,507 | 11,039,491 |
| 2030-2031 | 294,813,226 | 2,948,132 | 6,721,206 | 0 | 9,669,339 | 1,398,082 | 11,067,421 |
| 2031-2032 | 295,391,751 | 2,953,918 | 6,743,944 | 0 | 9,697,862 | 1,402,637 | 11,100,499 |

TABLE V – District Revenues *with Wild Rose Wind with Chapter 313 Agreement:*

| Fiscal Year | Total Taxable Value | M&O Taxes Comp Rate | State Revenue | Recapture Amount | Hold Harmless Revenue | M&O Taxes > Comp Rate | Payment for District Losses | Total District Revenue |
|------------------|---------------------|---------------------|---------------|------------------|-----------------------|-----------------------|-----------------------------|------------------------|
| 2015-2016 | 153,191,973 | 1,531,920 | 7,817,270 | 0 | 9,349,189 | 1,351,806 | 0 | 10,700,996 |
| 2016-2017 | 156,255,812 | 1,562,558 | 7,847,871 | 0 | 9,410,429 | 1,386,354 | 0 | 10,796,782 |
| 2017-2018 | 179,380,929 | 1,793,809 | 7,830,775 | 0 | 9,624,584 | 1,434,101 | 1,259,476 | 12,318,161 |
| 2018-2019 | 182,568,547 | 1,825,685 | 7,625,951 | 0 | 9,451,636 | 1,386,886 | 0 | 10,838,523 |
| 2019-2020 | 185,819,918 | 1,858,199 | 7,614,501 | 0 | 9,472,701 | 1,390,057 | 0 | 10,862,757 |
| 2020-2021 | 189,136,317 | 1,891,363 | 7,600,866 | 0 | 9,492,230 | 1,393,239 | 0 | 10,885,468 |
| 2021-2022 | 192,519,043 | 1,925,190 | 7,594,678 | 0 | 9,519,868 | 1,396,432 | 0 | 10,916,301 |
| 2022-2023 | 195,969,424 | 1,959,694 | 7,580,156 | 0 | 9,539,850 | 1,399,638 | 0 | 10,939,488 |
| 2023-2024 | 199,488,812 | 1,994,888 | 7,571,008 | 0 | 9,565,896 | 1,402,855 | 0 | 10,968,752 |
| 2024-2025 | 203,078,589 | 2,030,786 | 7,555,861 | 0 | 9,586,647 | 1,406,084 | 0 | 10,992,731 |
| 2025-2026 | 206,740,160 | 2,067,402 | 7,545,277 | 0 | 9,612,679 | 1,409,325 | 0 | 11,022,004 |
| 2026-2027 | 210,474,963 | 2,104,750 | 7,528,666 | 0 | 9,633,416 | 1,412,577 | 0 | 11,045,994 |
| 2027-2028 | 294,468,463 | 2,944,685 | 7,288,569 | 0 | 10,233,253 | 1,150,760 | 0 | 11,384,014 |
| 2028-2029 | 294,347,152 | 2,943,472 | 6,673,758 | 0 | 9,617,230 | 1,388,915 | 0 | 11,006,145 |
| 2029-2030 | 294,463,555 | 2,944,636 | 6,701,348 | 0 | 9,645,984 | 1,393,507 | 0 | 11,039,491 |
| 2030-2031 | 294,813,226 | 2,948,132 | 6,721,206 | 0 | 9,669,339 | 1,398,082 | 0 | 11,067,421 |
| 2031-2032 | 295,391,751 | 2,953,918 | 6,743,944 | 0 | 9,697,862 | 1,402,637 | 0 | 11,100,499 |

Tulia ISD Financial Impact of Chapter 313 Agreement

Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 1 of the 79th Legislative Session and became effective for the 2006-2007 school year. Those formula changes had an effect on the district's financial impact from granting a property value limitation. Due to the district's "Hold Harmless" provision that was enacted in the funding formulas, some districts had the majority of the district's revenue losses (during the first year that the "limited appraised value" was used as the actual taxable value) offset with additional state funding. The funding that was available to offset those revenue losses was called Additional State Aid for Tax Reduction (ASATR) and those funds were phased out as a result of legislation in the 82nd Legislative Session in 2011. This legislation eliminated the ASATR funding for fiscal year 2017-2018 and thereafter and can have a significant financial impact for LAVA agreements that have a year three in 2017-2018 or later. The loss of ASATR funding can again cause a district to experience a significant loss of funds in year three of the agreement and consequently cause the company to have revenue protection payments during that year that are similar to those experienced prior to 2006-2007.

Tulia ISD Financial Impact of Chapter 313 Agreement

Payments in Lieu of Taxes

Assuming that the District and Wild Rose Wind, LLC mutually agree in the LAVA that \$100 per student in average daily attendance (ADA) will be paid to Tulia ISD by Wild Rose Wind, the projected amount of these payments over the life of the agreement is \$1,419,600 of the \$14.08 million net tax savings amount. This amount will be computed annually according to Section IV of the Agreement.

TABLE VI - Calculation of the Payment in Lieu of Taxes:

| Fiscal Year | Net Tax Savings | Tulia ISD \$100/ADA | Wild Rose Wind's Share |
|------------------|-------------------|------------------------|---------------------------|
| 2015-2016 | 0 | 0 | 0 |
| 2016-2017 | 0 | 101,400 | (101,400) |
| 2017-2018 | 872,324 | 101,400 | 770,924 |
| 2018-2019 | 2,001,116 | 101,400 | 1,899,716 |
| 2019-2020 | 1,844,794 | 101,400 | 1,743,394 |
| 2020-2021 | 1,699,423 | 101,400 | 1,598,023 |
| 2021-2022 | 1,564,225 | 101,400 | 1,462,825 |
| 2022-2023 | 1,438,493 | 101,400 | 1,337,093 |
| 2023-2024 | 1,321,553 | 101,400 | 1,220,153 |
| 2024-2025 | 1,212,803 | 101,400 | 1,111,403 |
| 2025-2026 | 1,111,663 | 101,400 | 1,010,263 |
| 2026-2027 | 1,017,610 | 101,400 | 916,210 |
| 2027-2028 | 0 | 101,400 | (101,400) |
| 2028-2029 | 0 | 101,400 | (101,400) |
| 2029-2030 | 0 | 101,400 | (101,400) |
| 2030-2031 | 0 | 0 | 0 |
| 2031-2032 | 0 | 0 | 0 |
| Totals | 14,084,005 | 1,419,600 | 12,664,405 |

Tulia ISD Financial Impact of Chapter 313 Agreement

Impact of Projected Student Growth On District Facilities

TABLE VII – Campus Capacity and Available Growth

| Campus Name | Grade Level | # of Regular Classrooms | Building Capacity | Current Enrollment | Enrollment Growth Available |
|---------------------------|--------------------|--------------------------------|--------------------------|---------------------------|------------------------------------|
| Tulia Highland Elementary | EE-2 | 16 | 352 | 299 | 53 |
| WV Swinburn Elementary | 3-5 | 17 | 374 | 262 | 112 |
| Tulia Jr. High | 6-8 | 11 | 264 | 246 | 18 |
| Tulia High | 9-12 | 22 | 528 | 276 | 252 |
| Total | | 66 | 1,518 | 1,083 | 435 |

The building capacities are based on 22 students per classroom for elementary and 20 students per grade level at secondary schools. Tulia ISD is a early-education through 12th grade district.

Wild Rose Wind, LLC provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that three full-time employees are expected. It is not known whether these would be new employees to the Tulia ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new three positions equates to 2 new students.

This minimal projected student growth can easily be accommodated with the current facilities of Tulia ISD as displayed in Table VII above.

Tulia ISD Financial Impact of Chapter 313 Agreement

Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with Wild Rose Wind, LLC, would be beneficial to both Wild Rose Wind and Tulia ISD under the current school finance system.

Wild Rose Wind, LLC would benefit from reduced property taxes during the ten years of the Value Limitation Period. Although some of the tax savings would be used to offset district's revenue losses and payments in lieu of taxes to the District, Wild Rose Wind is projected to benefit from an 87% tax savings during that ten year period of this Agreement. Wild Rose Wind also has the option of terminating the Agreement if the amount paid to the District during a tax year is greater than the amount of taxes that would have been paid without the agreement; therefore, there is no inherent risk for the company from entering into the Agreement.

Tulia ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require Wild Rose Wind to offset any district losses caused by the LAVA. An annual calculation will be performed each year to determine if a loss to the District has been incurred. The revenue impact to the District will be computed by comparing the District's revenues with and without the LAVA in effect.



TEXAS EDUCATION AGENCY

1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

· Michael Williams
Commissioner

July 14, 2015

Eddie Womack, President
Board of Trustees
Tulia Independent School District
702 NW 8th Street
Tulia, TX 79088-1199

Dear Mr. Womack:

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Al McKenzie".

Al McKenzie, Manager
Foundation School Program Support

AM/rk

Glenn Hegar

Texas Comptroller of Public Accounts

Welcome to your official online window on state government services from the Texas Comptroller of Public Accounts.

2014 ISD Summary Worksheet

219/Swisher

219-903/Tulia ISD

| Category | Local Tax Roll Value | 2014 WTD Mean Ratio | 2014 PTAD Value Estimate | 2014 Value Assigned |
|-----------------------------|----------------------|---------------------|--------------------------|---------------------|
| A. Single-Family Residences | 60,463,363 | N/A | 60,463,363 | 60,463,363 |
| B. Multi-Family Residences | 560,640 | N/A | 560,640 | 560,640 |
| C1. Vacant Lots | 752,567 | N/A | 752,567 | 752,567 |
| C2. Colonia Lots | 0 | N/A | 0 | 0 |
| D1. Rural Real(Taxable) | 24,858,646 | N/A | 24,858,646 | 24,858,646 |
| D2. Real Prop Farm & Ranch | 1,907,763 | N/A | 1,907,763 | 1,907,763 |
| E. Real Prop NonQual Acres | 20,321,059 | N/A | 20,321,059 | 20,321,059 |
| F1. Commercial Real | 10,882,070 | N/A | 10,882,070 | 10,882,070 |
| F2. Industrial Real | 8,476,367 | N/A | 8,476,367 | 8,476,367 |
| G. Oil, Gas, Minerals | 6,375 | N/A | 6,375 | 6,375 |
| J. Utilities | 18,964,460 | N/A | 18,964,460 | 18,964,460 |
| L1. Commercial Personal | 9,984,900 | N/A | 9,984,900 | 9,984,900 |
| L2. Industrial Personal | 20,634,990 | N/A | 20,634,990 | 20,634,990 |
| M. Other Personal | 385,850 | N/A | 385,850 | 385,850 |
| N. Intangible Personal Prop | 0 | N/A | 0 | 0 |
| O. Residential Inventory | 0 | N/A | 0 | 0 |
| S. Special Inventory | 943,030 | N/A | 943,030 | 943,030 |
| Subtotal | 179,142,080 | | 179,142,080 | 179,142,080 |
| Less Total Deductions | 25,448,161 | | 25,448,161 | 25,448,161 |
| Total Taxable Value | 153,693,919 | | 153,693,919 | 153,693,919 T2 |

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

See the ISD DEDUCTION Report for a breakdown of deduction values

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

Value Taxable For M&O Purposes

| T1 | T2 | T3 | T4 | T5 | T6 |
|-------------|--|-------------|-------------|---|-------------|
| 163,840,049 | 153,693,919 | 163,840,049 | 153,693,919 | 154,673,660 | 154,673,660 |
| | Loss To the Additional \$10,000 Homestead Exemption | | | 50% of the loss to the Local Optional Percentage Homestead Exemption | |
| 10,146,130 | | 0 | | | |

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

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

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

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

T5 = T2 before the loss to the tax ceiling reduction

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

Value Taxable For I&S Purposes

| T7 | T8 | T9 | T10 | T11 | T12 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 163,840,049 | 153,693,919 | 163,840,049 | 153,693,919 | 154,673,660 | 154,673,660 |

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

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

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

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

T11 = T8 before the loss to the tax ceiling reduction

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

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

In 2015, the Texas Legislature passed House Bill 855, which requires state agencies to publish a list of the three most commonly used Web browsers on their websites. The Texas Comptroller's most commonly used Web browsers are Microsoft Internet Explorer, Google Chrome and Apple Safari.

×

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

by and between

TULIA INDEPENDENT SCHOOL DISTRICT

and

WILDROSEWIND LLC
(Texas Taxpayer ID # 32033411334)

TEXAS COMPTROLLER'S APPLICATION NO. 1072

Dated

January 21, 2016

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

STATE OF TEXAS §

COUNTY OF SWISHER §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between **TULIA INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as “District,” a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **WILDROSEWIND LLC**, a Texas limited liability company, Texas Taxpayer Identification Number 32033411334 hereinafter referred to as “Applicant.” Applicant and District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on May 21, 2015, the Superintendent of Schools of the Tulia Independent School District, acting as agent of the Board of Trustees of District, received from Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (LOCAL), and agreed to consider the application;

WHEREAS, the Application was delivered to the Texas Comptroller’s Office for review pursuant to Section 313.025(a-1) of the TEXAS TAX CODE; and,

WHEREAS, the District and Texas Comptroller’s Office have determined that the application is complete and July 10, 2015 is the Application Review Start Date as that terms is defined by 34 TEXAS ADMIN. CODE 9.1051;

WHEREAS, pursuant to 34 TEXAS ADMIN. CODE §9.1054, the Application was delivered for review to the Swisher County Appraisal District established in Swisher County, Texas (the “Swisher County Appraisal District”), pursuant to Section 6.01 of the TEXAS TAX CODE;

WHEREAS, the Texas Comptroller’s Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to

Section 313.026 of the TEXAS TAX CODE, and on October 8, 2015, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

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

WHEREAS, on January 21, 2016, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on January 21, 2016, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) Applicant is eligible for the Limitation on Appraised Value of Applicant's Qualified Property; (iii) the project proposed by Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset District's maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in Applicant's decision to invest capital and construct the project in this state; and (v) this Agreement is in the best interest of District and the State of Texas;

WHEREAS, on January 21, 2016, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, and the Board of Trustees waived the job creation requirement set forth in Section 313.051(b) of the TEXAS TAX CODE;

WHEREAS, on January 14, 2016, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes; and

WHEREAS, on January 21, 2016, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board officers, whose signatures appear below, to execute and deliver such Agreement to the Applicant; and

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

ARTICLE I
DEFINITIONS

Section 1.1 DEFINITIONS. Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words

or terms defined in 34 TEXAS ADMIN. CODE §9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE §9.1051.

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

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Section 10.2.

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

“Applicant” means WildRoseWind LLC (Texas Taxpayer ID #32033411334), the company listed in the Preamble of this Agreement and that listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include Applicant’s assigns and successors-in-interest as approved according to Section 10.2 of this Agreement.

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

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, of the Texas Tax Code) filed with District by Applicant on May 21, 2015. The term includes all forms required by Comptroller, the schedules attached thereto, and all other documentation submitted by Applicant for the purpose of obtaining an Agreement with District. The term also includes all amendments and supplements thereto submitted by Applicant.

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

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

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

“Appraisal District” means the Swisher County Appraisal District.

“Board of Trustees” means the Board of Trustees of the Tulia Independent School District.

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

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

“County” means Swisher County, Texas.

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

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

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

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

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

Non-Qualifying Jobs created by Applicant that exceeds the county average weekly wage for all jobs in the county where the administrative office of District is maintained.

“M&O Amount” shall have the meaning assigned to such term in Section 4.2 of the Agreement.

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

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

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

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

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

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

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

“Revenue Protection Amount” means the amount calculated pursuant to Section 4.2 of this Agreement.

“State” means the State of Texas.

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

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

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

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

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

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

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

ARTICLE II
AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by District as its written agreement with Applicant pursuant to the provisions and authority granted to District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution of and subsequent performance of the terms and obligations by Applicant pursuant to this Agreement, identified in Section 2.5 and 2.6 and as more fully specified in this Agreement, the value of Applicant's Qualified Property listed and assessed by the County Appraiser for District's operation and maintenance ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

- A. The Application Review Start Date for this Agreement is July 10, 2015, which will determine Applicant's Qualified Property and applicable wage standard.
- B. The Application Approval Date for this Agreement is January 21, 2016, which will determine the qualifying time period.
- C. The Qualifying Time Period for this agreement:
 - 1. Starts on January 21, 2016, Application Approval Date; and
 - 2. Ends on December 31, 2017.
- D. The Tax Limitation Period for this Agreement:
 - 1. Starts on January 1, 2017; and,
 - 2. Ends on December 31, 2026.
- E. The Final Termination Date for this Agreement is December 31, 2031.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Subsection B. This Agreement, and the obligation and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Subsection E, unless extended by the express terms of this Agreement.

Section 2.4. TAX LIMITATION. So long as Applicant makes the Qualified Investment as defined by Section 2.5 below, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

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

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

Section 2.5. QUALIFIED INVESTMENT FOR TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in 2.4 for the Qualified Property identified in Article III, Applicant shall:

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

Section 2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

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

ARTICLE III **QUALIFIED PROPERTY**

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of making the Qualified Investment and during the period starting with the Application Approval Date and ending on the Final Termination Date, the Land is and shall be within an area

designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described on **EXHIBIT 2** which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 3**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's rules, and Section 10.2 of this Agreement,.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. If at any time after the Application Approval Date there is a material change in the Qualified Property located on the land described in **EXHIBIT 2**; or, upon a reasonable request of District, Comptroller, the Appraisal District, or the State Auditor's Office, Applicant shall provide to District, Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE. Applicant's Qualified Property described above in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(5) of the Texas Tax Code as a renewable energy electric generation facility.

ARTICLE IV

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue as a result of, or on account of, entering into this Agreement, after taking into account

any payments to be made under this Agreement. Such payments shall be independent of, and in addition to such other payments as set forth in Articles V and VI in this Agreement. Subject to the limitations contained in this Agreement (including Section 7.1), IT IS THE INTENT OF THE PARTIES THAT THE RISK OF ANY NEGATIVE FINANCIAL CONSEQUENCE TO DISTRICT IN MAKING THE DECISION TO ENTER INTO THIS AGREEMENT WILL BE BORNE SOLELY BY APPLICANT AND NOT BY DISTRICT. Applicant recognizes and acknowledges the calculations relating to the District's loss of Maintenance and Operations Revenue under this Agreement will be affected by changes to the timing of construction of the Project and any change to the Qualified Investment/Qualified Property. As such, Applicant acknowledges that it will bear any and all losses of Maintenance and Operations Revenue suffered by the District as a result of the Agreement, including without limitation any increase in the M&O Amount calculated under Section 4.2 to be paid to the District for losses in Maintenance and Operations Revenue resulting from any change in the timing of construction and/or any change to the Qualified Investment/Qualified Property.

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

Subject to the provisions of Section 7.1, the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on the Final Termination Date (as set out in **EXHIBIT 4**), the "M&O Amount" shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

A. The M&O Amount owed by Applicant to District means the Original M&O Revenue *minus* the New M&O Revenue; based on the following definitions:

- i. "Original M&O Revenue" means the total State and local Maintenance and Operations Revenue that District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property had been subject to the full ad valorem maintenance & operations tax without any limitation on value.
- ii. "New M&O Revenue" means the total State and local Maintenance and Operations Revenue that District actually received for such school year.

B. In making the calculations for the M&O Amount required by this Section 4.2 of this Agreement:

- i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.
- ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
- iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section 4.2 of this Agreement results in a negative number for the M&O Amount, the negative number will be considered to be zero.

- iv. All calculations made for the New M&O Revenue during the Tax Limitation Period under Section 4.2.A.ii of this Agreement will reflect the Tax Limitation Amount for such year.
- v. All calculations for the M&O Amount made under this Section 4.2 of this Agreement shall be made by a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse District for other revenue losses created by other agreements or any other factors.

C. All calculations made under this Section shall be based on taxes actually owed or that would have actually been owed based on the Taxable Value of Qualified Property present and taxable in the District, and not based upon the estimated Qualified Property values in the Application.

Section 4.3. STATUTORY CHANGES AFFECTING M&O REVENUE. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State or another school district, pursuant to Chapter 41 of the Texas Education Code, because of its participation in this Agreement, Applicant shall make payments to District, up to the Revenue Protection Amount limit set forth in Section 7.1 that are necessary to offset any negative impact on District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

Section 4.4. COMPENSATION FOR LOSS OF OTHER REVENUES. To the extent not included in the amounts calculated pursuant to Section 4.2 above, Applicant shall also pay to the District on an annual basis all non-reimbursed costs arising from entering this Agreement, including but not limited to: (a) any loss incurred by the District resulting from successful judicial challenge to this Agreement; (b) any reasonable attorneys' fees or other costs incurred by the District due to any legal defense, enforcement or interpretation of this Agreement, irrespective of whether or not this Agreement is ultimately determined to be valid; and (c) any non-reimbursed costs incurred by the District and related to this Agreement, either directly or indirectly, including costs paid to the Appraisal District caused by increased appraised values arising solely from the Qualified Property that is subject to the limitation provided in Section 2.4 herein.

Section 4.5. THIRD PARTY CALCULATIONS. All calculations made pursuant to this Agreement shall be verified annually by one or more independent third parties ("Consultant") selected by the District and approved by the Applicant with such approval to not be unreasonably withheld, conditioned or delayed. Applicant will be solely responsible for the payment of Consultant's fees up to Seven Thousand Dollars, (\$7,000.00) for the first year of this Agreement.

This amount may be increased each year of this Agreement by not more than five percent (5%) from the prior year. All calculations shall initially be based upon good-faith estimates using all available information and shall be adjusted to reflect “near final” or “actual” data for the applicable year as the data becomes available.

Section 4.6. DATA FOR CALCULATIONS. The initial calculations for any payments owing under this Agreement shall be based upon the valuations placed upon the Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District pursuant to § 26.01 of the Texas Tax Code in or about July of each year of this Agreement. The certified tax roll data shall form the basis from which any and all amounts due under this Agreement are calculated, and the data utilized by the Consultant will be adjusted as necessary to reflect any subsequent adjustments by the Appraisal District to the District’s tax roll. Any estimates used by the Consultant to make calculations as required by this Agreement shall be based on the best and most current information available and shall reflect only Qualified Property present and taxable in the District for each Tax Year. The Consultant shall from time-to-time adjust the data utilized to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll, or any other relevant changes to material items such as student counts or tax collections.

Section 4.7. DELIVERY OF CALCULATIONS.

A. All calculations required under Articles IV, V, or VI shall be made by the Consultant on or before December 1 of each year for which this Agreement is effective. The Consultant shall forward such calculations to the Parties in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Consultant shall maintain supporting data consistent with generally accepted accounting practices. The Consultant shall preserve all documents and data related to all calculations required under this Agreement for a period of three (3) years. Employees and agents of the Parties shall have reasonable access to the Consultant’s offices, personnel, books, and records pertaining to all calculations and fees.

B. In the event the District receives the Consultant’s invoice for services rendered, the District shall forward to Applicant such invoice, which Applicant shall pay (subject to the limitation in Section 4.5) within thirty (30) days of receipt.

Section 4.8. PAYMENT BY APPLICANT. On or before the January 31 next following the tax levy for each year for which this Agreement is effective, and subject to the limitations contained in Section 7.1, the Applicant shall pay all amounts determined to be due and owing to the District, all amounts billed by the Consultant pursuant to Section 4.5, and any reasonable and necessary expenses (subject to documentation) paid by the District to its attorneys, auditors, or financial consultants for work resulting from the District’s participation in this Agreement. Provided that the District, upon request of Applicant, provides supporting documentation to substantiate such reasonable and necessary expenses to the extent such supporting documentation is not excepted from disclosure as attorney-client privilege or otherwise excepted

from disclosure under the Texas Public Information Act (Texas Government Code § 552.001, *et seq.*).

Section 4.9. CHALLENGING CALCULATION RESULTS. The Applicant may appeal the Consultant's results, in writing, within fifteen (15) days of receipt of such results. The Consultant will issue a final determination of the calculations within 15 days of receiving Applicant's appeal. The Applicant may appeal the final determination of the Consultant to the District within 15 days of its receipt, pursuant to District Policy GK (LOCAL).

Section 4.10. EFFECT OF PROPERTY VALUE APPEAL OR ADJUSTMENT. In the event that the Taxable Value of the Qualified Property is changed after an appeal of its valuation, or the Taxable Value is otherwise altered for any reason, the calculations required under Article IV of this Agreement shall be recalculated by the Consultant at Applicant's sole expense using the revised property values. The Consultant shall transmit the revised calculations to the Parties and any Party owing funds to the other Party shall pay such funds within thirty (30) days after receipt of the new calculations.

Section 4.11. EFFECT STATUTORY OR OTHER LEGAL CHANGES. If the District will receive less M&O Revenue, or, if applicable, will be required to increase its payment of funds to the State or another school district due to the District's participation in this Agreement because of changes to applicable School Finance Law or administrative or legal interpretations by the office of the Comptroller, the Commissioner of Education, the Texas Education Agency, the Courts of the State of Texas, or any other authority having proper jurisdiction over the District or Texas school finance, then the Applicant shall make payments to the District within thirty (30) days of receipt of written notice, up to the limitation set forth in Section 7.1 below. The Parties understand and agree that the foregoing payments to the District are necessary to (a) offset any negative impact on the District as a result of its participation in this Agreement; and (b) secure for the District an amount of M&O Revenue not less than that which the District would have received had the District not entered into this Agreement.

ARTICLE V

PAYMENT OF EXTRAORDINARY EDUCATION RELATED EXPENSES

Section 5.1. EXTRAORDINARY EXPENSES. In addition to the amounts determined pursuant to Article IV or Article VI of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following:

A. all non-reimbursed costs, certified by District's external auditor to have been incurred by District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project; and

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

Section 5.2. PAYMENTS. Payments of amounts due under this Article shall be made as set forth in Section 4.8 above.

ARTICLE VI

SUPPLEMENTAL PAYMENTS

SECTION 6.1. SEPARATE AND INDEPENDENT AMOUNTS. In addition to payment of the amounts set forth under Articles IV and V of this Agreement, and as consideration for the execution of this Agreement by the District, Applicant shall be responsible to the District for supplemental payments, as set forth in this Article VI. Any and all obligations for any supplemental payments shall be separate and independent of Applicant's obligations under Articles IV and V of this Agreement.

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.

- A. Notwithstanding the foregoing, the total annual supplement payment made pursuant to this article shall:
- i. not exceed in any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year; and
 - ii. only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.
 - iii. payment of the annual supplemental payments during the Qualifying Time Period will be deferred until the start of the Tax Limitation Period, as set out in Section 6.4 below.

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

C. For purposes of this Agreement, the amount of the Annual Limit shall be One Hundred One Thousand Four Hundred Dollars (\$101,400.00) based upon the District's 2014-15 Average Daily Attendance of 1,014, rounded to the whole number.

Section 6.3. SUPPLEMENTAL PAYMENT CHANGES. In the event Chapter 313 is modified or amended to allow the District to receive supplemental payments in excess of the foregoing limitation, Applicant agrees to cooperate with the District to amend this Agreement to allow District to receive the maximum amount of supplemental payments as allowed by law; provided however, the total supplemental payments for any given year of this Agreement shall not exceed

the greater of forty percent (40%) of Applicant's Net Tax Savings under this Agreement in such year or the amount calculated as set out in Section 6.2.A.i above, as determined for that school year. "Net Tax Savings" means an amount equal to (but not less than zero): (i) the sum of the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for all years during the term of this Agreement if this Agreement had not been entered into by the Parties; minus (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas for all years during the term of this Agreement, plus (B) any and all payments due to the District under Article IV of this Agreement. For clarification, Net Tax Savings in respect of a particular year pursuant to Section 6.2 shall mean an amount equal to (but not less than zero): (i) the sum of the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for such year if this Agreement had not been entered into by the Parties; minus, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas for such year, plus (B) any and all payments due to the District under Article IV of this Agreement for such year. This Section 6.2.C shall only apply if Chapter 313 of the Texas Tax Code is amended so that the District is permitted to receive payments in lieu of taxation greater than as described in Section 6.2.A.i. above; otherwise, Section 6.2.A.i shall apply.

Section 6.4. SUPPLEMENTAL PAYMENT AND LIMITATION BASED ON NET TAX SAVINGS.

A. If during years one (1) and two (2) of this Agreement, the amount of the supplemental payments calculated in Section 6.2 exceeds Applicant's Net Tax Savings, the difference between the amount of the supplemental payments and Applicant's Net Tax Savings shall be carried forward from year-to-year (the "Deferred Payments"). Beginning in year three (3) of the Agreement, and in addition to the supplemental payment for that year, all Deferred Payments owed to the District shall be paid by Applicant to the extent all payments from Applicant to the District for that year do not exceed Applicant's Net Tax Savings. Any amount of Deferred Payments that remain unpaid shall be carried forward from year to year until paid in full.

B. Should Applicant fail to make the Minimum Qualified Investment during the Qualifying Time Period causing this Agreement to become null and void, Applicant's obligation to make any deferred Payments that was carried over by operation of Section 6.4.A. shall be cancelled.

Section 6.5. PAYMENT BY APPLICANT. Payment of amounts due under this Article shall be made as set forth in Section 4.8 of this Agreement and is subject to the limitations contained in Section 7.1.

ARTICLE VII
ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by Applicant to District for such Tax Year, plus the sum of all payments otherwise due from Applicant to District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that Applicant would have paid to District for such Tax Year (determined by using District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Section 4.2 of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from Applicant to District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

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

Section 7.3. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

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

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

ARTICLE VIII
ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, Applicant shall Maintain Viable Presence in District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure. The Final Termination Date will only be extended for the mutually agreed length of the Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by 2.4 in addition to the other obligations required by this Agreement, Applicant shall submit the following reports completed by Applicant to the satisfaction of Comptroller on the dates indicated on the form and starting on the first such due date after the Application Approval Date:

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

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

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

Section 8.3. COMPTROLLER'S ANNUAL REPORT ON CHAPTER 313 AGREEMENTS. During the term of this Agreement, both Parties shall provide Comptroller with all information reasonably necessary for Comptroller to assess performance under this Agreement for the purpose of issuing Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. During the term of this Agreement, and upon the written request of District, the State Auditor's Office, or Comptroller, the Applicant shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. Applicant shall allow authorized employees of District, the Comptroller, the Appraisal District, and/or the State Auditor's Office to have access to Applicant's Qualified Property and/or business records, in accordance with Section 22.07 of the TEXAS TAX CODE, from the Application Review Start Date through the

Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of Applicant's Qualified Property.

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

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

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

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

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

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

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

C. Comptroller may require, at Applicant's or District's sole cost and expense, as applicable, independent audits by a qualified certified public accounting firm of Applicant's,

District's or the Comptroller's books, records, or property. The independent auditor shall provide Comptroller with a copy of such audit at the same time it is provided to Applicant and/or District.

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

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which Comptroller would not have approved this Agreement and District would not executed this Agreement. By signature to this Agreement, Applicant:

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

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

ARTICLE IX

MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions:

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

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

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

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

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

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

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

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

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

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

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

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

audit the Applicant's compliance with the Agreement;

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

N. Applicant fails either to:

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

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

A. In the event that Applicant terminates this Agreement without the consent of District, except as provided in Section 7.2 of this Agreement, or in the event that Applicant fails to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, after the notice and cure period provided by Section 9.3, then District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of penalty and interest, as calculated in accordance with Section 9.2.C on that recaptured ad valorem tax revenue. For purposes of this recapture calculation, Applicant shall be entitled to a credit for all payments made to District pursuant to Article IV, V, and VI of this Agreement.

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

C. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, District shall first determine the base amount of recaptured taxes less all credits under Section 9.2.A owed for each Tax Year during the Tax Limitation Period. District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in

accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.2.A had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.3. LIMITED STATUTORY CURE OF MATERIAL BREACH. In accordance with the provisions of Section 313.0275 of the Texas Tax Code, for any full tax year which commences after the project has become operational, Applicant may cure the Material Breaches of this Agreement, defined in Sections 9.1.C. or 9.1.D, above, without the termination of the remaining term of this Agreement. In order to cure its non-compliance with Sections 9.1.C. or 9.1.D for the particular Tax Year of non-compliance only, Applicant may make the liquidated damages payment required by Section 313.0275(b) of the Texas Tax Code, in accordance with the provisions of Section 313.0275(c) of the Texas Tax Code.

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

A. Prior to making a determination that the Applicant has committed a material breach of this Agreement, such as making a misrepresentation in the Application, failing to Maintain Viable Presence in District as required by Section 8.1 of this Agreement, failing to make any payment required under this Agreement when due, or has otherwise committed a material breach of this Agreement, District shall provide Applicant with a written notice of the facts which it believes have caused the material breach of this Agreement, and if cure is possible, the cure proposed by District. After receipt of the notice, Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in material breach of its obligations under the Agreement, or that it has cured or undertaken to cure any such material breach.

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

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

Section 9.4. DISPUTE RESOLUTION.

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

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such ninety (90) days, District shall have the remedies for the collection of the amounts determined under Section 9.2 and as are set forth in Chapter 33, Subchapters B and C, of the Texas Tax Code for the collection of delinquent taxes. In the event that District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees and a tax lien on Applicant's Qualified Property and Applicant's Qualified Investment pursuant to Section 33.07 of the Texas Tax Code to the attorneys representing District pursuant to Section 6.30 of the Texas Tax Code.

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

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the

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

Section 9.6. BINDING ON SUCCESSORS. In the event of a merger or consolidation of District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

ARTICLE X.
MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

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

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

To the District:

Tulia Independent School District
Attn: Steve Post, Superintendent
(or the successor Superintendent)
702 NW 8th St.
Tulia, TX 79088
Phone #: (806) 995-4591
Fax #: (806) 995-3169
Email: steve.post@tuliaisd.net

With a copy to:

Underwood Law Firm, P.C.
Attn: Fred Stormer
P.O. Box 9158
Amarillo, TX 79105-9158
Phone #: (806) 379-1306
Fax #: (806) 379-0316
Email: fred.stormer@uwlaw.com

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

To Applicant:

Jennifer Defenbaugh, Vice President
WildRoseWind LLC
3807 Shady Meadow Drive
Grapevine, TX 76051
Phone #: (817)307-4444
Email: jennifer@windrosepower.com

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

Section 10.2. AMENDMENTS TO AGREEMENT; WAIVERS.

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

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

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

C. Any amendment of the Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

- i. require that all property added by amendment be eligible property as defined by Section 313.024 of the Texas Tax Code;
- ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the

- original Agreement; and
- iii. define minimum eligibility requirements for the recipient of limited value.

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

Section 10.4. ASSIGNMENT. Any assignment of the interests of Applicant in this Agreement is considered an amendment to the Agreement and Applicant may only assign this Agreement, or a portion of this Agreement, after complying with the provisions of Section 10.2 regarding amendments to the Agreement.

Section 10.5. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.6. MAINTENANCE OF COUNTY APPRAISAL DISTRICT RECORDS. When appraising the Applicant's Qualified Property and the Applicant's Qualified Investment subject to a limitation on Appraised Value under this Agreement, the Chief Appraiser of the Appraisal District shall determine the Market Value thereof and include both such Market Value and the appropriate value thereof under this Agreement in its appraisal records.

Section 10.7. GOVERNING LAW. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in the County.

Section 10.8. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.9. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions contained herein (and any other application such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner

so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.9, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.10. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.11. INTERPRETATION. When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words "include," "includes" and "including" when used in this Agreement shall be deemed in such case to be followed by the phrase ", but not limited to,". Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

Section 10.12. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.13. PUBLICATION OF DOCUMENTS. The Parties acknowledge that District is required to publish Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

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

under Section 313.028 of the Texas Tax Code.

Section 10.14. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. Applicant shall immediately notify District in writing of any actual or anticipated change in the control or ownership of Applicant and of any legal or administrative investigations or proceedings initiated against Applicant regardless of the jurisdiction from which such proceedings originate.

Section 10.15. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, Applicant's duty to disclose continues throughout the term of this Contract.

[the remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this ___ day of _____, 2016.

WILDROSEWIND LLC

TULIA INDEPENDENT SCHOOL DISTRICT

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

ATTEST:

BY: _____

NAME: _____

TITLE: _____

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

The Swisher County Commissioners Court passed a Resolution Designating Reinvestment Zone #2 on April 27, 2015, which is more particularly described below.

| Swisher CAD Parcel ID | Owner Name | Legal Description |
|-----------------------------|--|---|
| 14441 | SWINBURN DALE V | BLK K-2 SEC 3 W/PT 440 ACRES |
| 14445 | DUNN DAVID LYNN | BLK K-2 SEC 4 638.05 ACRES |
| 14446 | DUNN COREY L | BLK K-2 SEC 5 N/2 320 ACRES |
| 14449 | DUNN DAVID LYNN | BLK K-2 SEC 5 SE/4 160 ACRES |
| 14462 | DUNN DAVID LYNN | BLK K-2 SEC 13 N/2 318.75 ACRES |
| 14463 | SORRELLS NEVA | BLK K-2 SEC 13 S/2 318.94 ACRES |
| 14465 | HILL JAMES M JR | BLK K-2 SEC 14 S & W PT 520 ACRES |
| 14466 | DUNN JOHN D JR | BLK K-2 SEC 14 NE/PT 120 ACRES |
| 14467 | HILL JAMES M JR | BLK K-2 SEC 15 W/2 320 ACRES |
| 14468 | DUNN JOHN D JR | BLK K-2 SEC 15 NE/4 160 ACRES |
| 14470 | DUNN JOHN D JR | BLK K-2 SEC 16 N/PT 176.5 ACRES |
| 14554 | CARLISLE KATHRYN ANN | BLK M-6 SEC 18 650 ACRES |
| 14555 | CARLISLE HERBERT | BLK M-6 SEC 19 PT OF W/2 297.55 ACRES |
| 14558 | STRICKLAND JUDY | BLK M-6 SEC 20 W/2 309.63 ACRES |
| 14560 | TOMLINSON RAY | BLK M-6 SEC 20 S/PT OF E/2 193.75 ACRES |
| 14562 | REILMAN JEANETTE | BLK M-6 SEC 21 W/2 316.97 ACRES |
| 14563 | DUNN LIVING TRUST, DUNN DARREL J & BARBARA | BLK M-6 SEC 21 NE/4 160 ACRES |
| 14565 | SORRELLS NEVA | BLK M-6 SEC 22 W/2 310.7 ACRES |
| 501591 | CARLISLE KATHRYN ANN | BLK M-6 SEC 22 E/2 322.3 ACRES |
| 14568 | WILHELM, BRENT/LINDSAY | BLK M-6 SEC 23 600.12 ACRES |
| 14626 | BIRKENFELD CLYDE | BLK M-6 SEC 58 645.5 ACRES |
| 14627 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 59 W/2 320 ACRES |
| 14628 | SORRELLS NEVA | BLK M-6 SEC 59 E/2 317 ACRES |
| 14629 | STEWART LARRY P | BLK M-6 SEC 60 NW/4 163 ACRES |
| 14631 | SHARP AMY J | BLK M-6 SEC 60 NE/4 160 ACRES |
| 14633 | SHARP AMY J | BLK M-6 SEC 60 N/2 OF SW/4 78.8 ACRES |
| 14636 | DIRKS JEROME H | BLK M-6 SEC 60 S/2 OF SW/4 78.80 ACRES |
| 14637 | STEWART LARRY P | BLK M-6 SEC 60 N/2 OF SE/4 79 ACRES |
| 14638 | ACKER JAMES A | BLK M-6 SEC 61 N/2 313.9 ACRES |
| 14640 | NOGGLER JEANIE | BLK M-6 SEC 61 SW/4 160 ACRES |
| 14641 | SORRELLS NEVA | BLK M-6 SEC 61 SE/4 160 ACRES |
| 14642 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 62 E/2 & N/145.37 AC OF W/2 467.9 ACRES |
| 14645 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 63 SW/4 160 ACRES |
| 14646 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 63 SE/4 160 ACRES |
| 14700 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 98 647 ACRES |
| 14701 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 99 W/4 158.5 ACRES |
| 14703 | THOMPSON JOE BOB & SHARON | K M-6 SEC 99 E/2 OF W/2 158.5 ACRES |
| 14704 | THOMPSON JOE BOB & SHARON | BLK M-6 SEC 99 E/2 297 ACRES |
| 14711 | BIRKENFELD KGB | BLK M-6 SEC 101 E/SIDE 248.9 ACRES |

Agreement for Limitation on Appraised Value
Between Tulia ISD and WildRoseWind LLC
(App No. 1072), January 21, 2016

Texas Economic Development Act Agreement
Comptroller Form 50-286 (January 2014)

| | | |
|-------|---|---|
| 14712 | BORCHARDT BILLY SAM | BLK M-6 SEC 102 294.35 ACRES |
| 14713 | PAIDOM INVESTMENTS INC | BLK M-6 SEC 103 E/2 293 ACRES |
| 14773 | THOMPSON JACK H | BLK M-8 SEC 24 632.1 ACRES |
| 14774 | THOMPSON JOE BOB & SHARON | BLK M-8 SEC 25 E/2 OF E/2 164.26 ACRES |
| 14775 | MONTANDON JAMES EST | BLK M-8 SEC 25 W/2 OF E/2 151.5 ACRES |
| 14780 | SWINBURN DALE V | BLK M-8 SEC 26 W/2 315.18 |
| 14781 | REDMON CHERI | BLK M-8 SEC 26 E/2 315.17 ACRES |
| 14782 | THOMPSON JACK H | BLK M-8 SEC 27 640 ACRES |
| 14783 | COTHRAN, LEE ETTA ETAL | BLK M-8 SEC 28 667.87 ACRES |
| 14879 | SWINBURN DALE INC | BLK M-8 SEC 74 661.8 ACRES |
| 14881 | REDMON CHERI | BLK M-8 SEC 75 W/2 316.40 ACRES |
| 14882 | BARNETT DUANE MARSHALL | BLK M-8 SEC 75 N/2 NE/4 76.34 ACRES |
| 14885 | MILNER BOYD | BLK M-8 SEC 75 SE/4 162.92 ACRES |
| 15458 | STURGESS IDELLA | BLK M-11 SEC 1 W/2 320 ACRES |
| 15462 | MILLS PROPERTIES | BLK M-11 SEC 3 670 ACRES |
| 15464 | HILL HULAN | BLK M-11 SEC 4 640 ACRES |
| 15465 | THOMPSON JOE BOB & SHARON | BLK M-11 SEC 5 670.9 ACRES |
| 15466 | EJCJ INVESTMENTS LTD | BLK M-11 SEC 6 ENTIRE SEC LESS 6.25 AC HOMESITE 646.25 ACRES |
| 15470 | DEKEYZER, THOMAS BRUCE TRUST | BLK M-11 SEC 8 647.7 ACRES |
| 15471 | DEKEYZER, THOMAS BRUCE TRUST | BLK M-11 SEC 9 659 ACRES |
| 15472 | SPANN DEBRA ANNE ETAL | BLK M-11 SEC 10 636.7 ACRES |
| 15475 | HENDRICKS HOLLY L | BLK M-11 SEC 12 640 ACRES |
| 15476 | HENDRICKS IRA NEWT | BLK M-11 SEC 13 640 ACRES |
| 15477 | DUTTON VERNA | BLK M-11 SEC 14 W/2 320 ACRES |
| 15479 | DUTTON ALAN, DUTTON TERRY | BLK M-11 SEC 14 W/2 OF E/2 160 ACRES |
| 15480 | DUTTON ALAN, DUTTON TERRY | BLK M-11 SEC 14 E/2 OF E/2 160 ACRES |
| 15481 | O'DANIEL, J ROSS | BLK M-11 SEC 15 640 ACRES |
| 15484 | TEXIN LLC | BLK M-11 SEC 16 SW/4 165 ACRES |
| 15485 | TEXIN LLC | BLK M-11 SEC 16 SE/4 165 ACRES |
| 15486 | RAMAEKERS HENRY L | BLK M-11 SEC 17 663.20 ACRES |
| 15487 | WHITSETT J F | BLK M-11 SEC 18 W/2 320 ACRES |
| 15488 | STURGESS JAMES | BLK M-11 SEC 18 NE/4 166.2 ACRES |
| 15490 | GOSS GLADYS | BLK M-11 SEC 18 SE/4 165 ACRES |
| 15491 | DUNN DAVID LYNN | BLK M-11 SEC 19 NW/4 160 ACRES |
| 15492 | STURGESS IDELLA | BLK M-11 SEC 19 NE/4 & S/2 470 ACRES |
| 15494 | STURGESS LARRY | BLK M-11 SEC 20 NW/4 160 ACRES |
| 15495 | COPHERANHAM BOBBY, COPHERANHAM IRELENE | BLK M-11 SEC 20 NE/4 160 ACRES |
| 15497 | STURGESS IDELLA | BLK M-11 SEC 20 S/2 313.51 ACRES |
| 15498 | SWINBURN DALE INC | BLK M-11 SEC 21 681.4 ACRES |
| 15499 | STURGESS IDELLA | BLK M-11 SEC 22 N/2 320 ACRES |
| 15502 | SWINBURN DALE V | BLK M-11 SEC 22 S/2 320 ACRES |
| 15503 | HILL HULAN | BLK M-11 SEC 23 406 ACRES |
| 15504 | DUNN JOHN D JR | BLK M-11 SEC 23 S/PT 150 ACRES |
| 15505 | DUNN COREY L | BLK M-11 SEC 23 S/PT 84 ACRES |
| 15506 | BIRKENFELD, KGB | BLK M-11 SEC 24 N/2 & SW/PT 440 ACRES |
| 15507 | WALDROP, PATSY | BLK M-11 SEC 24 SE/PT 200 ACRES |
| 15508 | BARKER BRENT W, BARKER BEVERLY | BLK M-11 SEC 25 663.5 ACRES |
| 15509 | BARKER BRENT W, BARKER BEVERLY | BLK M-11 SEC 26 E/2 324.1 ACRES |
| 15510 | O'DANIEL, J ROSS | BLK M-11 SEC 26 W/2 310.91 ACRES |

Agreement for Limitation on Appraised Value
Between Tulia ISD and WildRoseWind LLC
(App No. 1072), January 21, 2016

*Texas Economic Development Act Agreement
Comptroller Form 50-286 (January 2014)*

EXHIBIT 1

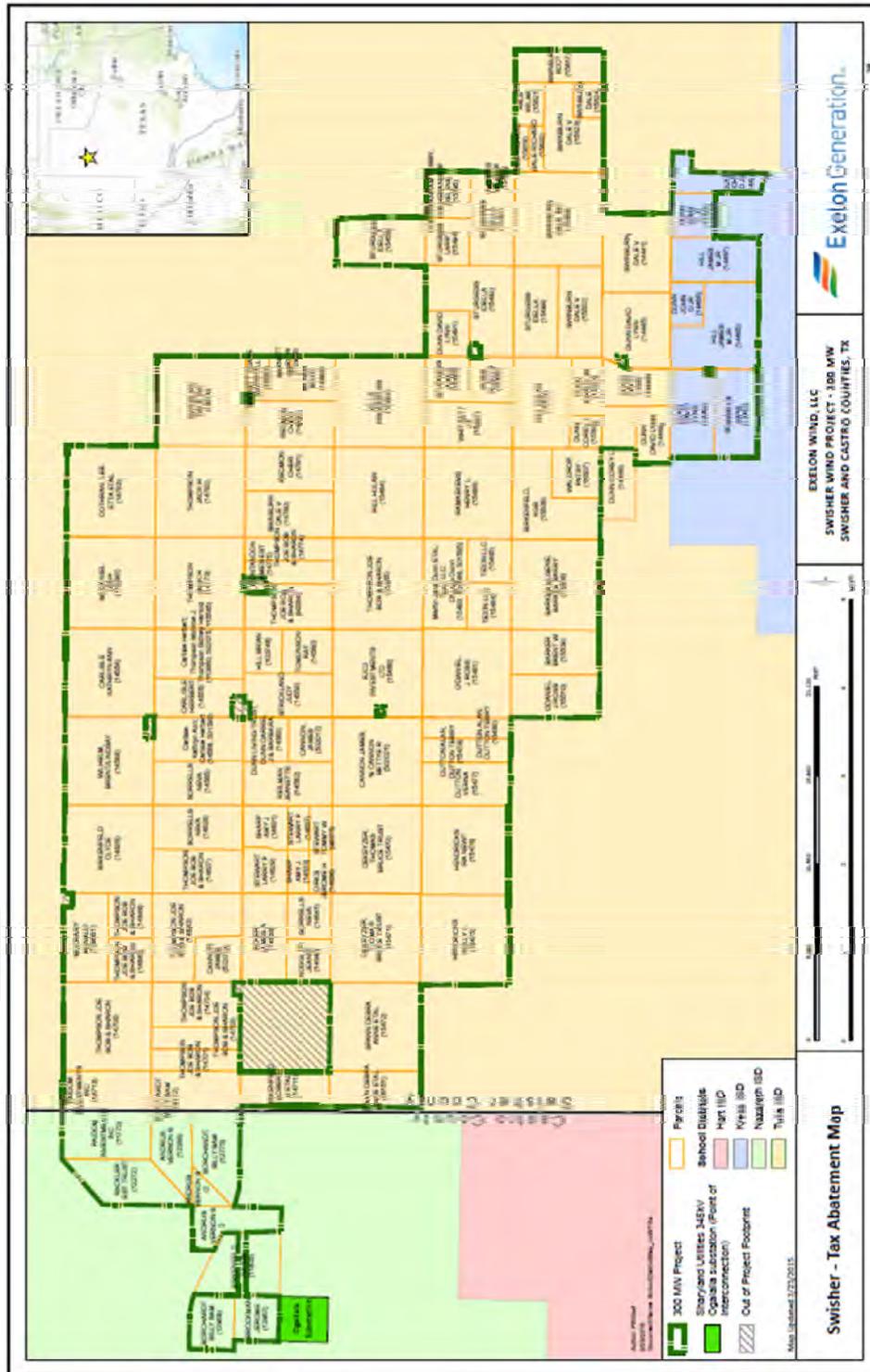
| | | |
|--------|---------------------------|---|
| 15617 | SWINBURN SCOT | BLK M-13 SEC 9 W/PT 240 ACRES |
| 15619 | HALE RICHARD | BLK M-13 SEC 10 OUT OF NW/PT 54.95 ACRES |
| 15620 | HALE RICHARD | BLK M-13 SEC 10 NW/PT 54.95 ACRES |
| 15621 | HALE WILMA | BLK M-13 SEC 10 N/PT 102.18 ACRES |
| 15623 | SWINBURN DALE V | BLK M-13 SEC 10 MID/PT & SW/PT 343.45 ACRES |
| 15624 | SWINBURN DALE | BLK M-13 SEC 10 OUT OF SE/4 3.22 ACRE HOMESITE |
| 16151 | SPANN DEBRA ANNE ETAL | BLK OD SEC 1 265 ACRES |
| 90564 | THOMPSON JOE BOB & SHARON | BLK M-8 SEC 25 W/2 318.89 ACRES |
| 98075 | STEWART TOMMY W | BLK M-6 SEC 60 S/2 OF SE/4 79 ACRES |
| 103746 | HILL BRIAN | BLK M-6 SEC 20 N/PT OF E/2 126.05 ACRES |
| 109661 | MCCRARY RONALD | BLK M-6 SEC 63 N/2 320 ACRES |
| 112936 | BARNETT GARY W | BLK M-8 SEC 75 S/2 NE/4 76.30 ACRES |
| 14556 | CARLISLE HERBERT | BLK M-6 SEC 19 E/2 320 ACRES |
| 115592 | MCDANIEL LEAH C | BLK M-8 SEC 23 667.4 ACRES |
| 501564 | TEXIN LLC | BLK M-11 SEC 16 N/2 330 ACRES |
| 502017 | COYLE LAUREN ANN JOBE | BLK M-6 SEC 21 SE/4 160 ACRES |
| 502019 | COYLE LAUREN ANN JOBE | BLK M-6 SEC 62 OUT OF W/2 176 ACRES |
| 502021 | COYLE LAUREN ANN JOBE | BLK M-11 SEC 7 650.3 ACRES |
| 502075 | THOMPSON MONROE J | BLK M-6 SEC 19 E/2 320 ACRES 25% UNDIVIDED INTEREST |

Agreement for Limitation on Appraised Value
Between Tulia ISD and WildRoseWind LLC
(App No. 1072), January 21, 2016

*Texas Economic Development Act Agreement
Comptroller Form 50-286 (January 2014)*

EXHIBIT 1

Map of Swisher County Reinvestment Zone #2



Agreement for Limitation on Appraised Value
Between Tulia ISD and WildRoseWind LLC
(App No. 1072), January 21, 2016

Texas Economic Development Act Agreement
Comptroller Form 50-286 (January 2014)

EXHIBIT 2

DESCRIPTION AND LOCATION OF THE APPLICANT'S QUALIFIED INVESTMENT

All Qualified Property owned by the Applicant is located within the boundaries of both the Tulia Independent School District and the Swisher County Reinvestment Zone #2, which is more particularly described in **EXHIBIT 1**.

Draft

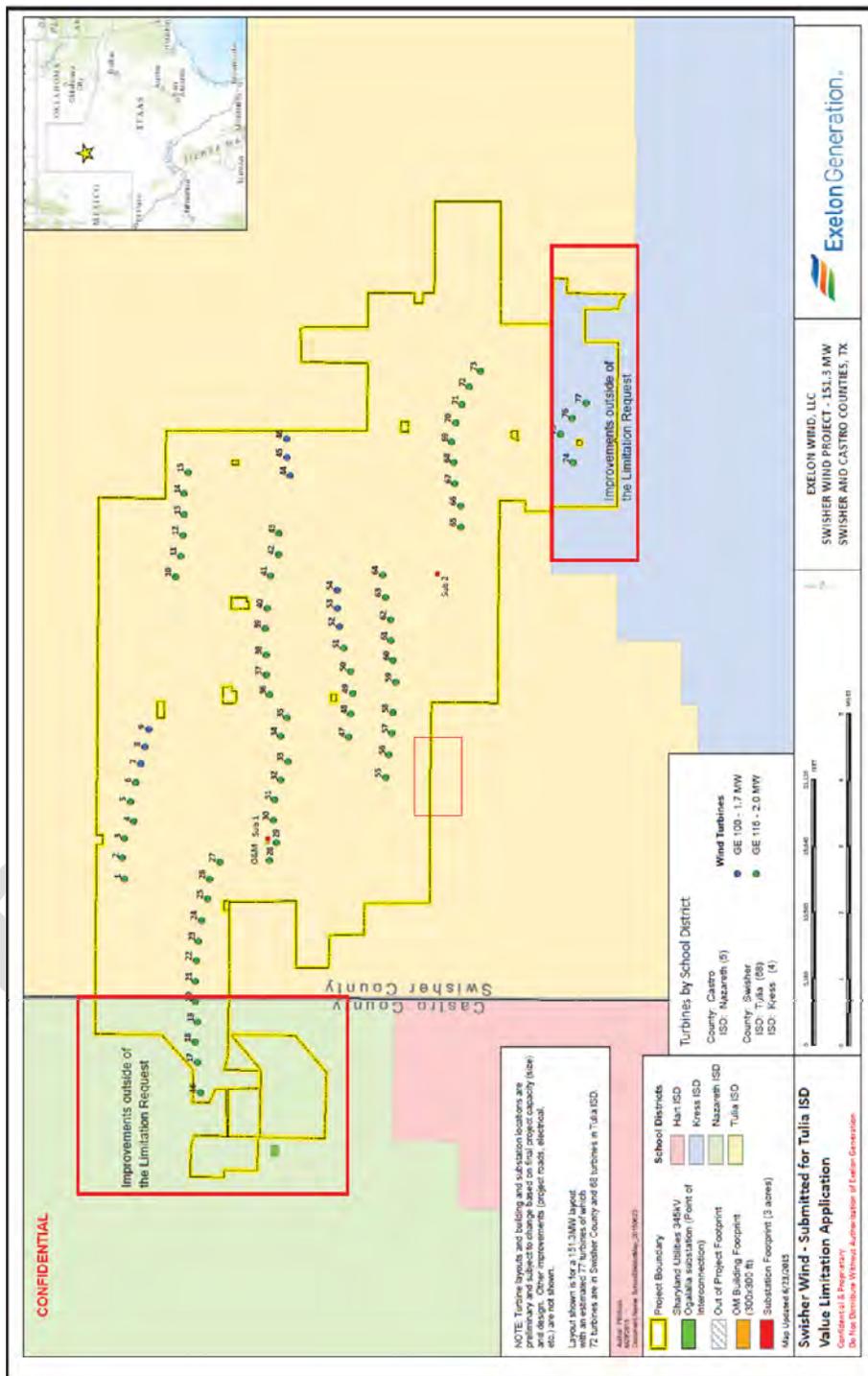
EXHIBIT 3

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

WildRoseWind, LLC is proposing to construct a wind-powered electric generating facility with an operating capacity up to 300 megawatts (MW) in Swisher and Castro County. This project, the Swisher Wind Project, is being jointly developed with Exelon Wind, LLC, who has a contractual right to own the project. The exact number of wind turbines and the size of each turbine would depend upon ongoing wind and siting analysis, the wind turbine selected and the final MW generating capacity of the final layout. The wind farm is under development for up to a 300 MW project and could be installed in phases depending on the timing of contracts for power output. It is possible any project size between 150-300 MW is installed as a first phase for 2016. Subsequent phases could follow in later year(s) for operation up to 300 MW.

The Project anticipates using a mix of GE 100-1.7 MW and GE 116-2.0 MW. In the first phase is an estimated 151.5 MW, 77 turbines would be used in which 68 would be located in Swisher County and within the Tulia Independent School District. For a 300 MW wind farm, an estimated 151 turbines would be required with 142 located in Swisher County (130 turbines within Tulia ISD). Improvements and investments with the wind farm Project will include but not limited to wind turbines, turbine transformers (pad-mounts), towers, foundations, underground collection systems (low-voltage cabling systems), electrical substations and associated control systems, overhead electrical generation tie lines (high-voltage transmission lines), electrical interconnections, metrological towers, project access roads, an operations and maintenance building and spare parts.

PROJECT MAP



Agreement for Limitation on Appraised Value
 Between Tulia ISD and WildRoseWind LLC
 (App No. 1072), January 21, 2016

Texas Economic Development Act Agreement
 Comptroller Form 50-286 (January 2014)

EXHIBIT 4

| | <u>Year of Agreement</u> | <u>Date of Appraisal</u> | <u>School Year</u> | <u>Tax Year</u> | <u>Summary Description</u> |
|--------------------------------------|---------------------------------|---------------------------------|---------------------------|------------------------|--|
| Limitation Pre-Year | 1 | January 1, 2016 | 2016-17 | 2016 | Limitation Pre-Year |
| Limitation Period (10 Years) | 2 | January 1, 2017 | 2017-18 | 2017 | \$20 million appraisal limitation |
| | 3 | January 1, 2018 | 2018-19 | 2018 | \$20 million appraisal limitation |
| | 4 | January 1, 2019 | 2019-20 | 2019 | \$20 million appraisal limitation |
| | 5 | January 1, 2020 | 2020-21 | 2020 | \$20 million appraisal limitation |
| | 6 | January 1, 2021 | 2021-22 | 2021 | \$20 million appraisal limitation |
| | 7 | January 1, 2022 | 2022-23 | 2022 | \$20 million appraisal limitation |
| | 8 | January 1, 2023 | 2023-24 | 2023 | \$20 million appraisal limitation |
| | 9 | January 1, 2024 | 2024-25 | 2024 | \$20 million appraisal limitation |
| | 10 | January 1, 2025 | 2025-26 | 2025 | \$20 million appraisal limitation |
| | 11 | January 1, 2026 | 2026-27 | 2026 | \$20 million appraisal limitation |
| Maintain a Viable Presence (5 Years) | 12 | January 1, 2027 | 2027-28 | 2027 | No appraisal limitation; must maintain a viable presence |
| | 13 | January 1, 2028 | 2028-29 | 2028 | No appraisal limitation; must maintain a viable presence |
| | 14 | January 1, 2029 | 2029-30 | 2029 | No appraisal limitation; must maintain a viable presence |
| | 15 | January 1, 2030 | 2030-31 | 2030 | No appraisal limitation; must maintain a viable presence |
| | 16 | January 1, 2031 | 2031-32 | 2031 | No appraisal limitation; must maintain a viable presence |

Agreement for Limitation on Appraised Value
 Between Tulia ISD and WildRoseWind LLC
 (App No. 1072), January 21, 2016

Texas Economic Development Act Agreement
Comptroller Form 50-286 (January 2014)



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

January 14, 2016

Steve Post
Superintendent
Tulia Independent School District
702 NW 8th Street
Tulia, Texas 79088

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes by and between Tulia Independent School District and Wild Rose Wind, LLC – Application # 1072

Dear Superintendent Post:

This office has been provided with the “Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes” by and between Tulia Independent School District and Wild Rose Wind, LLC (the “Agreement”). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that it complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

If you need additional information or have questions, please contact Stephanie Jones, Economic Development & Local Government Section, at (512) 463-4594.

Sincerely,

Korry Castillo
Director
Data Analysis & Transparency Division

cc: Fred Stormer, Underwood Law Firm, P.C.
Jennifer Defenbaugh, Wild Rose Wind LLC
Michele Dybel, Exelon Wind LLC
Robert Daniel, Duff and Phelps, LLC



WildRoseWind, LLC

Re: Chapter 313 Job Waiver Request

Tulia Independent School District
Attn: School Superintendent Steve Post
702 NW 8th Street
Tulia, TX 79088

May 18, 2015

Dear Mr. Post,

WildRoseWind LLC requests that the Tulia Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the tax code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

WildRoseWind LLC requests that the Tulia Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, WildRoseWind LLC has committed to create at least three total jobs for the project for a 151.5 MW wind project, all of which would be in Tulia ISD. A larger wind project would create additional jobs with at least eight jobs being required for a 300 MW wind project.

Wind projects create a large number of full and part-time, but temporary, jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The industry standard for employment is typically one full-time employee for approximately every 15 turbines. This number may vary depending on the operations and maintenance requirements of the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,

A handwritten signature in black ink, appearing to read "Henriette Boom". The signature is fluid and cursive, with a long horizontal stroke at the end.

Henriette A. Boom
President
WildRoseWind LLC

Tulia Independent School District

702 Northwest 8th Street
Tulia, Texas 79088

Phone (806) 995-4591
Fax (806) 995-3169

Steve Post, Superintendent

November 20, 2015

Ms. Henriette A. Boom, President
WildRose Wind, LLC

Via email: henriette@windrosepower.com

Re: Request for Extension on Application of WildRoseWind, LLC
For an Appraised Value Limitation Agreement

Dear Ms. Boom:

Please be advised that at a properly called meeting of the Tulia Independent School District Board of Trustees on November 19, 2015, the Board took action on the request for an extension to consider the application of WildRoseWind, LLC for an Appraised Value Limitation Agreement with Tulia ISD. The District approved the request, and has granted the extension on the application up to an additional 90 day period (*i.e.*, March 6, 2016). *See* enclosed copy of the Resolution granting the extension. The Board's action will be reflected in the Minutes of this meeting.

If you have any further questions concerning your extension, please do not hesitate to contact me or Fred Stormer at the Underwood Law Firm. Thank you for your cooperation in this matter.

Sincerely,



Steve Post, Superintendent

**RESOLUTION OF THE BOARD OF TRUSTEES
OF
TULIA INDEPENDENT SCHOOL DISTRICT**

The Board of Trustees of Tulia Independent School District (“the District”) does hereby make the following resolution regarding a pending application by WildRose Wind, LLC (“WildRose Wind”) for an appraised value limitation agreement under Texas Tax Code, Chapter 313:

WHEREAS, on or about May 21, 2015, WildRose Wind submitted to the District an application under Texas Code, Chapter 313 (the “Application”) for an appraised value limitation agreement (“Agreement”); and

WHEREAS, on or about May 29, 2015, the Application was submitted to the Texas Comptroller; and,

WHEREAS, on or about July 10, 2015, the Texas Comptroller issued a letter deeming the Application complete, advising that it would move forward with its economic impact evaluation, and triggering the effective filing date of the Application; and

WHEREAS, Texas Tax Code §313.025(b) requires the Board approve or disapprove an application before the 151st day after the date the application is deemed complete by the Comptroller (the “Deadline”), unless the Comptroller’s economic impact evaluation has not been received or an extension is agreed to by the Board and the applicant; and,

WHEREAS, due to ongoing negotiations with WildRose Wind, it is likely the Agreement will not be approved by the Comptroller in time for the Board to issue its Findings of Fact, and approve and execute such an Agreement before the Deadline; and,

WHEREAS, on October 30, 2015, WildRose Wind submitted a request to the District to extend the Deadline, a copy of which is attached here to as Exhibit “A.”

NOW BE IT THEREFORE RESOLVED, that the statements contained in the preamble of this Resolution are true and correct and adopted as findings of fact and operative provisions hereof, and that it is in the District’s best interest to extend the Deadline as requested, and

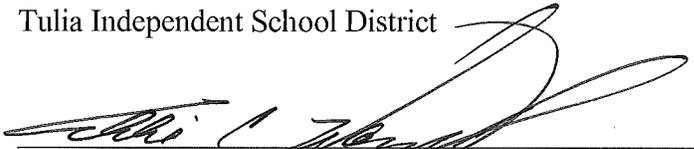
BE IT FURTHER RESOLVED, that Board of Trustees finds that it is in the best interest of the District to grant WildRose Wind’s request, and extend the Deadline for an

additional ninety (90) days in order to complete negotiations and allow the Comptroller sufficient time to review and approve the Agreement of the parties; and,

BE IT FURTHER RESOLVED, the superintendent is directed to provide notice to WildRoseWind of the Board's decision to grant its request, and extend the deadline until March 6, 2016.

Passed and approved by the Tulia Independent School District Board of Trustees on this 19th day of November, 2015.

Tulia Independent School District



By: President of the Board of Trustees



By: Secretary of the Board of Trustees

EXHIBIT A

October 30, 2015

Steve Post, Superintendent
Tulia ISD
702 NW 8th St.
Tulia, TX 79088

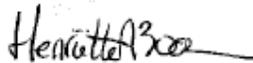
Re: Request for Extension to consider 313 Application

Dear Mr. Post,

Due to our continued work on finalizing the details of the Swisher Wind Project and ongoing negotiations on the form and scope of the Agreement, we do not believe that the Agreement between WildRoseWind, LLC and Tulia Independent School District will be approved by the Comptroller in time for the parties to execute the LAVA within the 151 day deadline imposed by Texas Tax Code Chapter 313, Section 313.025(b). Accordingly, we ask that Tulia ISD extend that deadline by no less than 90 days or March 6th, 2016.

Thank you for your consideration.

Sincerely,



Henriette A. Boom
President
WindRosePower, LLC
WildRoseWind, LLC
Direct: 682.560.0929
henriette@windrosepower.com

WildRoseWind, LLC