



The Honorable Judge Michael Roach  
Stephens County Judge  
200 West Walker  
Breckenridge, TX 76424

July 11, 2023

**Re: Application for Texas Property Tax Code Chapter 312 Tax Abatement Agreement**

Dear Honorable Judge Michael Roach:

Please find attached an application for a Chapter 312 Tax Abatement on behalf of our client, La Casa Wind, LLC (the "Project"). In accordance with Chapter 312 of the Texas Property Tax Code, we respectfully request that Stephens County consider the creation of a reinvestment zone and the approval of a Chapter 312 Tax Abatement Agreement for the Project.

The approval of this agreement would undoubtedly prove beneficial to the economic development of Stephens County. In addition to the \$210 million investment in the County, the major economic benefits over the next 30 years are expected to include \$9.6 million of additional County taxes and over \$20 million of additional School taxes for Breckenridge ISD and Ranger ISD, as well as ensuring the ability of La Casa Wind to be located within Stephens County, Texas.

La Casa Wind will be approximately a 150.4 MWAC (Megawatts-AC) wind energy generation facility, that will create hundreds of construction jobs and will provide 3 permanent full-time operation and maintenance positions. The project is anticipated to commence construction by early 2024 and will be fully operational by December 2024.

The Project is being developed by NextEra Energy Resources ("NextEra"). NextEra is world's largest generator of renewable energy from the wind and sun and a world leader in battery storage. In Texas alone, NextEra has invested more than \$13.7 Billion in infrastructure, paying more than \$77 million and \$30 million annually in property taxes and landowner payments, respectively.

NextEra is eager to continue their development of wind and solar power plants across Texas, and their investment in Stephens County. Their team is dedicated to making renewable energy affordable and abundant, as well as being responsible corporate citizens in the communities they choose to invest in.

If you have any questions, please feel free to contact me at 469-298-1594 or mfry@keatax.com. We look forward to working with you.

Sincerely,

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

Mike Fry  
Director - K.E. Andrews



# La Casa Wind, LLC

## Chapter 312 Application – Stephens County

### *Detailed Description of the Project*

La Casa Wind, LLC is an approximately 150.4 MW/AC (Megawatts-AC) wind energy generation project that will be located in Stephens County within Breckenridge Independent School District and Ranger Independent School District. In its entirety, the project will consist of 53 wind turbines (General Electric Model 2.82). The project boundary will encompass approximately 15,000 acres and will be located in the southeastern portion of Stephens County.

Construction is anticipated to commence in early 2024. The hiring of new employees will begin in 2024. Construction is projected to be complete by December 2024, when the plant will also be fully operational.

**NAICS Code: 221115**

**Texas Taxpayer ID: 32079563683**

**Taxing Entities having Jurisdiction: Stephens County, Ranger ISD, Breckenridge ISD, Hospital District**



### *List of Improvements /Personal Property*

It is contemplated that the Project will include but is not limited to the following components:

- Substation
- Transmission Line
- Inverters and Transformers
- Foundations
- Roadways, Paving, & Fencing
- Meteorological Towers & Equipment
- Turbines
- Interconnection Facilities
- Access Roads to Turbines
- Power Conditioning Equipment
- Combiner Boxes
- Operation & Maintenance Buildings
- DC & AC Collection Wires, Cables and Equipment
- SCADA Equipment



### ***Certification of No Delinquent Taxes on Applicant's Property***

La Casa Wind, LLC does not currently own any property within the proposed Reinvestment Zone.

### ***Terms of Abatement Requested***

It is our request that the terms of the tax abatement agreement between La Casa Wind, LLC and Stephens County be the equivalent of a 10-year abatement. Specifically, the abatement is requested to be structured as a 60% abatement over the first 5 years, and 40% abatement over the second 5 years.

### ***Residual Value***

In accordance with Texas property tax rules, the residual value of the wind project within Stephens County is expected to be valued at \$42 million once fully depreciated. The wind project is expected to operate for at least 20 additional years after the abatement period, giving rise to additional estimated County property taxes of more than \$269,000 per year.

### ***Fees & Expenses***

La Casa Wind, LLC agrees to pay a \$1,000 non-refundable application fee, and shall reimburse the County its reasonable consulting and attorney fees as may be incurred in preparation and negotiation of the abatement agreement.



**Standards for Tax Abatement -  
Section 2(E.) Stephens County Tax Abatement Guidelines & Criteria**

1. Value of Any Existing Improvements: \$0
2. Type and Value of Eligible Facilities: Wind Energy Generation, \$210,000,000
3. Productive Life of the Eligible Facilities: 30 Years
4. Number of existing jobs to be retained as a result of the Eligible Facilities: 0 Existing Jobs
5. Number and type of new jobs to be created by Eligible Facilities: 3 Operations & Maintenance Jobs
6. Amount of local payroll to be created: approximately \$65,000 annually, per Operations & Maintenance Position.
7. Whether the new jobs to be created will be filled by persons residing or projected to reside within the County: To be determined, Project will use commercially reasonable efforts to hire locally.
8. The amount by which the property tax base valuation will be increased during the term of Agreement and the Abatement: \$210,000,000
9. The costs to be incurred by the County to provide facilities directly resulting from the Eligible Facilities: \$0
10. The amount of ad valorem taxes to be paid to the County during the abatement period: See Exhibits on Page 9 and Page 10 of this Application.
11. The population growth in the County that is likely to occur as a result of the Eligible Facilities: N/A
12. The types and values of public improvements, if any, to be made by applicant seeking Abatement: None, \$0
13. Whether the Eligible Facilities compete with existing businesses: No Impact
14. The impact on the business opportunities of existing businesses: Local Spending and Outreach to be determined, very likely that aggregates and base materials will be sourced locally.
15. The attraction of other new businesses to the area: No impact outside of temporary construction period.
16. The overall compatibility with the zoning ordinances and comprehensive plan for the area: No ordinances or comprehensive plan that the Project is aware of.
17. Has project obtained all necessary permits from applicable environmental agencies? No environmental permits pertaining to Wildlife and Wetlands



**Reinvestment Zone:**

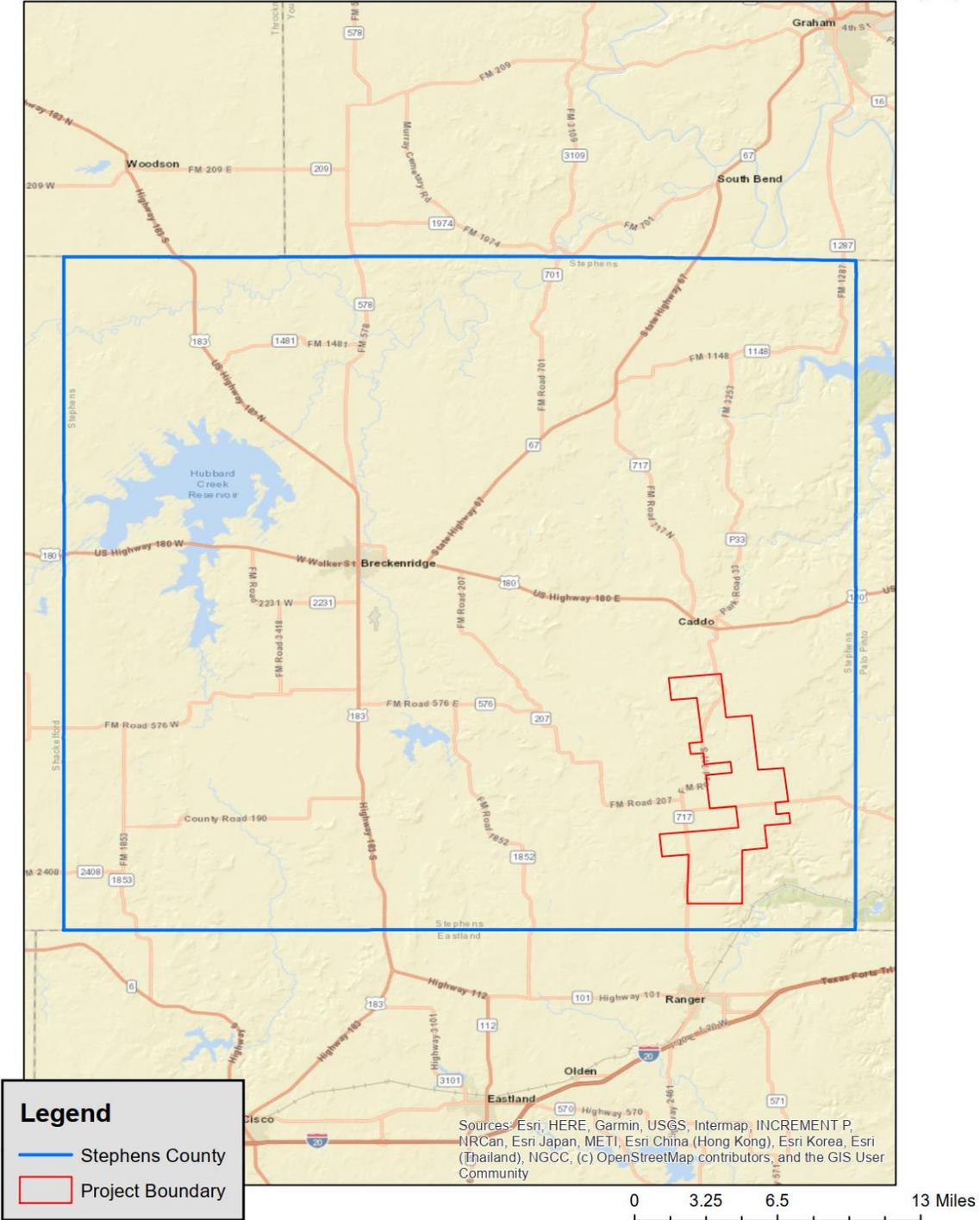
This proposed reinvestment zone will be formed on Abstracts listed below, with an approximate project size of ~15,000 acres.

ABSTRACT #	SURVEY NAME	BLOCK #	SURVEY #	ALTERNATIVE SURVEY NAME	ABSTRACT LABEL	FULL SURVEY NAME
429270	T&P RR CO	6	3	N/A	A-270	TEXAS AND PACIFIC RAILROAD COMPANY
4292252	T&P RR CO	6	2	JEFFREY, T	A-2252	TEXAS AND PACIFIC RAILROAD COMPANY
429262	T&P RR CO	6	23	N/A	A-262	TEXAS AND PACIFIC RAILROAD COMPANY
429994	T&P RR CO	6	26	GARDENHIVE, G W	A-994	TEXAS AND PACIFIC RAILROAD COMPANY
4291497	T&P RR CO	6	26	COOK, J M	A-1497	TEXAS AND PACIFIC RAILROAD COMPANY
429272	T&P RR CO	6	25	N/A	A-272	TEXAS AND PACIFIC RAILROAD COMPANY
4292474	T&P RR CO	6	26	YOCUM, J N	A-2474	TEXAS AND PACIFIC RAILROAD COMPANY
4292379	T&P RR CO	6	26	COOK, J M	A-2379	TEXAS AND PACIFIC RAILROAD COMPANY
4292462	T&P RR CO	6	44	STONE, J F	A-2462	TEXAS AND PACIFIC RAILROAD COMPANY
429295	T&P RR CO	6	45	N/A	A-295	TEXAS AND PACIFIC RAILROAD COMPANY
4291734	T&P RR CO	6	46	RIDDEL, O R	A-1734	TEXAS AND PACIFIC RAILROAD COMPANY
4291227	T&P RR CO	6	46	RIDDEL, O R	A-1227	TEXAS AND PACIFIC RAILROAD COMPANY
4291790	T&P RR CO	6	46	BROWN, Q	A-1790	TEXAS AND PACIFIC RAILROAD COMPANY
429296	T&P RR CO	6	47	N/A	A-296	TEXAS AND PACIFIC RAILROAD COMPANY
429962	T&P RR CO	6	48	CUNNINGHAM, J F	A-962	TEXAS AND PACIFIC RAILROAD COMPANY
4291408	T&P RR CO	6	48	DAVIS, R B	A-1408	TEXAS AND PACIFIC RAILROAD COMPANY
4291991	T&P RR CO	4	74	GARDENHIVE, J G	A-1991	TEXAS AND PACIFIC RAILROAD COMPANY
429286	T&P RR CO	6	69	N/A	A-286	TEXAS AND PACIFIC RAILROAD COMPANY
4292714	T&P RR CO	6	70	GARDENHIVE, W J	A-2714	TEXAS AND PACIFIC RAILROAD COMPANY
4292531	T&P RR CO	6	70	JENNINGS, E Y	A-2531	TEXAS AND PACIFIC RAILROAD COMPANY
4291435	T&P RR CO	6	70	LILLIARD, J M	A-1435	TEXAS AND PACIFIC RAILROAD COMPANY
429358	T&P RR CO	4	79	N/A	A-358	TEXAS AND PACIFIC RAILROAD COMPANY
429287	T&P RR CO	6	71	N/A	A-287	TEXAS AND PACIFIC RAILROAD COMPANY
4291793	T&P RR CO	4	90	BROWDER, E E	A-1793	TEXAS AND PACIFIC RAILROAD COMPANY
4292414	T&P RR CO	4	90	JENKINS, S A	A-2414	TEXAS AND PACIFIC RAILROAD COMPANY
429306	T&P RR CO	6	91	N/A	A-306	TEXAS AND PACIFIC RAILROAD COMPANY
4291274	T&P RR CO	6	92	NOLEN, W H	A-1274	TEXAS AND PACIFIC RAILROAD COMPANY
429255	T&P RR CO	6	93	N/A	A-255	TEXAS AND PACIFIC RAILROAD COMPANY
4291622	T&P RR CO	6	94	BRATTON, G	A-1622	TEXAS AND PACIFIC RAILROAD COMPANY
42950	DENNISON, L C	N/A	115	N/A	A-50	DENNISON, L C



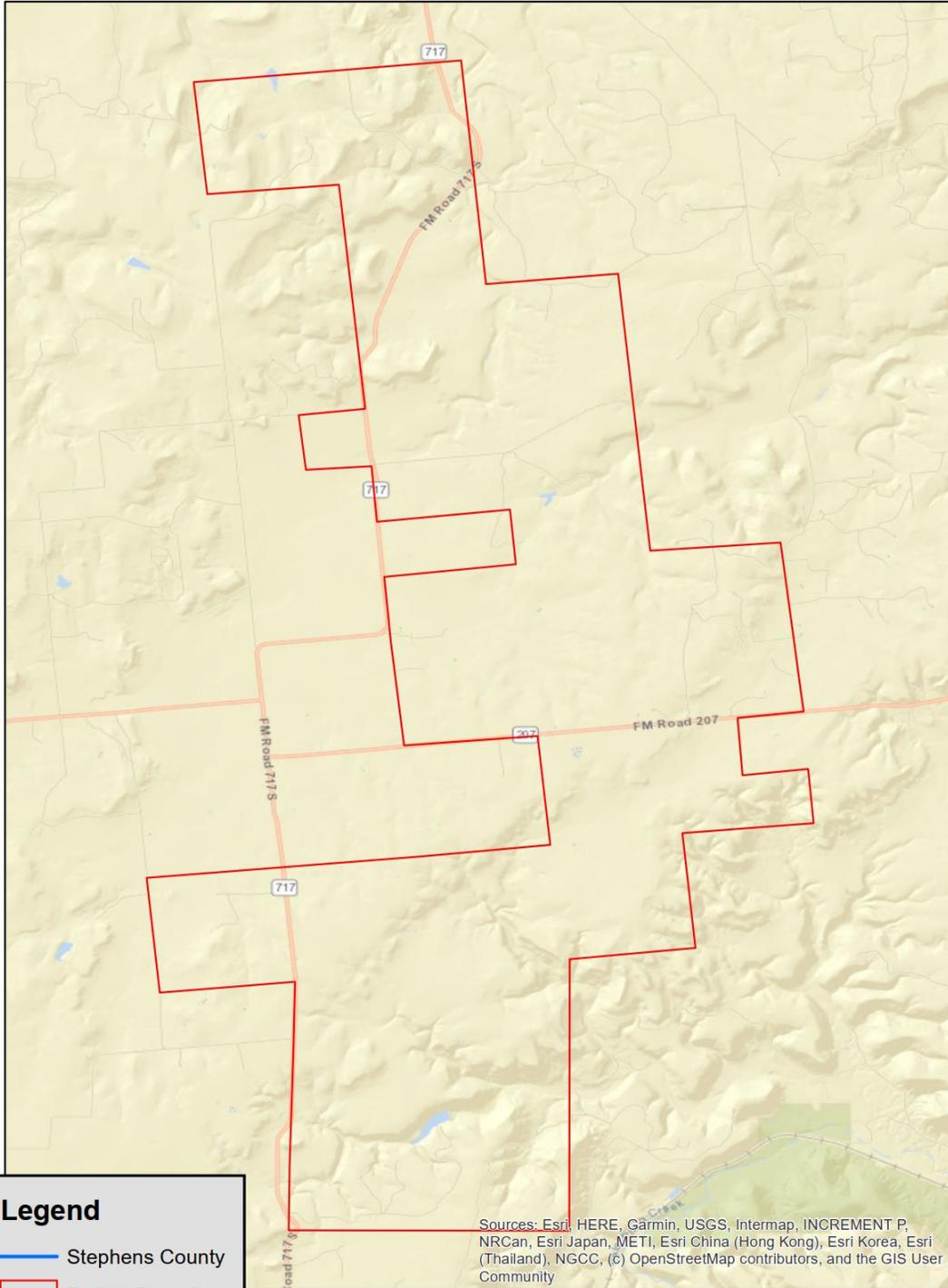
Map of Reinvestment Zone (1 of 2)

La Casa Wind, LLC



Map of Reinvestment Zone (2 of 2)

La Casa Wind, LLC



Stephens County - Estimated Ad Valorem Economic Impact

**La Casa Wind, LLC**

Projected Nameplate Capacity: 150.4 Megawatts-AC

Projected In Service Date: 12/31/24

YEAR	PLANT	FACTOR	TAXABLE VALUE	TAX RATE (STEPHENS CO)	Without Abatement	ABATEMENT PERCENTAGE	With Abatement
					ESTIMATED TAXES	ESTIMATED TAXES	
2025	210,000,000	100.00%	210,000,000	0.6408%	1,345,680	60%	538,272
2026	210,000,000	92.50%	194,250,000	0.6408%	1,244,754	60%	497,902
2027	210,000,000	85.00%	178,500,000	0.6408%	1,143,828	60%	457,531
2028	210,000,000	77.50%	162,750,000	0.6408%	1,042,902	60%	417,161
2029	210,000,000	70.00%	147,000,000	0.6408%	941,976	60%	376,790
2030	210,000,000	62.50%	131,250,000	0.6408%	841,050	40%	504,630
2031	210,000,000	55.00%	115,500,000	0.6408%	740,124	40%	444,074
2032	210,000,000	47.50%	99,750,000	0.6408%	639,198	40%	383,519
2033	210,000,000	40.00%	84,000,000	0.6408%	538,272	40%	322,963
2034	210,000,000	32.50%	68,250,000	0.6408%	437,346	40%	262,408
2035	210,000,000	25.00%	52,500,000	0.6408%	336,420		336,420
2036	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2037	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2038	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2039	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2040	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2041	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2042	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2043	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2044	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2045	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2046	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2047	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2048	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2049	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2050	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2051	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2052	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2053	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
2054	210,000,000	20.00%	42,000,000	0.6408%	269,136		269,136
Years 1 - 10					<b>8,915,130</b>		<b>4,205,250</b>
Years 11 - 30					<b>5,450,004</b>		<b>5,450,004</b>
Totals:					<b>14,365,134</b>		<b>9,655,254</b>

## Benefits to Local Schools

### Breckenridge & Ranger Independent School District - Estimated Ad Valorem Economic Impact

PLEASE NOTE: THE PROJECT DID NOT RECEIVE A CHAPTER 313 AGREEMENT WITH BRECKENRIDGE ISD OR RANGER ISD, THEREFORE IT WILL PAY 100% OF THE MAINTENANCE & OPERATIONS, AND INTEREST & SINKING FUND TAXES.

Breckenridge ISD				Ranger ISD			
YEAR	TAXABLE VALUE	TAX RATE	ESTIMATED TAXES	YEAR	TAXABLE VALUE	TAX RATE	ESTIMATED TAXES
2025	157,500,000	0.9429%	1,485,068	2025	52,500,000	0.8546%	448,665
2026	145,687,500	0.9429%	1,373,687	2026	48,562,500	0.8546%	415,015
2027	133,875,000	0.9429%	1,262,307	2027	44,625,000	0.8546%	381,365
2028	122,062,500	0.9429%	1,150,927	2028	40,687,500	0.8546%	347,715
2029	110,250,000	0.9429%	1,039,547	2029	36,750,000	0.8546%	314,066
2030	98,437,500	0.9429%	928,167	2030	32,812,500	0.8546%	280,416
2031	86,625,000	0.9429%	816,787	2031	28,875,000	0.8546%	246,766
2032	74,812,500	0.9429%	705,407	2032	24,937,500	0.8546%	213,116
2033	63,000,000	0.9429%	594,027	2033	21,000,000	0.8546%	179,466
2034	51,187,500	0.9429%	482,647	2034	17,062,500	0.8546%	145,816
2035	39,375,000	0.9429%	371,267	2035	13,125,000	0.8546%	112,166
2036	31,500,000	0.9429%	297,014	2036	10,500,000	0.8546%	89,733
2037	31,500,000	0.9429%	297,014	2037	10,500,000	0.8546%	89,733
2038	31,500,000	0.9429%	297,014	2038	10,500,000	0.8546%	89,733
2039	31,500,000	0.9429%	297,014	2039	10,500,000	0.8546%	89,733
2040	31,500,000	0.9429%	297,014	2040	10,500,000	0.8546%	89,733
2041	31,500,000	0.9429%	297,014	2041	10,500,000	0.8546%	89,733
2042	31,500,000	0.9429%	297,014	2042	10,500,000	0.8546%	89,733
2043	31,500,000	0.9429%	297,014	2043	10,500,000	0.8546%	89,733
2044	31,500,000	0.9429%	297,014	2044	10,500,000	0.8546%	89,733
2045	31,500,000	0.9429%	297,014	2045	10,500,000	0.8546%	89,733
2046	31,500,000	0.9429%	297,014	2046	10,500,000	0.8546%	89,733
2047	31,500,000	0.9429%	297,014	2047	10,500,000	0.8546%	89,733
2048	31,500,000	0.9429%	297,014	2048	10,500,000	0.8546%	89,733
2049	31,500,000	0.9429%	297,014	2049	10,500,000	0.8546%	89,733
2050	31,500,000	0.9429%	297,014	2050	10,500,000	0.8546%	89,733
2051	31,500,000	0.9429%	297,014	2051	10,500,000	0.8546%	89,733
2052	31,500,000	0.9429%	297,014	2052	10,500,000	0.8546%	89,733
2053	31,500,000	0.9429%	297,014	2053	10,500,000	0.8546%	89,733
2054	31,500,000	0.9429%	297,014	2054	10,500,000	0.8546%	89,733
Years 1 - 10			<b>9,838,572</b>	Years 1 - 10			<b>2,972,406</b>
Years 11 - 30			<b>6,055,413</b>	Years 11 - 30			<b>1,817,093</b>
Totals:			<b>15,893,986</b>	Totals:			<b>4,789,499</b>