

# Industrial Tax Exemption Program Application - (Post Executive Order 2016)

**Project ID:** 20161566-ITE

**Date Received:** 9/14/2018

## PROJECT INFORMATION

**Company:** Driftwood LNG LLC  
**Project Name:** Driftwood LNG LLC LNG Production Facility  
**Project Location:** Global Drive , Sulphur, LA, 70665  
**Parish:** Calcasieu  
**City Limits?:** --

## COMPANY INFORMATION

**Product Manufactured:** Liquefied Natural Gas  
**Manufacturing Process/Activities:** Driftwood LNG LLC will operate a manufacturing establishment where it will receive, process and work natural gas from its gaseous state into a new liquid state that is suitable for delivery to end-users. The artificial process starts with the treatment of the natural gas to remove certain impurities (e.g., CO2, salt, mercury), to remove water vapor and to remove heavy hydrocarbons. This process changes the molecular makeup of the gas. The gas is then condensed and cooled through exposure to progressively cooler refrigerants that use propane, ethylene, and methane until it reaches a liquid state at approximately -260 degrees Fahrenheit. Once the natural gas is processed into its liquid state, it is stored and delivered to customers.

## GAMING

Has the applicant or any affiliates received, applied for, or considered applying for a license to conduct gaming activities?  Yes  No

If yes, please give a detailed explanation including the name of the entity receiving or applying for the license, the relationship to the business if an affiliate, the location and the type of gaming activities:

## PROJECT DETAILS

<b>NAICS:</b>	325120
<b>Project Type:</b>	Start-Up/New
<b>Date construction and/or installation started (Project Start Date):</b>	4/1/2019
<b>Date construction and/or installation was completed (Project End Date):</b>	5/31/2026
<b>Project Description:</b>	

Driftwood LNG LLC will operate a liquefaction facility to manufacture liquefied natural gas (LNG) for export. This project will include LNG plants, storage tanks, marine facilities, and associated infrastructure and support facilities on the west bank of the Calcasieu River near Carlyss, Louisiana (the "Driftwood LNG Project").

## ESTIMATED INVESTMENTS

<b>Building &amp; Materials:</b>	\$0.00
<b>Machinery &amp; Equipment:</b>	\$7,400,000,000.00
<b>Labor &amp; Engineering:</b>	\$8,500,000,000.00
<b>Estimated Total Investment Amount:</b>	\$15,900,000,000.00
<b>Less: Restricted Amount:</b>	\$0.00
<b>Total Estimated Investments:</b>	\$15,900,000,000.00

## ESTIMATED JOBS

<b>New:</b>	350
<b>New Jobs for this phase:</b>	0
<b>Existing:</b>	0
<b>Construction:</b>	6400
<b>Total Estimated Jobs:</b>	6750
<b>Description of types of new or retained jobs (i.e. administrators, contractors, welders):</b>	Plant manager, supervisors, operators, etc.

## ESTIMATED PAYROLL

<b>Existing:</b>	\$0.00
<b>Construction:</b>	\$531,000,000.00
<b>New:</b>	\$33,235,000.00
<b>New payroll for current phase:</b>	\$85,000.00
<b>Total Estimated Payroll:</b>	\$564,235,000.00

## PROPERTY TAX

Millage Rate for this property. Use the millage rate obtained from the parish assessor to calculate the fee. 0.1190

This is usually a whole number (i.e., 115.47 or 92.665. A millage rate is expressed in 1/1000ths of a dollar (known as one mill). Convert the whole number millage rate by dividing by 1000 to a decimal number (i.e., the whole numbers converted to 1/1000ths would be .1154 or .0927 when rounded to four digits.

**Note:** Proof of the millage rate can be obtained from the parish assessor and MUST be uploaded in the Attachments section of this application.

## ESTIMATED BENEFIT

<b>Investment Amount:</b>	\$15,900,000,000.00
<b>x Assessment Percentage:</b>	0.15
<b>x Millage Rate:</b>	0.1190
<b>=Annual Exemption</b>	\$283,743,450.00
<b>Annual Exemption * 5 years at 100%</b>	\$1,418,717,250.00
<b>+ Annual Exemption * 3 years at 80%</b>	\$680,984,280.00
<b>=Estimated Eight Year Property Tax Exemption</b>	\$2,099,701,530.00

## FEE CALCULATION

<b>Estimated Eight Year Property Tax Exemption :</b>	\$2,099,701,530.00
<b>x Rate</b>	0.005
<b>= Assessed Fee (\$500.00 Minimum—\$15000.00 Maximum)</b>	\$15,000.00
<b>Amount Paid:</b>	\$15,000.00
<b>Amount Due:</b>	\$0.00

## ATTACHMENTS

Document Type	Document Name	Date
Other	SKMBT_C45218091308410.pdf	9/13/2018
Notarized Affidavit	DWLNG - Industrial Tax Exemption Program - Contract Affidavit (Executed).pdf	9/14/2018
Signed Disclosure Authorization	DWLNG - Industrial Tax Exemption Program - Disclosure Authorization (Application).pdf	9/14/2018
Breakdown of Purchases	Estimated Project Total (application).xlsx	9/14/2018
Other	Project Description.docx	9/14/2018

Document Type	Document Name	Date
Exhibit A - CEA	LED Exhibit A info.docx	9/14/2018

## PAYMENTS

Fee Type	Amount Paid	Date Received	Confirmation #	Transaction Type
APPLICATION	\$15,000.00	9/14/2018	18091475855162	eCheck

## PROJECT CONTACTS

Contact First Name	Contact Last Name	Email Address	Company Name	Mailing Address	Phone Number	Contact Type
Dare	Powers	rboatner@didierconsultants.com	Didier Consultants	1575 Church St Bldg 3, Zachary, LA, 70791	(225) 658- 6065	Consultant
Ron	Rucker	ron.rucker@tellurianinc.com	Driftwood LNG, LLC	1201 Louisiana Street, Suite 3100 , Houston, TX, 77002	(225) 658- 6065	Business
Howard	Candelet	howard.candelet@tellurianinc.com	Driftwood LNG, LLC	1201 Louisiana Street, Suite 3100 , Houston , TX, 77002	(832) 962- 4027	Business Signatory

## CONTRACT SIGNATORY

The contract signatory will be used when signing contracts. The contracts will be signed online and will take place after the board approves a form.

Title: President

First Name: Howard

Last Name: Candelet

Email Address: Howard.Candelet@tellurianinc.com

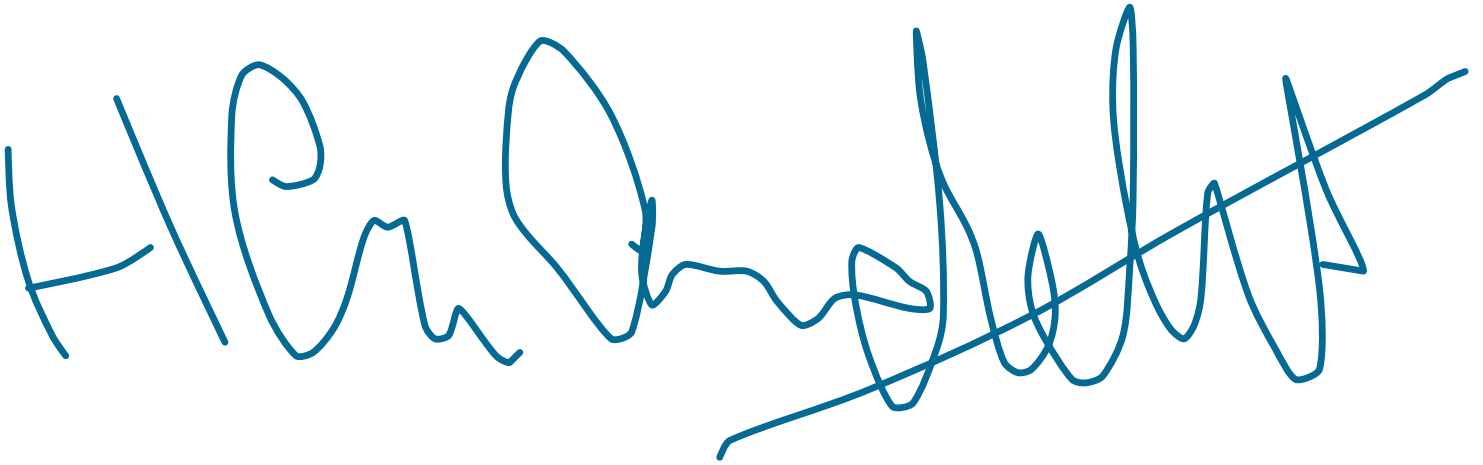
## CERTIFICATION STATEMENT

I hereby certify that this project meets all Constitutional, statutory and regulatory provisions applicable to this program. I hereby certify that the information provided in this document and additional materials is true and correct and that I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject me to civil and/or criminal penalties for filing false public records (R.S. 14:133) and/or forfeiture of any tax benefits approved under this program. I understand that the application and information submitted shall not be returnable to the applicant.

**FORM SIGNATURE**

I, **Howard Candelet**

, **approve the above information.**

A handwritten signature in blue ink, appearing to read "Howard Candelet", is written across the signature line. The signature is fluid and cursive, with a long horizontal stroke at the end.