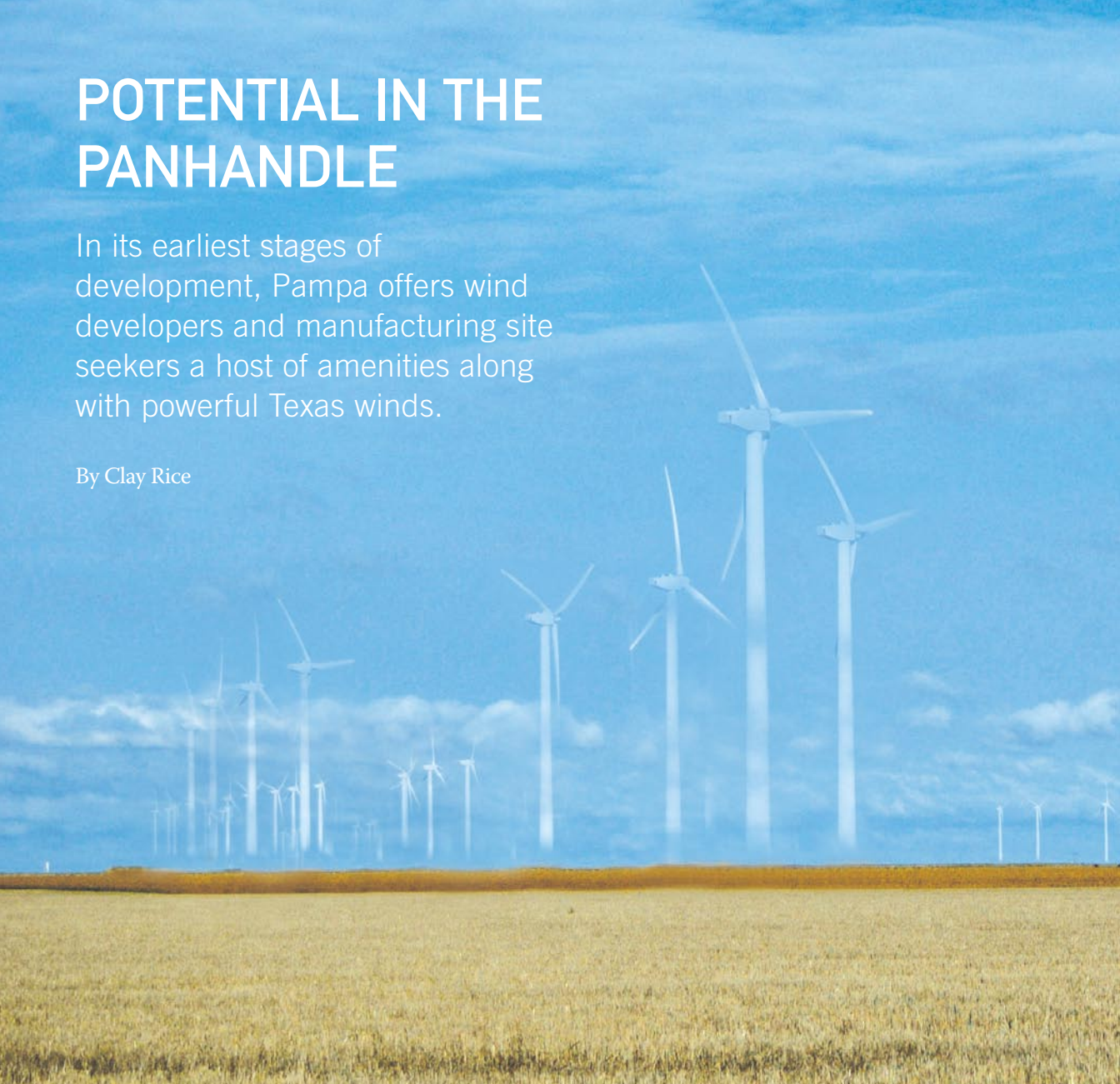


POTENTIAL IN THE PANHANDLE

In its earliest stages of development, Pampa offers wind developers and manufacturing site seekers a host of amenities along with powerful Texas winds.

By Clay Rice



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PAMPA IS A COMMUNITY OF APPROXIMATELY

18,000 people located in the eastern Texas Panhandle. Excellent transportation systems are a distinguishing characteristic of the Pampa area, as it is located at the intersection of U.S. Highway 60 and Texas Highway 70, with I-40 just a few minutes to the south.

Air transportation includes Pampa's Perry-Lefors General Aviation Airport, and Amarillo's Rick Husband International Airport is less than an hour away. Pampa is also located on the main Burlington Northern Santa Fe Railway line between Chicago and Los Angeles.

The area is also known for having 300-plus days of sunshine each year, as well as beautiful sunrises and sunsets. Of particular interest to wind professionals, Pampa is located in the wind corridor of the great plains, with Class 4 to Class 4+ winds as one of our great advantages.

Also of interest to developers seeking excellent sites for both wind farms and manufacturing facilities is the fact that we are in the very earliest stages of developing our wind potential, so opportunities are plentiful. Here's our story.



INCREASED CURRENTS

We expect to be able to start taking advantage of our great winds soon, as new electric power transmission lines are planned for the entire Panhandle region. These lines will carry electricity from our region, where wind is plentiful, downstate to highly populated areas such as the DFW Metroplex, Austin, and San Antonio, where the demand for electricity continues to grow with the expanding population. Cross Texas Transmission, LLC, has been selected by the Public Utility Commission of Texas to construct,

operate, and maintain over 200 miles of double-circuit 345kv transmission lines and associated equipment located in the eastern Texas Panhandle. The state's plan, called CREZ (Competitive Renewable Energy Zones), is scheduled for completion by the end of 2013. This should provide a means for our area to deliver renewable energy from wind, solar, and other sources to many electricity customers in Texas. Several hundred thousand acres of land have been leased in area counties including Gray County, where Pampa is located. Our area appears to be poised for dynamic growth in the wind energy sector, beginning very soon.

Pampa's economy is based on agriculture, manufacturing, oil and gas production, medical, and retail. Wind energy will soon be added to that list. We think that solar and possibly other renewables will play a role in our local economy as well. The Pampa Economic Development Corporation is working to grow our existing industry, but we are also committed to seeking additional diversification. For this reason the EDC is in the process of purchasing a site to develop an industrial park, as described in the following press release of March 1, 2011.

The Pampa Economic Development Corporation board of directors has approved a resolution to enter into an agreement by and among Pampa Energy Center LLC, Babcock & Brown Infrastructure Group US LLC, and Pampa Economic Development Corporation. Pending approval by the City Commission of the City of Pampa, the Pampa EDC will acquire 100 percent of the membership interest of Pampa Energy Center LLC, pursuant to a Membership Interest Purchase Agreement with Babcock & Brown Infrastructure Group US LLC. The Pampa Energy Center LLC assets include the site of the former Celanese plant located west of the City of Pampa, approximately 4,000 acres of land, 5,500 acres of water rights, power generation plant, heavy capacity bulk liquid storage tanks, and spheres. The assets include over 40 medium to large buildings including laboratories, general offices, crane-served manufacturing facilities, and general warehouse facilities. The main administration building has over 47,000 square-feet of office space, and approximately 30,000 square-feet of crane-served manufacturing/shop space. The site also has approximately five miles of rail service and rail car storage.

This action by the Pampa EDC was reached after an extensive investigation and search for an appropriate site to develop a rail-served industrial park facility. This site will provide an excellent opportunity to attract a wide range of commercial development and employment to our immediate area. The Pampa EDC is hopeful that this unique location could become one of the finest industrial parks in the area. The Pampa EDC has already been contacted by several groups interested in



tion, and providing a common voice on issues that affect the region. We are also members of the World Economic Development Alliance (WEDA), which works to connect expanding or relocating companies with their alliance of economic development professionals.

In our pursuit of wind energy-related development we have joined Class 4 Winds and Renewables. This organization “is dedicated to providing educational opportunities and information to stakeholders as they seek to capitalize on the enduring benefits to be gained from promoting the region’s vast wind energy resources.” In addition, we are members of the Texas Wind Energy Clearinghouse, which “serves as an informational exchange for land owners issues, industrial development, workforce recruitment and skills development, wind energy operations recruitment and enhancement, and many other topics.” We have also recently become members of the National Institute for Renewable Energy (NIRE), which is a not-for-profit organization designed to further research and technology commercialization in the renewable energy sector.

AN ENTREPRENEURIAL ATTITUDE

The Pampa EDC is not only dedicated to recruiting new business and industry, but also to assisting local businesses and prospective businesses. For this reason we have contracted with the Entrepreneur Alliance to provide counseling to aspiring entrepreneurs, new business owners, and established enterprises at no cost. The Entrepreneur Alliance has provided us with an exceptional business facilitator who advises clients in many aspects of business including starting, buying, or selling a business, growing and expanding a business, financing a business, and managing and training employees. These are just a few examples of the areas of expertise offered. We have also contracted with TIP Strategies, Inc., to work with us

and the community in developing an innovative economic development strategic plan.

Our staff will provide information and assistance in the application process for incentives from the Pampa EDC. We will be glad to help prospects pursue state and federal incentives that they may qualify for. Tax abatements are available from the Gray County Commissioners Court, subject to their approval, on a project-by-project basis.

Education is taken very seriously in the area. Pampa High School has recently been expanded and remodeled, and Pampa Junior High is about to finish its very first school year in its new building. Our community college, Clarendon College-Pampa Center is experiencing new growth and development after obtaining 55 additional acres of land to build on. The first two buildings on this new property were dedicated in March 2011. The Pampa EDC contributed funds to purchase new equipment for both the wind energy and EMT training programs that are housed in the new buildings, and other new programs are in the works.

CONCLUSION

Life is not all about work, however, and a quality standard of living is available to locals and visitors alike. Pampa is home to youth sports, softball leagues, two beautiful golf courses, rodeos, car events, museums, a movie theater, and an outstanding new aquatic park scheduled to open Memorial Day weekend 2011. Hunting, fishing, birding, and bike riding are also favorite activities. Pampa is a certified retirement community with over 50 churches, a very active VFW, and multiple social and civic organizations available.

As one can see Pampa, Texas, provides a host of benefits that are appealing to people of all ages, and wind professionals seeking to locate a farm or business here will find much to appreciate and a great deal of existing support for their endeavors. ✨

immediate commercial development at the site.

The Pampa EDC plans to close this transaction in early May, 2011. To finance this project, local lenders have committed to loaning the Pampa EDC \$2,500,000.00. The Pampa EDC will contribute cash in the amount of \$1,100,000.00 toward the purchase price and a capital contribution for operating expenses.

As you can see, the groundwork is being laid, and those with foresight will soon have the opportunity to take advantage of the many resources our region provides.

RENEWABLE RELATIONSHIPS

To assist us in growing our local economy, we have joined forces with several organizations that have been very beneficial to our mission. The High Ground of Texas is a coalition of over 75 communities and organizations that are working together to market the West Texas region. The High Ground of Texas’ main purpose is to help the region create jobs and add to the tax base by marketing to prospective new industry, networking, economic development, educa-