Taking Advantage of the Ports-to-Plains Corridor - Economic Development Successes

Richard (Buzz) David, CEcD
President & CEO

AMARILLO T E X A S
The Amarillo Economic Development Corporation
amarilloedc.com
Amarillo is centrally located:

Amarillo, TX is positioned mid-continent with easy access from California all the way to North Carolina, as Interstate 40 runs east and west. Interstate 27 is the thoroughfare to the north and south and with the vision of the Ports-To-Plains initiative, a direct route from Mexico to Canada will be built through Amarillo.

Two BNSF Railway mainlines intersect in Amarillo and provide direct service to Chicago, Los Angeles, Denver, Kansas City, Dallas, Seattle, Vancouver, Memphis, St. Louis and Pensacola. These mainlines also terminate at the ports of Houston and Long Beach. Union Pacific Railroad also has trackage rights in the Amarillo area.

Rick Husband Amarillo International Airport is conveniently located on the east side of town and air service is provided by American, Southwest, and United. Over 80 flights arrive or depart daily. Traveling to any foreign country is a short, connecting flight away.
About Amarillo, TX:
Amarillo, TX boasts a diverse and thriving economy known for its diligent work ethic and tireless vision for steady, long-term growth. This diverse regional economic center supports over 28,000-square miles including Eastern New Mexico and the Oklahoma Panhandle. Industry in Amarillo is comprised of a varied group of manufacturers, distribution companies, food technology, and central back-office operations.

Amarillo, Texas Offers a Trained Workforce:
Amarillo’s workforce has grown steadily since 1990, keeping pace with the growing labor demand, and in the past 15 years, total wages and salaries have increased over 30%. Amarillo has a large manufacturing base in companies such as Amarillo Gear, B&W Pantex, Bell Helicopter, Alstom Power, Zarges, and Owens Corning. With an abundance of machining, electrical, and welding operations as well as many other unique manufacturers, the labor force is skilled and easily trainable to a myriad of industries.

| Texas Panhandle Regional Labor Availability |
|-----------------|--------|
| Welders          | 38,015 |
| Electricians     | 2,465  |
| Grinders         | 44,214 |
| Riveters         | 25,850 |
| Team Assemblers  | 12,500 |
| First-Line Supervisors | 8,691 |
| CNC Operators    | 22,613 |
| Lathe Operators  | 17,016 |
| Metal Fabricators| 4,505  |
| Machinists       | 1,369  |

2006-2016 Projected Employment Figures, Texas Workforce Commission

Amarillo College
Amarillo College is the Texas Panhandle’s primary provider of workforce training and offers area business and industry programs to meet their specific needs.

Currently Amarillo College is offering a Renewable Energy/Wind Technology Program. The curriculum includes a basic wind technician certificate program, an advanced wind technician certificate program and an associate-degree program in renewable energy/wind. The program will prepare students for careers in the renewable energy and wind industry in the operation, maintenance, or manufacturing of wind turbines and related parts. Graduates will have a strong background in the appropriate core sub-disciplines of electronics, control systems, and electro-mechanical equipment. For more information, please visit www.actx.edu/wind

Amarillo College is in the process of designing and implementing a Utility Power Worker (Electric Lineman) Training Program to address the new demand in transmission line construction and maintenance spurring from the emerging wind industry development in the Texas Panhandle. Amarillo College anticipates the program to be in full swing by 2012.

Utility Power Worker (Electric Lineman) Training Program will be in full swing by 2012.
In 2010, Texas continued as the leader in aggregate wind power capacity by making history again with increases in installed wind capacity. Texas increased megawatts from 9,426 megawatts in 2009 to 9,728 megawatts (6,485 wind turbines) in 2010. This accomplishment is a testament to the proactive spirit of the public and private sectors to embrace Texas as the emerging market for wind energy and wind-related technologies.

Wind Energy and the Texas Panhandle:
The Texas Panhandle is located in the central part of the United States and is rich with natural resources. It is a suitable site for optimal wind energy production and wind industry manufacturing. The growth in the wind sector is attributed to its progressive landowners, pro-business attitude and availability of wide, open spaces with excellent highway and rail transportation that are free from urban sprawl. Currently, aggressive wind farm development is taking place and the area is ripe with opportunity. As you can see from this map, the Texas Panhandle is located in the largest quantifiable and accessible wind power regimes in the United States.

Wind Energy Transmission in the Texas Panhandle:
In August 2008, the Public Utility Commission of Texas (Texas PUC) issued a Final Order on Competitive Renewable Energy Zones (CREZs). CREZs are "hot spots" where a renewable resource has been identified and allow for connectivity to the Electric Reliability of Texas (ERCOT) grid. The following highlight the actions that have transpired to ensure the success of the wind energy industry within the Texas Panhandle:

CREZs identified and studied by the Texas PUC are located in primarily four geographical areas of the state: the Texas Panhandle, West Texas, Central Texas and the Gulf Coast.

The Texas Panhandle harbors the top four proposed CREZs in the state due to optimal environmental conditions.

ERCOT was commissioned to develop transmission scenarios that will eventually transmit more than 18,000 megawatts (MW) of wind power from West Texas and the Southwest Power Pool (SPP) to metropolitan areas of the state and the ERCOT grid.

Approximately 5,050 miles of electrical transmission lines are to be constructed in Texas by 2013 at a cost of $5 billion.

The Texas Panhandle has the potential for more than $10 billion in capital investment in wind development and connectivity construction.
Competitive Renewable Energy Zones (CREZ)
Alstom Power - www.power.alstom.com

The Amarillo EDC was successful in bringing Alstom to the city’s CenterPort Business Park. Alstom is a global leader in the world of power generation and rail infrastructure and sets the benchmark for innovative and environmentally friendly technologies. Alstom provides turnkey integrated power plant solutions, equipment and associated services for a wide variety of energy solutions, including hydro; nuclear; gas; coal and wind. In the framework of cooperation with Amarillo EDC, Alstom will expand an existing building to a 115,000 square-foot wind turbine assembly plant, on a 19-acre site in the CenterPort Park. This unit will enter operation in 2011.

The Amarillo EDC provided the company with a lease/purchase agreement for the building and property and a Job Creation Incentive Grant. This will help establish the North American manufacturing base for Alstom wind turbines and platforms - ECO 80 (1.67MW) and ECO 100 (3MW) - based on the unique ALSTOM PURE TORQUE™ concept. In addition, the EDC supported the company in seeking favorable property tax treatment and funding for a work force training program through Amarillo College.
The Amarillo EDC can offer:
Not only is the Texas Panhandle abundant with wind as an energy source, but Amarillo has the support structure necessary for companies producing renewable components to prosper.

The Amarillo Economic Development Corporation (Amarillo EDC) strives to encourage economic development through job creation and capital investment. The Amarillo EDC has the ability to structure incentive packages to provide the best advantage to grow a company in the Texas Panhandle. Incentives may include but are not limited to cash grants, the purchase of land or buildings, infrastructure development, and site development.

Please visit the Amarillo EDC’s “Portfolio of Success” at www.amarilloedc.com for complete descriptions of past achievements!

Amarillo CenterPort Business Park:
Amarillo CenterPort is a 440-acre rail-served industrial park ideally suited for distribution-oriented businesses, master-planned with development standards.

Amarillo CenterPort is owned and operated by the Amarillo EDC. Sites are available for projects that fall within the intended use of the overall development, and may be provided at no cost. Amenities include:

- Directly served by two BNSF Railway mainlines, Union Pacific Railroad has trackage rights.
- High-capacity underground utilities.
- Mid-continent location with direct access to I-40 (3 miles) and I-27 (8 miles) via State Loop 335.
- Located in Amarillo’s Foreign Trade Zone #252.
- Amarillo’s Freeport status exempts inventory from property taxes.
- Land in CenterPort has a market value of more than $40,000 per acre and is conveyable.

Please feel free to contact a member of the Business Development team at 1.800.333.7892 for more information.
Additional Resources:

West Texas A&M Alternative Energy Institute
The Alternative Energy Institute (AEI) was formed in 1977 at WTAMU, as an outgrowth of wind energy research begun in 1970. Their primary emphasis is wind energy, though certain research and education are also on solar energy. Recognized nationally and internationally, they are proud to be the major information resource of wind energy for the State of Texas. Their program includes wind data collection, turbine evaluation, research, classes, seminars, workshops, and consulting. [www.windenergy.org](http://www.windenergy.org)

Dr. Byungik Chang - Director
(806) 651-2296

Class 4 Winds & Renewables
Class 4 Winds & Renewables is a leading advocate of wind energy in a region that offers the most desirable wind in the world. Class 4 Winds facilitates partnerships, promotes wind-related interests, provides educational opportunities, and is a knowledgeable resource for wind energy communications for the region surrounding Amarillo, Texas and extending into New Mexico, Oklahoma, Kansas, and Colorado. [www.class4winds.org](http://www.class4winds.org)

AJ Swope - Executive Director
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High Ground of Texas
The High Ground of Texas is a coalition of communities and organizations cooperatively marketing this region. This area has all of the elements expanding and relocating companies want in a site. We will match your inquiry to the locations that best fit your needs. The High Ground offers unique opportunities and is a territory which encompasses the West Texas region. Membership includes cities ranging in population from 250,000 to less than 5,000. Regardless of size, these cities are aggressive and actively involved in the pursuit of growth through economic development and networking. [www.highground.org](http://www.highground.org)

Lorie Vincent - Executive Director
(806) 366-7510 • highground@nrt.net

The National Institute for Renewable Energy
NIRE (National Institute for Renewable Energy) is a non-profit public-private partnership formed in 2009 by the InnoVate Texas Foundation, in collaboration with the Texas Tech University System. The organization’s focus is to develop and operate renewable research facilities, build and operate wind research farms, create an industry-wide renewable energy consortium, provide commercial services to industry partners, and conduct significant research and development to reduce the cost of renewable energy.
### ECONOMIC IMPACT ANALYSES

<table>
<thead>
<tr>
<th>* INDICATOR (Annual, not adjusted for inflation)</th>
<th>EQUIPMENT MANUFACTURING</th>
<th>PROJECT JOBS CREATED</th>
<th>PROJECT IMPACT ANALYSIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Total Expenditures</td>
<td>$67,714,144</td>
<td>275</td>
<td>$186,213,896</td>
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<tr>
<td>2. Personal Income</td>
<td>$20,750,619</td>
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<td>$57,064,202</td>
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<tr>
<td>3. Retail Sales</td>
<td>$8,528,568</td>
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<td>$23,453,562</td>
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<tr>
<td>4. Employment (Direct &amp; Indirect)</td>
<td>355</td>
<td></td>
<td>976</td>
</tr>
<tr>
<td>5. Local Governmental Revenue</td>
<td>$817,435</td>
<td></td>
<td>$2,247,946</td>
</tr>
</tbody>
</table>

* The indicators used in this analysis are indicative of baseline numbers used in a study performed by The Perryman Group entitled *The Impact of 100 "Primary" Jobs in Selected Targeted Sectors on Business Activity in the Panhandle Region and Texas.*

1. **Total Expenditures** incorporates every dollar that changes hands in any transaction and is the most comprehensive measure of economic activity. This measure is quite broad, but is useful in that it reflects the overall interplay of all industries in the economy, and some key fiscal variables such as sales taxes are linked to aggregate spending.

2. **Personal Income** is the income received by individuals in the form of wages, salaries, interest, dividends, proprietors’ profits, or other sources. Thus it may be viewed as the segment of overall impacts which flows to the citizenry.

3. **Retail Sales** represents the component of Total Expenditures which occurs in retail outlets and is a commonly used measure of consumer activity.

4. **Employment** represents the full-time equivalent direct, indirect and induced jobs generated and/or retained by an activity. Employment anticipates the relevant position will be maintained on a continuing basis.

5. **Local Government Revenue** is an estimate of revenue received from all local taxing entities from various sources such as property taxes, sales taxes and occupancy taxes.