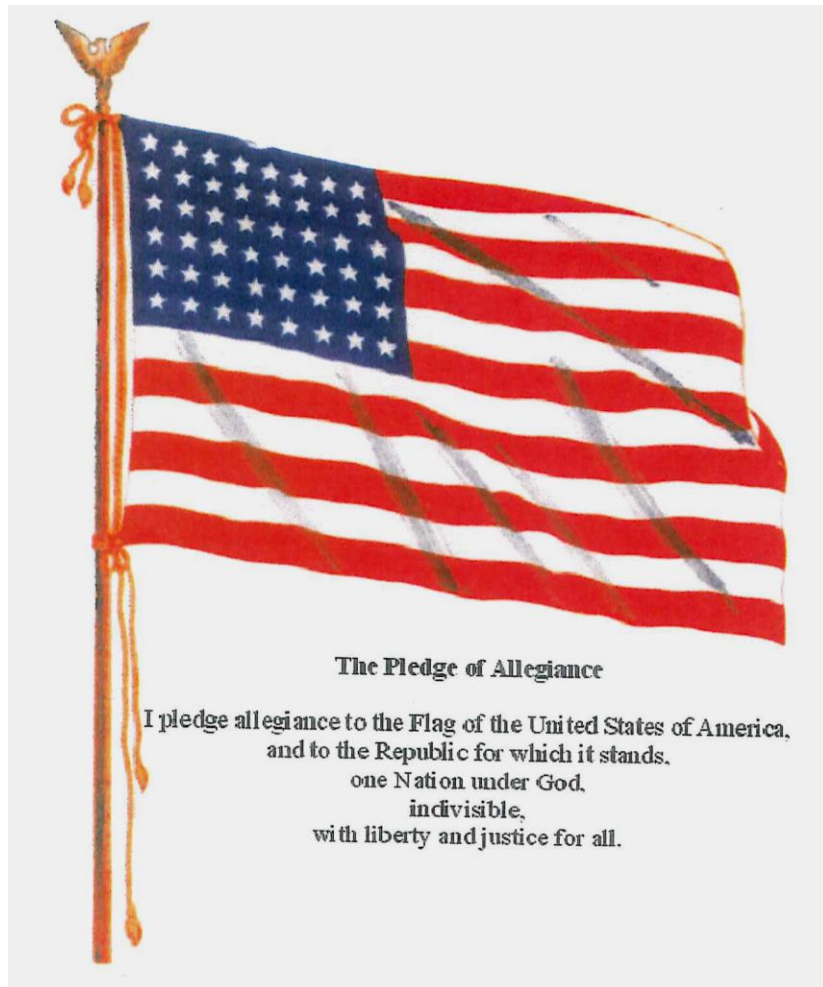


**SPECIAL MEETING  
COMMISSIONER'S COURT  
AGENDA**

**March 28, 2023**

# Invocation

# Pledge of Allegiance to the Flag.



**(Texas Pledge: Honor the Texas flag;  
I pledge allegiance to thee, Texas, one  
state under God, one and indivisible).**

Pledge to the Texas Flag



Honor the Texas  
Flag; I pledge  
allegiance to thee,  
Texas, one state  
under God, one and  
indivisible

## **Announcements:**

**Items or comments from Court  
Members or Staff.**

## **Citizens' Comments:**

At this time any person may speak to Commissioners Court if they have filled out a Caldwell County Commissioners Court Participation Form. Comments will be limited to four (4) minutes per person. No action will be taken on these items and no discussion will be had between the speaker(s) and members of the Court. The Court does retain the right to correct factual inaccuracies made by the speakers. (If longer than 30 minutes, then the balance of comment will continue as the last agenda item of the day).

**PUBLIC HEARING**

**Concerning the designation of the Ardesia  
Storage Project Reinvestment Zone, located  
at 29.95389°, -97.665449°.**

## **DISCUSSION/ACTION ITEMS:**

- 1. Discussion/Action** to consider approval Order 03-2023, designating by ordinance an area as the Ardesia Storage Project Reinvestment Zone #1, located at 29.95389°, - 97.665449°.





**ORDER 03-2023  
ORDINANCE DESIGNATING  
ARDESIA STORAGE PROJECT REINVESTMENT ZONE #1**

**WHEREAS**, Chapter 312, Texas Tax Code, allows counties to designate areas as “reinvestment zones,” in order to encourage development of underutilized real property and to expand economic development generally within the county through tax abatement.

**WHEREAS**, Caldwell County has, in Resolution 40-2022, indicated its election to be eligible to participate in tax abatement under Chapter 312, Texas Tax Code, and established guidelines and criteria governing tax abatement agreements;

**WHEREAS**, Ardesia Storage Project, LLC, (“Ardesia”) seeks to construct a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity within Caldwell County, that will be used to reinforce the state’s overburdened electricity grid.

**WHEREAS**, Ardesia has approached the County and requested an area (the “Proposed Zone”) be designated as the Ardesia Storage Project Reinvestment Zone #1, more accurately described in Attachment ‘A’.

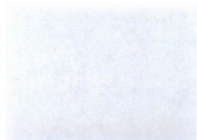
**WHEREAS**, Ardesia has indicated in its application that the battery storage facility will be located within the Proposed Zone.

**WHEREAS**, notice of a public hearing set on March 28, 2023, was published in a newspaper having general circulation in Caldwell County for a period not less than seven days before the date of the hearing;

**WHEREAS**, notice of a public hearing set on March 28, 2023, was delivered in writing—via USPS by registered or certified mail with return receipt received—to the presiding officer of the governing body of each taxing unit that includes in its boundaries the area described in Attachment ‘A’; and

**WHEREAS**, on March 28, 2023, a public hearing was held and interested parties were permitted to speak and present evidence for or against the designation.

**[BALANCE OF THIS PAGE LEFT INTENTIONALLY BLANK]**



**NOW THEREFORE, BE IT ORDERED BY THE CALDWELL COUNTY COMMISSIONERS COURT THAT:**

- (1) The Court finds that designation of the Proposed Zone would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County;
- (2) The Proposed Zone is eligible for commercial-industrial tax abatement;
- (3) The boundaries of the Proposed Zone are described in Attachment 'A';
- (4) The Proposed Zone is hereby designated as the Ardesia Storage Project Reinvestment Zone #1; and
- (5) As required by Section 312.401, Texas Tax Code, this designation expires five years from the date of this Order.

**ORDERED** this the 28th day of March, 2023.

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Hoppy Haden  
Caldwell County Judge

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B.J. Westmoreland  
Commissioner, Precinct 1

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Rusty Horne  
Commissioner, Precinct 2

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Ed Theriot  
Commissioner, Precinct 3

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Dyral Thomas  
Commissioner, Precinct 4

ATTEST:

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Teresa Rodriguez  
Caldwell County Clerk

**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
County Auditor  
512 398-1801

**Caldwell County Courthouse**  
110 South Main Street  
Lockhart, TX 78644  
Fax: 512 398-1828



**B.J. Westmoreland**  
Commissioner Precinct 1

**Rusty Horne**  
Commissioner Precinct 2

**Edward "Ed" Theriot**  
Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. Michael Wright  
Presiding Officer of the Lockhart ISD School Board  
419 Bois D'Arc Street  
Lockhart, Texas 78644

Re: Notice of Hearing on Designation of a Reinvestment Zone

Mr. Wright,


Caldwell County is seeking the designation of a reinvestment zone, to be designated as the Ardesia Storage Project Reinvestment Zone #1. This proposed zone includes real property within the boundaries of your taxing entity. The County will be holding a public hearing to determine whether the designation would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County.

Therefore, pursuant to Sections 312.401 and 312.201, Texas Tax Code, Caldwell County provides the following notice:

**NOTICE IS HEREBY GIVEN PURSUANT TO SECTION 312.401, TEXAS TAX CODE, THAT THE CALDWELL COUNTY COMMISSIONERS COURT SHALL CONVENE A SPECIAL MEETING TO HOLD A PUBLIC HEARING CONCERNING THE DESIGNATION OF A REINVESTMENT ZONE AT 29.95389°, -97.665449°. THE HEARING SHALL BE HELD ON MARCH 28, 2023, AT THE LATER OF: (1) 9:30 A.M.; OR (2) IMMEDIATELY FOLLOWING THE ADJOURNMENT OF THE COURT'S REGULAR MEETING. THE HEARING SHALL BE LOCATED IN THE SECOND FLOOR COURTROOM OF THE CALDWELL COUNTY COURTHOUSE, 110 S. MAIN STREET, LOCKHART, TEXAS 78644.**

**MEMBERS OF THE PUBLIC AND OTHER INTERESTED PERSONS ARE ENTITLED TO APPEAR AT THE HEARING AND BE GIVEN THE OPPORTUNITY TO BE HEARD, AND SPEAK AND PRESENT EVIDENCE FOR OR AGAINST THE DESIGNATION.**

Sincerely,

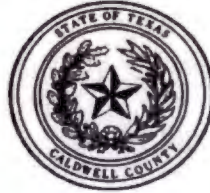
  
\_\_\_\_\_  
Hoppy Haden  
Caldwell County Judge

**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
County Auditor  
512 398-1801

**Caldwell County Courthouse**  
110 South Main Street  
Lockhart, TX 78644  
Fax: 512 398-1828



**B.J. Westmoreland**  
Commissioner Precinct 1

**Rusty Horne**  
Commissioner Precinct 2

**Edward "Ed" Theriot**  
Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. James Holt  
Presiding Officer of the Plum Creek Underground Water District  
1101 W. San Antonio Street  
Lockhart, Texas 78644

Re: Notice of Hearing on Designation of a Reinvestment Zone

Mr. Holt,

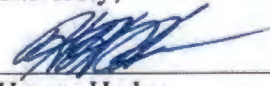
Caldwell County is seeking the designation of a reinvestment zone, to be designated as the Ardesia Storage Project Reinvestment Zone #1. This proposed zone includes real property within the boundaries of your taxing entity. The County will be holding a public hearing to determine whether the designation would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County.

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**MEMBERS OF THE PUBLIC AND OTHER INTERESTED PERSONS ARE ENTITLED TO APPEAR AT THE HEARING AND BE GIVEN THE OPPORTUNITY TO BE HEARD, AND SPEAK AND PRESENT EVIDENCE FOR OR AGAINST THE DESIGNATION.**

Sincerely,

  
\_\_\_\_\_  
Hoppy Haden  
Caldwell County Judge



**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
County Auditor  
512 398-1801

**Caldwell County Courthouse**  
110 South Main Street  
Lockhart, TX 78644  
Fax: 512 398-1828



**B.J. Westmoreland**  
Commissioner Precinct 1

**Rusty Horne**  
Commissioner Precinct 2

**Edward "Ed" Theriot**  
Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. James Holt  
Presiding Officer of the Plum Creek Conservation District  
1101 W. San Antonio Street  
Lockhart, Texas 78644

Re: Notice of Hearing on Designation of a Reinvestment Zone

Mr. Holt,

Caldwell County is seeking the designation of a reinvestment zone, to be designated as the Ardesia Storage Project Reinvestment Zone #1. This proposed zone includes real property within the boundaries of your taxing entity. The County will be holding a public hearing to determine whether the designation would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County.

Therefore, pursuant to Sections 312.401 and 312.201, Texas Tax Code, Caldwell County provides the following notice:

**NOTICE IS HEREBY GIVEN PURSUANT TO SECTION 312.401, TEXAS TAX CODE, THAT THE CALDWELL COUNTY COMMISSIONERS COURT SHALL CONVENE A SPECIAL MEETING TO HOLD A PUBLIC HEARING CONCERNING THE DESIGNATION OF A REINVESTMENT ZONE AT 29.95389°, -97.665449°. THE HEARING SHALL BE HELD ON MARCH 28, 2023, AT THE LATER OF: (1) 9:30 A.M.; OR (2) IMMEDIATELY FOLLOWING THE ADJOURNMENT OF THE COURT'S REGULAR MEETING. THE HEARING SHALL BE LOCATED IN THE SECOND FLOOR COURTROOM OF THE CALDWELL COUNTY COURTHOUSE, 110 S. MAIN STREET, LOCKHART, TEXAS 78644.**

**MEMBERS OF THE PUBLIC AND OTHER INTERESTED PERSONS ARE ENTITLED TO APPEAR AT THE HEARING AND BE GIVEN THE OPPORTUNITY TO BE HEARD, AND SPEAK AND PRESENT EVIDENCE FOR OR AGAINST THE DESIGNATION.**

Sincerely,

A handwritten signature in blue ink, appearing to read "Hoppy Haden", is written over a horizontal line.

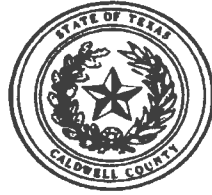
Hoppy Haden  
Caldwell County Judge

**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
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512 398-1801

**Caldwell County Courthouse**  
110 South Main Street  
Lockhart, TX 78644  
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**B.J. Westmoreland**  
Commissioner Precinct 1

**Rusty Horne**  
Commissioner Precinct 2

**Edward "Ed" Theriot**  
Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. Derrick Herring  
Presiding Officer of the Caldwell-Hays ESD #1  
8203 S. U.S. 183 HWY  
Austin, Texas 78747

Re: Notice of Hearing on Designation of a Reinvestment Zone

Mr. Herring,

Caldwell County is seeking the designation of a reinvestment zone, to be designated as the Ardesia Storage Project Reinvestment Zone #1. This proposed zone includes real property within the boundaries of your taxing entity. The County will be holding a public hearing to determine whether the designation would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County.

Therefore, pursuant to Sections 312.401 and 312.201, Texas Tax Code, Caldwell County provides the following notice:

**NOTICE IS HEREBY GIVEN PURSUANT TO SECTION 312.401, TEXAS TAX CODE, THAT THE CALDWELL COUNTY COMMISSIONERS COURT SHALL CONVENE A SPECIAL MEETING TO HOLD A PUBLIC HEARING CONCERNING THE DESIGNATION OF A REINVESTMENT ZONE AT 29.95389°, -97.665449°. THE HEARING SHALL BE HELD ON MARCH 28, 2023, AT THE LATER OF: (1) 9:30 A.M.; OR (2) IMMEDIATELY FOLLOWING THE ADJOURNMENT OF THE COURT'S REGULAR MEETING. THE HEARING SHALL BE LOCATED IN THE SECOND FLOOR COURTROOM OF THE CALDWELL COUNTY COURTHOUSE, 110 S. MAIN STREET, LOCKHART, TEXAS 78644.**

**MEMBERS OF THE PUBLIC AND OTHER INTERESTED PERSONS ARE ENTITLED TO APPEAR AT THE HEARING AND BE GIVEN THE OPPORTUNITY TO BE HEARD, AND SPEAK AND PRESENT EVIDENCE FOR OR AGAINST THE DESIGNATION.**

Sincerely,

Hoppy Haden  
Caldwell County Judge

**2. Discussion/Action** to consider approval of a tax abatement agreement pursuant to Chapter 312, Texas Tax Code, that contains the following information:

- Name of Property Owner and Applicant: Ardesia Storage Project, LLC. by Tracy Stoddard, Vice President, Business Development
- Name and Location of the Reinvestment Zone: Ardesia Storage Project Reinvestment Zone #1, located at 29.95389°, -97.665449°
- Nature of Improvements: Construction and maintenance of a battery storage facility with nameplate capacity to store and transmit 100 MW of electricity
- Estimated Cost of Improvements: \$85,000,000.00

**TAX ABATEMENT AGREEMENT  
BETWEEN  
CALDWELL COUNTY, TEXAS and  
ARDESIA STORAGE PROJECT LLC**

This Tax Abatement Agreement (this "Agreement") is entered into by and between Caldwell County, Texas (the "County") duly acting herein by and through its County Judge, and Ardesia Storage Project LLC (together with its successors and assigns, "Owner") effective as of March 28, 2023, and is as follows:

Recitals:

- A. The County has indicated its election to be eligible to participate in tax abatements in Resolution 40-2022. The Commissioners Court of Caldwell County, Texas, by Order 03-2023, designated the "Ardesia Storage Project Reinvestment Zone #1" for commercial-industrial tax abatement (the "Reinvestment Zone"); the Reinvestment Zone is described in the Order and Exhibits attached hereto; and
- B. Owner proposes certain improvements generally described as a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity (the "Project"), that will be located on land within the Reinvestment Zone.
- C. The Commissioners Court, after conducting a hearing and having heard evidence and testimony, has concluded, based on the evidence and testimony presented to it, that the Improvements and operations proposed by Owner within the Reinvestment Zone and described in this Agreement and the terms of this Agreement: (i) are consistent with the requirements of the Property Redevelopment and Tax Abatement Act and the Caldwell County Tax Abatement and Reinvestment Zone Guidelines and Criteria adopted by the County on September 1, 2022. (the "Guidelines"), or to the extent of any inconsistency with the Guidelines, the Commissioners Court has determined, in its discretion and in accordance with TEX. TAX CODE §312.002(d), that this Agreement should be entered into notwithstanding any such inconsistency; and (ii) constitute a major investment in the Reinvestment Zone that will be a benefit to the Reinvestment Zone and will contribute to the economic development of the County.
- D. Proper notice of the County's intent to enter into this Agreement has been provided to the presiding officers of each of the other taxing units levying taxes in the Reinvestment Zone not less than 7 days prior to the date on which this Agreement was approved by the Commissioners Court.
- E. This Agreement was adopted at a regularly scheduled meeting of the Commissioners Court which was preceded by thirty-day written notice which was properly posted in accordance with the Open Meetings Act and at which a quorum of the Commissioners Court was present.



NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the parties do hereby agree as follows:

## **ARTICLE 1. DEFINITIONS**

As used in this Agreement, the following terms shall have the respective meanings assigned to them below:

1.1. “Affiliate” or “Affiliate of Owner” shall mean a person who controls, is controlled by, or under common control with another person, where a person shall be deemed to control another person if such person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other person through an ownership interest; and “Subsidiary” or “Subsidiary of Owner” shall have the meaning assigned to it in the Texas Business Organizations Code.

1.2. “Background Information” shall include, without limitation, in the case of a proposed assignee or partial assignee and any specific Affiliate or Affiliates of a proposed assignee or partial assignee identified by the County and reasonably pertinent to the County’s consent under Section 6.3 hereof:

(1) its legal name or identity;

(2) the address of its local office in the County, its registered office and address maintained with the Secretary of State of the State of Texas and its principal or home office;

(3) the state in which it was chartered and its registered office and agent in that state, the name and address of its registered agent and office in the State of Texas, and the names and addresses of all governing persons (as that term is defined by the Texas Business Organizations Code);

1.3. “Certified Appraised Value” shall mean the final appraised value of property that is subject to property taxation under the Texas Tax Code, as determined and certified by the Chief Appraiser of the Caldwell County Central Appraisal District after the exhaustion of remedies under Texas Tax Code Title 1, Subtitle F, for each taxable year during the Abatement Period.

1.4. “Facilities” shall mean the Improvements and all other tangible property or fixtures, more fully described in the Owner’s application for abatement which is attached to this Agreement as Exhibit ‘A’, as used by Owner in connection with its energy storage operations in the Reinvestment Zone and shall include any property added to the Improvements because of repairs, retrofitting, or additional improvements during the term of this Agreement. Notwithstanding the foregoing sentence, Facilities shall include only the following property: (i) the property must be located within the Reinvestment Zone, (ii) it must be eligible for tax abatement pursuant to Chapter 312 of the Texas Tax Code, (iii) it must meet the definition of an improvement or tangible personal property as provided in Chapter 1 of the Texas Tax Code, and (iv) it must be constructed or placed in the Reinvestment Zone after the date this Agreement is approved by the Commissioners Court.

1.5. “Improvements” shall mean improvements, fixtures, and equipment, which are more particularly described in Owner’s application for abatement, which is attached to this Agreement as Exhibit ‘A’, identifying the improvements that are to be installed within the Reinvestment Zone. Notwithstanding the foregoing sentence, improvements shall include only the following property: (i) the property must be located within the Reinvestment Zone, (ii) it must be eligible for tax abatement pursuant to Chapter 312 of the Texas Tax Code, (iii) it must meet the definition of an improvement or tangible personal property as provided in Chapter 1 of the Texas Tax Code, and (iv) it must be constructed or placed in the Reinvestment Zone after the date this Agreement is approved by the Commissioners Court.

1.6. “Initial Appraised Value” shall mean the appraised value of taxable property as determine by the Caldwell County Appraisal District that is subject to property taxation under the Texas Tax Code prior to the exercise of any remedies under Texas Tax Code Title 1, Subtitle F, for each taxable year during the Abatement Period.

1.7. “Substantial completion,” including derivatives of this term, shall mean that at least 100 MW Capacity of the Improvements must be installed.

1.8. “Taxes” shall mean ad valorem property taxes, including Maintenance & Operations (“M&O”), Interest and Sinking Funds (“I&S”), and Lateral Road, Farm-to-Market, Road and Bridge, or other special County tax authorized by the Texas Constitution and in effect, either currently-existing or later-imposed, for any year during the Abatement Period with respect to the Improvements and Facilities.

## **ARTICLE 2. IMPROVEMENTS**

2.1. Improvements in Reinvestment Zone. Owner anticipates that it will construct the Improvements within the Reinvestment Zone. Owner acknowledges that the abatement granted herein is conditioned upon completion of construction of the Improvements within the Reinvestment Zone as provided in Section 2.4 herein.

2.2. Timing of Improvements. Owner projects that construction of the Improvements will begin by January 1, 2024, and will be substantially completed by December 31, 2025. If Owner has not substantially completed construction of the Improvements by December 31, 2026, then Owner may, in writing, request a one-time, one-year extension of such December 31, 2026, deadline (or such later deadline resulting from Owner’s exercise of a force majeure extension as described in Section 9.7 of this Agreement) in the event of permitting delays, equipment shortages, construction delays or other events or circumstances impacting construction that are beyond Owner’s reasonable control. The County shall not unreasonably withhold, condition or delay its consent to any such extension.

2.3. Plans and Specifications, Governmental Requirements and Workmanship. All Improvements shall be constructed and installed substantially in accordance with plans and specifications (as the same may be amended, modified or changed by change orders from time to

time, the “Plans and Specifications”) prepared by an engineer or architect licensed within one of the states of the United States of America and in accordance with all regulations of any governmental agency or entity having jurisdiction over any aspect of the construction. Owner shall take such steps as are reasonably necessary to see that all work on the Improvements is completed in a good and workmanlike manner.

### **ARTICLE 3. TAX ABATEMENT**

3.1. Tax Abatement Granted. Subject to the terms and conditions of this Agreement, the County agrees to abate taxes imposed by the County on the Improvements and Facilities during the Abatement Period (hereinafter defined) as provided by this Agreement.

3.2. Abatement Period; Commencement Date; Term of Agreement. The period in which taxes are abated (the “Abatement Period”) is deferred until the Commencement Date, which shall begin on the earlier of: (a) January 1st of the first calendar year after the commencement of commercial operations (“COD”) of the Improvements, as the term COD is customarily used in the solar farm industry; or (b) January 1st of the calendar year identified in a Notice of Abatement Commencement (as defined below) delivered by Owner (the “Commencement Date”). The Abatement Period will terminate on December 31st of the tenth (10<sup>th</sup>) year following the Commencement Date, unless sooner terminated in accordance with the terms of this Agreement. Termination of this Agreement shall not relieve either party of any covenants, obligations, or payments owing to the other as of the date the Agreement is terminated. As used in this Section 3.2, “Notice of Abatement Commencement” means a notice that Owner may, in its sole discretion, deliver to the County stating Owner’s desire to commence the Abatement Period prior to January 1st of the first calendar year after COD. If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: “Owner elects for the abatement period to begin on January 1, 202\_\_”; the date stated in the Notice of Abatement Commencement shall be the Commencement Date. Owner shall deliver the Notice of Abatement Commencement not later than the December 31st that immediately precedes the January 1st Commencement Date. Regardless of whether or not Owner delivers a Notice of Abatement Commencement, Owner shall provide certification of the COD in writing both to the County and to the County Appraisal District within sixty (60) days of the COD.

3.3. Payments In Lieu of Taxes. As consideration for the abatement granted by County under this Agreement, Owner agrees to timely perform all covenants undertaken by Owner pursuant to the terms of this Agreement including the making of an annual payment in lieu of taxes (the “Annual PILOT”) to the County for each year during the Abatement Period. During each year of the Abatement Period, the County will abate 100% of all taxes owed to the County. At the conclusion of the Abatement Period, the Improvements shall be taxed at the Certified Appraised Value of the Improvements and Facilities each year thereafter for the remaining life of the Project.

(a) Due Date. The Annual PILOT required by this Agreement must be paid to the County no later than January 31st of the following year for which abatement is granted.

(b) Calculation of the Annual PILOT. Owner agrees to pay to the County an Annual PILOT equal to 50% of the annual taxes imposed by Caldwell County and assessed by the Caldwell County Appraisal District for each year during the Abatement Period.

(c) Annual PILOT in Lieu of Taxes. The parties agree that each Annual PILOT will be in lieu of any taxes which would otherwise be owed by Owner to the County for any year during the Abatement Period with respect to the Improvements and Facilities.

3.4. Conditions to Tax Abatement. The tax abatement granted by this Agreement is expressly conditioned upon the following conditions which must be satisfied throughout the entire term of this Agreement and with which Owner agrees to comply with at all times, subject, however, to the notice and cure rights of Owner set forth in Article 6 hereof:

(a) Construction of the Improvements. Owner's timely construction of the Improvements in accordance with this Agreement.

(b) Operations. Owner's operation of the Facilities as a battery storage facility and associated improvements with nameplate capacity to store and transmit at least 100 megawatts (MW) of electricity.

(c) Compliance with this Agreement. Owner's compliance with all material covenants and obligations undertaken by Owner pursuant to the terms of this Agreement.

(d) Accuracy of Representations. The accuracy and truthfulness in all material respects of the representations by Owner contained in this Agreement as of the date this Agreement is executed and throughout the term of this Agreement.

(e) Payment of Taxes. The payment by Owner and all Subsidiaries of Owner (as defined in Section 1.1), prior to delinquency, of all taxes imposed by the County, any other taxing unit within the County based on the value of, or levied against, the Facilities or the Improvements. It shall not be a violation of this provision if the party who is assessed the tax in good faith protests the levy or assessment of a particular tax by the timely filing of appropriate proceedings to prosecute a protest or contest of the tax, makes payment of the disputed tax during such protest or contest as required by applicable law, and pays the tax, as finally determined, prior to delinquency as required by applicable law.

(f) Continued Operations following Abatement. Owner agrees to continue routine commercial operation of the Facilities, including all outages for repair, maintenance and refurbishment, for a period of twenty (20) years after the end of the Abatement Period. This provision shall not be interpreted to require the Improvements to generate any minimum amount of electricity or require that any part of the Improvements generate electricity at any particular time. In addition to any other remedies available to the County pursuant to this Agreement or applicable law, upon any breach of this covenant as determined by a final judgment by a court of competent jurisdiction, the County shall be entitled to the remedies specified in Section 6.4 hereof.



(g) Annual Certification. Beginning in the year immediately following the Commencement Date and continuing each year thereafter during the Abatement Period, Owner agrees to annually submit a certified, sworn statement acceptable to the Caldwell County Auditor and signed by an authorized officer or employee of Owner that it is in full compliance with its obligations under this Agreement or, if not in full compliance, a statement disclosing the nature of any non-compliance and any reasons therefor.

**ARTICLE 4.  
COVENANTS APPLICABLE TO CONSTRUCTION  
AND OPERATIONS AFTER CONSTRUCTION**

4.1. Inspections. The County shall have the right to inspect the Improvements and the Facilities. The County agrees to provide Owner with at least two (2) weeks advance written notice of any such on-site inspection and further agrees that any such on-site inspection shall be conducted at a mutually agreed time and date and in a manner that will not unreasonably interfere with the construction of the Improvements or the operation of the Facilities. All such inspections shall be made with one or more representatives of Owner and in accordance with all applicable governmental safety standards. The rights of inspection set forth herein may be exercised by officers, agents, or employees of the County or the Appraisal District. Nothing herein shall be construed to limit or diminish the authority of the County or the Appraisal District to conduct inspections or obtain information under applicable law.

4.2. Determination of Value. The parties recognize that to the extent required by applicable law, the Chief Appraiser of the Appraisal District shall annually assess the Certified Appraised Value of all real and personal property making up the Facilities without regard to the abatement granted by this Agreement and the Certified Appraised Value of such property after applying the abatement granted this Agreement, and the Chief Appraiser shall then record both values in the appraisal records. The Certified Appraised Value of the Facilities without regard to the abatement shall be used to compute the amount of abated taxes that are required to be recaptured and paid to the County in the event recapture of such taxes is required by this Agreement or applicable law. During the term of this Agreement, Owner shall each year furnish the Chief Appraiser of the Appraisal District with such information as is required by applicable law (including a rendition filed under Chapter 22 of the Texas Tax Code and an application for exemption filed under Section 11.28 of the Texas Tax Code) and as may be necessary for the administration of the abatement specified in this Agreement. The Appraisal District will determine the values required herein in any manner permitted by applicable law, but without limitation of Owner's rights in Section 3.3 hereinbelow.

4.3. Owner's Right of Protest. Nothing in this Agreement shall limit Owner's right to protest and contest any appraisal or assessment of the Facilities in accordance with applicable law. In the event (i) the Certified Appraisal Value is finalized after Owner's Annual PILOT is due to the County; and (ii) the Initial Appraisal Value exceeds the Certified Appraisal Value for a taxable year during the Abatement Period, then the County will credit the difference in value to the following taxable year's Annual PILOT. However, the Owner shall be bound by any representations of capital values subject to abatement in the Application, or contained within this Agreement.

**ARTICLE 5.  
REPRESENTATIONS**

5.1. By the County. The County hereby warrants and represents that this Agreement was authorized by an order of the Commissioners Court adopted on the date recited above authorizing the County Judge to execute this Agreement on behalf of the County.

5.2. By Owner. Owner hereby warrants and represents to the County:

(1) That Owner is a limited liability company in good standing under the laws of its state of organization and authorized to do business in the State of Texas; or in the case of a permitted assignee of this Agreement, that such assignee is authorized to do business in the State of Texas.

(2) That Owner is not in default in the payment of any taxes owing to the federal, state or any local governmental units within the County.

(3) That the officer of Owner signing this Agreement is properly authorized to enter into this Agreement and bind Owner to the terms thereof and Owner is thereby authorized to perform all covenants undertaken by Owner pursuant to this Agreement.

(4) That there is no operating agreement, certificate of formation provision, or agreement between Owner and any third party which in any way limits Owner's authority to enter into this Agreement and perform all covenants and agreements set forth herein.

(5) That none of the tangible personal property that is intended to be a part of the Improvements located within the Reinvestment Zone is located within the Reinvestment Zone as of the effective date of this Agreement.

(6) That this Agreement contains each term as agreed to by Owner.

**ARTICLE 6.  
DEFAULT; REMEDIES**

6.1. Default In Constructing Improvements. If Owner fails to complete the Improvements in the manner, and within the time period stated in this Agreement, and Owner's failure to comply with those provisions of this Agreement are not cured following notice to Owner pursuant to Section 6.3 below, Owner shall be in default under the terms of this Agreement. In the event of a default in the construction of the Improvements the County may terminate or cancel this Agreement and Owner shall pay to the County all tax revenues (including penalties, interest, attorney's fees and costs) that would have been payable to the County in the absence of this Agreement for any portion of the Improvements that are constructed less a credit for any PILOT payments made by Owner.

6.2. Default In Operations, Payments or Performance of Other Covenants. The occurrence of any of the following circumstances shall be an event of default under the terms of this Agreement:

- (1) Owner fails to timely pay any amounts owing to County pursuant to this Agreement, including taxes owed to the County or any other taxing unit within the County, or fails to timely and properly follow applicable procedures for protest or contest of any such taxes; or
- (2) Owner fails to timely perform any material covenant, condition or agreement it has undertaken pursuant to the terms of this Agreement;
- (3) Any representation made by Owner in Section 5.2 of this Agreement is materially untrue or, with the passage of time, becomes materially untrue; or
- (4) Owner fails to maintain continued operations in accordance with Section 3.4(f).

6.3. Notice, Right to Cure. Upon the occurrence of an event of default (including default under Sections 6.1 or 6.2 above), the County shall give the Owner written notice specifying the default.

- (1) Monetary Defaults. If the event of default relates to the payment of money, Owner shall cure such default within 90 days of the date of the notice from the County.
- (2) Non-Monetary Defaults. If the event of default is based upon an event other than a default in the payment of money, Owner shall cure such default within 30 days of the date of the notice of default by the County. This cure period shall be extended such additional time period as the documentation demonstrates is reasonably necessary to cure the default provided that Owner has commenced the cure and is diligently proceeding with such cure but not longer than 90 days without the approval of the County, which approval shall not be unreasonably withheld, conditioned or delayed.

6.4. Remedies. If an event of default is not cured in accordance with Section 6.3 above, then the County may terminate this Agreement. If there is a default (other than a default pursuant to Section 6.1 above) that is not cured by Owner within the time permitted by Section 6.3, Owner shall not be entitled to abatement of taxes for the calendar year in which the default occurs and any subsequent calendar year on which the default remains uncured for any period. If a default continues over more than one day, it will be considered to have occurred on the date on which it first occurred. Regardless of any other term of this Agreement, in the event that Owner fails to comply with this Agreement, the County may cancel or modify the Agreement, as allowed by Texas Tax Code Section 312.205(7).

6.5. Mortgagee Protection. Notwithstanding any other provision hereof, County agrees that Owner may, without any further consent from the County, mortgage, pledge, or otherwise encumber its interest in the Improvements and Facilities, and Owner's lease and easement agreements related to the land on which the Improvements and Facilities are located ("Leases"),

to any lender or to any trustee or beneficiary under a deed of trust or to any master or special servicer (a "Mortgagee") for the purpose of financing operations of the Facilities, constructing the Improvements or acquiring additional equipment for the Facilities following any initial phase of construction (a "Financing"). Any Mortgagee shall be entitled to receive the same written notice of any default as County is required to provide Owner hereunder so long as County has been provided notice of the identity and address of such Mortgagee, and such Mortgagee shall be entitled to cure or commence cure of any such defaults in the same manner as Owner. This provision shall not be construed to limit or diminish the County's lien priority for taxes owed pursuant to the Texas Tax Code.

6.6. LIMITATION OF LIABILITY. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, TERMINATION OF THE AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE), RECAPTURE OF PROPERTY TAXES ABATED ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN THIS AGREEMENT, AND/OR RECOVERY OF THE AMOUNTS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED HEREIN, ALONG WITH ANY REASONABLY INCURRED COURT COSTS AND ATTORNEYS' FEES, SHALL BE THE COUNTY'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO MAKE THE SPECIFIED IMPROVEMENTS OR TAKE OTHER ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED UNDER THIS AGREEMENT. OWNER AND COUNTY AGREE THAT THE LIMITATIONS CONTAINED IN THIS SECTION ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

## **ARTICLE 7. ASSIGNMENT**

7.1. Assignment. So long as no default exists and is continuing at the time of the proposed assignment and Owner provides the information required under Section 7.2 hereinbelow, and subject to the restrictions set forth in Section 7.4, Owner may, with the consent of the County, assign, in whole or in part, any of its rights or obligations under the terms of this Agreement or in the Improvements, Leases or the Facilities. Consent of the County may only be withheld under those circumstances described in Section 7.3 below. After an assignment that is completed in accordance with the requirements of this Agreement, Owner shall have no further rights, duties, or obligations under this Agreement to the extent such rights, duties, and obligations have been assumed by the assignee. Notwithstanding the foregoing, (i) an assignment of this Agreement pursuant to Section 6.6, including in connection with the foreclosure of the lien of any Mortgagee securing any Financing or conveyance in lieu thereof, shall not require the consent of the County; and (ii) an assignment of this Agreement in whole or part by Owner to an Affiliate of Owner in connection with the transfer by Owner of Improvements or Facilities to such Affiliate shall not require the consent of the County, provided that Owner shall provide written notice of such assignment to the County, and Owner and such Affiliate shall comply with Section 7.4(1) hereof.



7.2. Information on Assignee to be Provided to County; Timing of Consent. In the event Owner proposes to assign all or any portion of its interest in the Facilities in a transaction that requires the County's consent, Owner agrees to provide the County the Background Information (as defined in Section 1.2) on the proposed assignee.

7.3. County May Withhold Consent. The County may withhold its consent to a proposed assignment, and such action by the County will not be considered to be unreasonable if: (i) the proposed assignee cannot demonstrate that it reasonably can expect to have, during the term of this Agreement, annual revenues sufficient to comply with the Agreement and pay the tax assessments from Caldwell County as they are made, or the proposed assignee cannot otherwise demonstrate its financial ability to abide by all terms and conditions set forth herein; (ii) the proposed assignee has a record of violations or defaults with respect to its operations of storage projects such that the assignee does not have the capability and reliability to perform the requirements of the Agreement; or (iii) the assignee does not comply with each of the conditions to assignment set forth in Section 7.4 below. If the County reasonably requests additional information, the County, the Owner, and the prospective assignee agree to negotiate in good faith regarding what information will, and will not, be made available to the County and any conditions to the disclosure of such information. The County shall advise Owner in writing of whether it consents to a proposed assignment not later than 30 days from the date the County is provided with all information required by Section 1.2. If the County withholds consent, it shall provide the reasons it is doing so in the written decision. If Owner disagrees with the County's denial of consent, within thirty (30) days following Owner's written request the Parties shall submit the consent issue to binding arbitration by an arbitrator acceptable to both parties. If the parties cannot agree on an arbitrator, the American Arbitration Association ("AAA") shall appoint an arbitrator and preside over the arbitration pursuant to AAA's commercial arbitration rules then in effect. Unless otherwise agreed in writing by the parties, the venue for such arbitration shall be at a location within the County.

6.4. Conditions to Assignment. Owner's assignment shall also be conditioned on the following:

- (1) The execution and delivery to the County of an addendum to this Agreement, in a form substantially similar to this Agreement, wherein: (i) in the case of a partial assignment, it is executed by the Owner and the assignee and provides that each of them assume and agree to timely discharge all covenants and obligations under the terms of this Agreement; and (ii) in the case of a full assignment, it is executed by the assignee and provides that assignee assumes and agrees to timely discharge all covenants and obligations undertaken by Owner under the terms of this Agreement;
- (2) Proof reasonably acceptable to the County (which may be in the form of an opinion of legal counsel) that the assignee is authorized to sign the addendum and perform the covenants and obligations thereby undertaken;
- (3) The absence of any event of default under the terms of this Agreement for which a notice of default has been given and the cure period has expired; and

(4) Proof that the proposed assignee has obtained or will obtain the insurance coverage required by this Agreement.

## **ARTICLE 8. NOTICES**

8.1. Notices. All notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed to be properly given when delivered personally to any of the hereinafter designated addresses or the named representatives thereof, or when mailed by prepaid certified mail, return receipt requested, addressed to such party at the respective addresses set forth below:

If to the County:

Caldwell County, Texas  
Attn: County Judge  
Caldwell County Courthouse  
110 S. Main St., Rm. 101  
Lockhart, TX 78644

If to the Owner:

Ardesia Storage Project LLC  
Attn: George Gunnoe, Development Manager  
300 Spectrum Center Drive, Suite 1250  
Irvine, CA 92618

Either party may change the address for notices by a written notice forwarded in accordance with the foregoing.

## **ARTICLE 9. GENERAL PROVISIONS**

9.1. Governing Law; Venue. This Agreement shall be construed and governed in accordance with the laws of the State of Texas without giving effect to its conflict of law rules. Venue for any action relating to the interpretation or performance of this Agreement or to enforce any right or obligation relating to this Agreement shall be in a court of competent jurisdiction in Caldwell County, Texas, or in a United States District Court of Texas having Caldwell County within its original jurisdiction. Venue may not be assigned or transferred elsewhere.

9.2. Waiver. The failure of either party to enforce any right or demand strict performance of any obligation of the other party under this Agreement shall not operate as, or be construed to be, a waiver of such right or obligation.

9.3. Entire Agreement, Interpretation. This Agreement, including Exhibits A thru C, attached hereto and which are incorporated herein by reference, collectively constitute the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous discussions, representations, correspondence or agreements, written or oral. This Agreement may only be amended by a written instrument signed by both parties or their duly authorized officers or representatives. The language of this Agreement shall be construed as a whole according to its fair and common meaning and shall not be construed for or against either of the parties hereto. All titles or headings to sections or other divisions of this Agreement are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the content of this Agreement, such content being controlling as to the agreement between the parties hereto.

9.4. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement.

9.5. Employment of Undocumented Workers. During the term of this Agreement, Owner agrees not to knowingly employ any undocumented workers as defined in Section 2264.001 of the Texas Government Code. If Owner is convicted after exhaustion of all rights of appeal of a violation under 8 U.S.C. §1324a(f), Owner shall repay the amount of the abatements and any other funds received by the Company from the County as of the date of such violation, minus any Annual PILOT payments made by Owner, not later than one hundred and twenty (120) days after the date Owner is notified by the County of a violation of this section, plus interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the County) as its prime or base commercial lending rate. The payment of interest shall be as if it had been accruing from the dates the abatements were granted to Owner and the dates the Annual PILOTs were paid by Owner the until the date the amount due is repaid to the County.

9.6. Owner as Party to Litigation. In the event any litigation is initiated questioning or challenging the validity of this Agreement or any part hereof or any of the underlying orders or Commissioners Court actions authorizing the same, the County agrees not to object to the Owner's joinder or intervention in such litigation.

9.7. Force Majeure. If Owner's performance of any obligation or obligations under this Agreement is interrupted, delayed, or prevented by any contingency or cause beyond the control of Owner, then Owner shall be excused from the performance of any such obligation or obligations during the period of time that Owner is reasonably unable to perform such obligation or obligations as a result of such contingency or cause, and no default will have occurred with respect to such circumstances. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be

suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as possible be remedied with all reasonable dispatch. Any period of suspension under this Section may, at the request of Owner, extend its construction period under Section 2.2 of this Agreement, but for no longer than the duration of the Force Majeure event. Contingencies or causes beyond the control of Owner include, without limitation:

- (1) Acts of God, or the public enemy, any natural disaster, war, riot, civil commotion, insurrection, fires, explosions, accidents, floods, and labor disputes or strikes;
- (2) The current coronavirus pandemic or governmental actions, governmental shut-downs, travel restrictions, quarantines, or business closings stemming therefrom;
- (3) To the extent it affects the Owner's ability to perform a non-monetary covenant or obligation under this Agreement, a change in a governmental law or regulation if Owner complies with the changed or revised law or regulation within the time limits, and in the manner, provided by such changed or revised law or regulation.

Any party claiming delay due to an event of Force Majeure must provide written notice to the other party promptly upon learning of such event, and in such notice must provide a reasonable description of the event of Force Majeure, the date of commencement of the event of Force Majeure, and the nature of the delay anticipated to be incurred as a result thereof. The party claiming Force Majeure must also provide written notice to the other party of the cessation of the event of Force Majeure, including a reasonable description of the resolution of the event of Force Majeure and the date on which the Force Majeure was resolved.

9.8. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes and all of which constitute, collectively, one agreement. Once all parties to this Agreement have signed a counterpart, this Agreement shall be binding upon all parties in accordance with the terms hereof.

9.9. Recording of Agreement. The parties agree to execute this Agreement in recordable form and that a duplicate of this Agreement shall be entered in the Official Minutes of the Commissioners Court of Caldwell County, Texas.

9.10. Adoption of Agreement. The County agrees that any other taxing unit eligible to enter into agreements relating to the abatement of taxes may adopt all or any portion of this Agreement.

9.11. Further Acts. The parties each agree to cooperate fully with the other and to take such further action and execute such other documents or instruments as necessary or appropriate to implement the terms of this Agreement.

9.12. Conflict with Guidelines. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, the Amendment is excepted from the Guidelines.

9.13 Indemnity. Owner agrees to indemnify, defend, and hold County harmless against and from all liabilities, damages, claims, and expenses, including without limitation reasonable attorneys' fees, that may be imposed upon or asserted against County by any third party in connection with Owner's alleged breach of this Agreement. Owner shall not be required to indemnify, defend, and hold County harmless against third party claims asserting procedural defects relating to the County's adoption of this Agreement. Owner will reimburse the County for all costs, including reasonable and necessary legal fees, in any final disposition of a claim that is subject to indemnification by Owner under the first sentence of this Section, whether by adjudication in court or alternative dispute resolution procedures, provided that Owner shall not be responsible for reimbursement of County for any matter that the County agrees to settle without the approval of Owner, which shall not be unreasonably withheld.

EXECUTED AND EFFECTIVE as of the date and year first written above.

Attachments:

Exhibit 'A': Application for Abatement  
Exhibit 'B': Reinvestment Zone Resolution

ATTEST:

\_\_\_\_\_  
County Clerk

COUNTY:

Caldwell County, Texas

By: \_\_\_\_\_  
Judge Hoppy Haden, County Judge

OWNER:

Ardesia Storage Project LLC  
300 Spectrum Center Drive, Suite 1250  
Irvine, CA 92618

By: \_\_\_\_\_  
Printed Name:

Title of Owner:



**APPLICATION FOR TAX ABATEMENT IN  
CALDWELL COUNTY, TEXAS**

**FILING INSTRUCTIONS:**

This application must be filed prior to the anticipated commencement of construction, improvements, or the installation of equipment. This filing acknowledges familiarity and assumed conformance with "CALDWELL COUNTY TAX ABATEMENT AND REINVESTMENT ZONE GUIDELINES AND CRITERIA" and "CALDWELL COUNTY ANNUAL TAX ABATEMENT COMPLIANCE REPORT". This application will become a part of any later agreement or contract, and knowingly false representations thereon will be grounds for the voiding of any later agreement or contract.

**ORIGINAL APPLICATION, CHECK, AND ATTACHMENTS SHOULD BE SUBMITTED TO:**

**Caldwell County  
Attention: County Judge's Office  
Caldwell County Courthouse  
110 South Main Street, Room 101  
Lockhart, Texas 78644**



**Questions? Please call:  
County Judge's Office: (512) 398-1809**

**Section 1 - APPLICANT INFORMATION**

Date of Application: 2/8/2023  
Company Name  
(Exact Legal Name): Ardesia Storage Project LLC  
Applicant Name: Tracy Stoddard, Vice President, Business Development  
Address: 55 E. Monroe Street, Suite 1925  
City, State, and Zip Code: Chicago, IL 60603  
Telephone: 312-497-0658  
Email: tstoddard@acciona.com  
List all corporate subsidiaries under which jobs will be reported for this project: n/a

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Federal Tax ID Number: 88-0484512                      Comptroller of Public Accounts Number: 32085428293  
Corporate Credit Rating and Source:                      NAICS Code: 362900 (Battery Storage NAICS is not established)  
TBD  
Type of Ownership:     Corporation                       Partnership                       Proprietorship                       Other  
Will the Company be required to pay state sales and use tax on equipment:     Yes                       No                       Undetermined  
Total Current Number of Employees: 0  
Corporate Annual Sales Per Year: n/a

**APPLICANT'S REPRESENTATIVE ON THIS PROJECT**

Applicant Name: Tracy Stoddard, Vice President, Business Development  
Address: 55 E. Monroe Street, Suite 1925  
City, State, and Zip Code: Chicago, IL 60603  
Telephone: 312-497-0658  
Email: tstoddard@acciona.com

Date Received: \_\_\_\_\_

Project: \_\_\_\_\_



**Section III – FACILITY DESCRIPTION (Continued)**

**Attachment 4**

- (a) The applicant company is asked to provide three consecutive years of financial data in the form of independent, audited
- (b) financial statements containing, at minimum, the following categories:

|                     |                             |
|---------------------|-----------------------------|
| Current Assets      | Total Equity                |
| Inventories         | Net Income                  |
| Total Assets        | Revenue                     |
| Current Liabilities | Cost of Goods Sold          |
| Total Liabilities   | Current Accounts Receivable |

**NOTE** Audited financial statements are required from the applicant company. If financial statements are provided from a parent entity, the parent entity will be required to guarantee any economic development agreement with Caldwell County, should one result from this application:

**Attachment 5**

- (a) \$ 1,000.00 non-refundable Application Fee (made payable to Caldwell County)

**Section IV – ECONOMIC IMPACT INFORMATION**

**Part A – Current Investment in Existing Project/Improvements:      \$91,100,000**

- (a) **Investment Schedule** – Please Provide a 10-year list of the following items:

| Year                 | Land               | Building | M&E                 | FF&E  | Taxable Inventory | Labor | Total               |
|----------------------|--------------------|----------|---------------------|-------|-------------------|-------|---------------------|
| 1                    | \$2,400,000        | _____    | \$88,700,000        | _____ | _____             | _____ | \$91,100,000        |
| 2                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 3                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 4                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 5                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 6                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 7                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 8                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 9                    | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| 10                   | _____              | _____    | _____               | _____ | _____             | _____ | _____               |
| <b>TOTALS</b>        | <b>\$2,400,000</b> | _____    | <b>\$88,700,000</b> | _____ | _____             | _____ | <b>\$91,100,000</b> |
| <b>PROJECT TOTAL</b> |                    |          |                     |       |                   |       | <b>\$91,100,000</b> |



**Section IV – ECONOMIC IMPACT INFORMATION (Continued)**

(b) **Depreciation Schedule** - We have modeled depreciation with guidance from Capitol Appraisal Group, the firm retained by Caldwell County Appraisal District. Battery projects are fairly new and there are differing opinions on the asset life ranging from 8 to 12 years.

|           | Years | Percent Per Year | Item     | Years | Percent Per Year |
|-----------|-------|------------------|----------|-------|------------------|
| Machinery | _____ | _____            | Building | _____ | _____            |
| Equipment | _____ | _____            | Other    | _____ | _____            |

**Part B – Permanent Employment Estimates:**

(a) If existing facility, what is the current plant employment:

**(b) Job Categories and Wage Distributions**

| Job Category | Number of Jobs (Employed by Company) | Number of Jobs (Vendor or Contract) | Annual Average Wages | Percent to be Locally Hired |
|--------------|--------------------------------------|-------------------------------------|----------------------|-----------------------------|
| Executive    | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Manager      | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Supervisor   | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Staff        | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Entry Level  | n/a                                  | n/a                                 | n/a                  | n/a                         |

**(c) Job Creation and Investment Schedule**

| Year         | Existing Jobs On Site | New Jobs | Total    |
|--------------|-----------------------|----------|----------|
| 1            | n/a                   | n/a      | n/a      |
| 2            | n/a                   | n/a      | n/a      |
| 3            | n/a                   | n/a      | n/a      |
| 4            | n/a                   | n/a      | n/a      |
| 5            | n/a                   | n/a      | n/a      |
| 6            | n/a                   | n/a      | n/a      |
| 7            | n/a                   | n/a      | n/a      |
| 8            | n/a                   | n/a      | n/a      |
| 9            | n/a                   | n/a      | n/a      |
| 10           | n/a                   | n/a      | n/a      |
| <b>TOTAL</b> | <b>0</b>              | <b>0</b> | <b>0</b> |

(d) Estimated number of retained jobs: 0

(e) Opening of project: 05/25 (MM/YY)

**Section IV – ECONOMIC IMPACT INFORMATION (Continued)**

**Part C – Permanent Payroll Estimates:**

- (a) If existing facility, what is the current plant payroll: n/a
- (b) Estimated amount of new payroll: n/a
- (c) Estimated amount of retained payroll: n/a

**Part D – Construction and Employment Estimates:**

- (a) Construction to begin: 11/23 (MM/YY)
- (b) Number of construction jobs: At start: 30 Peak: 50 Finish: 30

**Part E – Construction and Employment Estimates:**

- (a) Estimated number of children added to ISD: 0

**Part E – Impact Estimates**

- (a) Required from n/a water provider, 0 gallons of water per day
- (b) Volume of effluent to be treated by n/a (list name of provider) and an estimated 0 gallons of water per day
- (c) Type of waste disposal: n/a       Septic       City Sewer       Other: \_\_\_\_\_
- (d) Peak monthly electricity demand in kilowatts: n/a KW
- (e) Average monthly electric usage in kilowatt/hours: n/a KWh
- (f) Average monthly load factor: n/a

**Part F – Tax Generation Estimates**

**Property Tax:**

- Land:                       Yes                       No
- Building:                 Yes                       No
- M&E:                      Yes                       No
- Inventory:                Yes                       No

**Local Sales Tax:**                       Yes                       No

**State Sales Tax:**                       Yes                       No

Total annual company purchases subject to local sales tax:                      \$ n/a  
*(i.e., office supply purchases, operating expenses, and taxable professional services)*

**Indirect Local Revenue:**               Yes                       No

**Describe:** The project would make reasonable efforts to utilize local vendors and services related to the facility construction and maintenance.

**Other Local Revenue:**                 Yes                       No

Describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section IV – ECONOMIC IMPACT INFORMATION (Continued)**

Does the company have either of the following: (1) Historical data that demonstrates that the company has been successful in achieving diversity in vendor contracting through its existing programs or policies, or (2) a policy or plan for establishing goals for diversity in vendor contracting:  Yes  No

If so, please describe the historical data or policy/plan and attach the historical data or policy/plan:

The project would make reasonable efforts to utilize local vendors and services related to the facility construction and maintenance.

**Section V – DECLARATION**

To the best of my knowledge and belief, the information contained in this Caldwell County Application for Tax Abatement is true and correct, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within Texas.



2/8/2023

\_\_\_\_\_  
Signature of Certifying Officer

\_\_\_\_\_  
Date of Signature

Tracy Stoddard  
Name of Certifying Officer

Authorized Signatory  
Title

312-673-3081

tstoddard@acciona.com

Phone

Email

**Section III – Facility Description**

Ardesia Storage Project LLC is considering a 100-megawatt battery energy storage facility in Caldwell County. The prospective project site would be a purchased 20-acre segment of a large vacant parcel between Lockhart and Mendoza (APN 36042).

The project will be developed by Acciona Energy USA Global LLC (AEUG), the largest utility in the world without a fossil legacy, exclusively operating in renewable technologies. AEUG has been present for almost 20 years in North America. It develops, builds, owns, and operates its projects and has 1,303 MW operational in wind and CSP in the US and Canada. Regarding current development in the US, the company has a portfolio of four photovoltaic solar plants under construction: Fort Bend Solar (316 MWdc) and Red-Tailed Hawk Solar (460 MWdc), both in Texas; High Point Solar (127 MWdc) in Illinois; and Union County Solar (415 MWdc) in Ohio. Upon completion of these projects, ACCIONA Energía will have more than 2GW capacity of solar and wind production in the United States.

The project would include battery energy storage system equipment (i.e., batteries, substation equipment, transmission connection, inverters, ventilation, fire suppression, container housing), fencing, and gates. Battery energy storage facilities require large capital investments that bring substantial incremental tax revenue to the County and ISD without adding incremental burden to the jurisdiction (municipal services, school students, and rooftops). These projects also do not require extensive use of local roads or emergency services.

The Ardesia Storage project would require a large capital investment that brings substantial incremental tax revenue to the County and ISD without adding incremental burden to the jurisdiction (municipal services, school students, and rooftops). The project would also not require extensive use of local roads or emergency services. Lastly, to further support the community, Ardesia Storage will not seek a Chapter 313 school abatement for this project.



|  |  |   |
|--|--|---|
| <p><b>PROJECT DETAILS</b></p> <p>DEVELOPER Q CELLS</p> <p>SITE LOCATION 29.95386 °, -97.665449 °</p> <p>PERMITTING AUTH (COUNTY): CALDWELL CO, TX</p> <p><b>SYSTEM DETAILS</b></p> <p>DESCRIPTION GRID-TIE BESS SYSTEM</p> <p>MW NAMEPLATE (POI) 100 MW</p> <p>MW (GEN TERMINALS) 111.26 MW</p> <p>DURATION 2 HOUR</p> <p>UTILITY LCRA</p> <p><b>INVERTERS</b></p> <p>MANUFACTURER SMA</p> <p>INVERTER MODEL BC2-3000 UP (418)</p> <p>INVERTER NOMINAL POWER (MW) 3.6</p> <p>TOTAL NUMBER OF INVERTERS 34</p> <p><b>AC PARAMETERS</b></p> <p>PROJECT NOMINAL POWER @ POI (MW) 100 MW</p> <p>MV TFMV QTY RATING (MVA) 34 (3.6)</p> <p>INTERCONNECTION VOLTAGE 138kV</p> |  | <p><b>Q CELLS USA Corp.</b><br/>         3400 Innovation Center Drive<br/>         Suite 1200<br/>         Irvine, CA 92614<br/>         WEB: <a href="http://www.qcells.com">www.qcells.com</a><br/>         TEL: +1 949 248 8888<br/>         EMAIL: <a href="mailto:usa@qcells.com">usa@qcells.com</a></p> |
| <p>PE SEAL</p> <p style="text-align: center; border: 1px solid black; padding: 5px;">PRELIMINARY</p>   |  |   |
| <p>DRAWING ISSUE</p> <p><input checked="" type="checkbox"/> Preliminary<br/> <input type="checkbox"/> Customer Approval<br/> <input type="checkbox"/> Permitting<br/> <input type="checkbox"/> Construction<br/> <input type="checkbox"/> As-built<br/> <input type="checkbox"/> Other</p>   |  |   |
| <p><b>LEGEND</b></p> <p><span style="border: 1px solid black; padding: 2px;">B-BESS</span> BATTERY CONTAINER</p> <p><span style="border: 1px solid black; padding: 2px;">PCS</span> POWER CONVERSION UNIT</p> <p>— OVERHEAD POWER LINES</p> <p><span style="display: inline-block; width: 10px; height: 10px; background: repeating-linear-gradient(45deg, transparent, transparent 2px, gray 2px, gray 4px); border: 1px solid gray;"></span> PROPOSED EASEMENT</p> <p><span style="display: inline-block; width: 10px; height: 10px; background-color: gray; border: 1px solid gray;"></span> AUX TRANSFORMER</p>  |  |   |
| <p><b>NOTES</b></p> <p>1. LCRA GUIDANCE IS TO ALLOCATE 10 ACRES FOR A TYPICAL 138kV SWITCHING STATION</p> <p>2. PROJECT LAYOUT IS PRELIMINARY AND IS SUBJECT TO CHANGE AS PROCUREMENT IS FINALIZED AND ENGINEERING CONTINUES</p>   |  |   |
| <p>DATE: 09/26/2022 MS</p> <p>DESCRIPTION: PRELIM LAYOUT - 100MWAC</p> <p>REV: 0</p>   |  |   |
| <p>DATE: SEPTEMBER 26 2022</p> <p>DRAWN BY: KR</p> <p>ENGINEER:</p> <p>APPROVED BY:</p> <p>SHEET TITLE: PRELIM BESS LAYOUT</p> <p>SHEET NO: PRE</p>  |  |   |



# Caldwell CAD

Property Search > 36042 130 ENVIRONMENTAL PARK LLC Tax Year: 2023 - Values not available for Year 2023

## Property

### Account

|                           |                    |                    |   |
|---------------------------|--------------------|--------------------|---|
| Property ID:              | 36042              | Legal Description: | A157 JACKSON, ISAAC, ACRES<br>1229.076, ALSO A054 J<br>BOWMAN |
| Geographic ID:            | 0200157-167-000-00 | Zoning:            |   |
| Type:                     | Real               | Agent Code:        |   |
| Property Use Code:        |                    |                    |   |
| Property Use Description: |                    |                    |   |

### Location

|                  |  |         |        |
|------------------|--|---------|--------|
| Address:         | 5200 N US HWY 183 NB<br>LOCKHART, TX 78644 | Mapsco: | 03-416 |
| Neighborhood:    | RURAL NW LYTTON SPRGS- E OF HWY 183 AREA   | Map ID: | 03-416 |
| Neighborhood CD: | 4200                                       |         |        |

### Owner

|                  |   |              |                 |
|------------------|---|--------------|-----------------|
| Name:            | 130 ENVIRONMENTAL PARK LLC                              | Owner ID:    | 167550          |
| Mailing Address: | 134 RIVERSTONE TERRACE STE 203<br>CANTON, GA 30114-1705 | % Ownership: | 100.0000000000% |
|                  |   | Exemptions:  |                 |

## Values

|                                       |   |     |                       |
|---------------------------------------|---|-----|-----------------------|
| (+) Improvement Homesite Value:       | + | N/A |                       |
| (+) Improvement Non-Homesite Value:   | + | N/A |                       |
| (+) Land Homesite Value:              | + | N/A |                       |
| (+) Land Non-Homesite Value:          | + | N/A | Ag / Timber Use Value |
| (+) Agricultural Market Valuation:    | + | N/A | N/A                   |
| (+) Timber Market Valuation:          | + | N/A | N/A                   |
| -----                                 |   |     |                       |
| (=) Market Value:                     | = | N/A |                       |
| (-) Ag or Timber Use Value Reduction: | - | N/A |                       |
| -----                                 |   |     |                       |
| (=) Appraised Value:                  | = | N/A |                       |
| (-) HS Cap:                           | - | N/A |                       |
| -----                                 |   |     |                       |
| (=) Assessed Value:                   | = | N/A |                       |

## Taxing Jurisdiction

Owner: 130 ENVIRONMENTAL PARK LLC  
% Ownership: 100.0000000000%

Total Value: N/A

| Entity                      | Description                      | Tax Rate | Appraised Value | Taxable Value | Estimated Tax |
|-----------------------------|----------------------------------|----------|-----------------|---------------|---------------|
| CAD                         | Caldwell Appraisal District      | N/A      | N/A             | N/A           | N/A           |
| CHES1                       | Caldwell-Hays ESD 1              | N/A      | N/A             | N/A           | N/A           |
| FTM                         | Farm to Market Road              | N/A      | N/A             | N/A           | N/A           |
| GCA                         | Caldwell County                  | N/A      | N/A             | N/A           | N/A           |
| SLH                         | Lockhart ISD                     | N/A      | N/A             | N/A           | N/A           |
| WPC                         | Plum Creek Conservation District | N/A      | N/A             | N/A           | N/A           |
| WUG                         | Plum Creek Underground Water     | N/A      | N/A             | N/A           | N/A           |
| Total Tax Rate:             |                                  | N/A      |                 |               |               |
| Taxes w/Current Exemptions: |                                  |          |                 |               | N/A           |
| Taxes w/o Exemptions:       |                                  |          |                 |               | N/A           |

### Improvement / Building

**Improvement #1: MISCELLANEOUS State Code: D2 Living Area: sqft Value: N/A**

| Type | Description              | Class CD | Exterior Wall | Year Built | SQFT   |
|------|--------------------------|----------|---------------|------------|--------|
| BN   | BARN                     | BF1 - D  |               | 0          | 336.0  |
| SD   | SHED                     | SHF1 - D |               | 1999       | 1000.0 |
| SD   | SHED                     | SHF1 - D |               | 0          | 676.0  |
| DSTG | DETACHED STORAGE/UTILITY | SHIP2    |               | 0          | 320.0  |

**Improvement #2: COMMERCIAL State Code: F1 Living Area: 600.0 sqft Value: N/A**

| Type | Description | Class CD | Exterior Wall | Year Built | SQFT   |
|------|-------------|----------|---------------|------------|--------|
| MA   | MAIN AREA   | CO3 - CS |               | 2021       | 600.0  |
| BN   | BARN        | BS2 - C  |               | 2021       | 600.0  |
| SD   | SHED        | SHS3 - G |               | 2021       | 2800.0 |

**Improvement #3: COMMERCIAL State Code: F1 Living Area: 1680.0 sqft Value: N/A**

| Type | Description                   | Class CD | Exterior Wall | Year Built | SQFT   |
|------|-------------------------------|----------|---------------|------------|--------|
| MA   | MAIN AREA                     | CO3 - CS |               | 2021       | 1680.0 |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 16.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 111.0  |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 25.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 116.0  |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 20.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 88.0   |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 40.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 25.0   |

### Land

| # | Type | Description | Acres   | Sqft       | Eff Front | Eff Depth | Market Value | Prod. Value |
|---|------|-------------|---------|------------|-----------|-----------|--------------|-------------|
| 1 | C    | COMMERCIAL  | 87.5300 | 3812806.80 | 0.00      | 0.00      | N/A          | N/A         |
| 2 | WILD | WILDLIFE    | 64.8000 | 2822688.00 | 0.00      | 0.00      | N/A          | N/A         |
| 3 | WILD | WILDLIFE    | 7.4000  | 322344.00  | 0.00      | 0.00      | N/A          | N/A         |

|    |      |            |          |             |      |      |     |     |
|----|------|------------|----------|-------------|------|------|-----|-----|
| 4  | C    | COMMERCIAL | 7.0000   | 304920.00   | 0.00 | 0.00 | N/A | N/A |
| 5  | C    | COMMERCIAL | 0.8000   | 34848.00    | 0.00 | 0.00 | N/A | N/A |
| 6  | C    | COMMERCIAL | 0.5000   | 21780.00    | 0.00 | 0.00 | N/A | N/A |
| 7  | WILD | WILDLIFE   | 283.7000 | 12357972.00 | 0.00 | 0.00 | N/A | N/A |
| 8  | WILD | WILDLIFE   | 218.9800 | 9538768.80  | 0.00 | 0.00 | N/A | N/A |
| 9  | WILD | WILDLIFE   | 298.8460 | 13017731.76 | 0.00 | 0.00 | N/A | N/A |
| 10 | WILD | WILDLIFE   | 144.1200 | 6277867.20  | 0.00 | 0.00 | N/A | N/A |
| 11 | WILD | WILDLIFE   | 29.4000  | 1280664.00  | 0.00 | 0.00 | N/A | N/A |
| 12 | WILD | WILDLIFE   | 86.0000  | 3746160.00  | 0.00 | 0.00 | N/A | N/A |

### Roll Value History

| Year | Improvements | Land Market  | Ag Valuation | Appraised | HS Cap | Assessed    |
|------|--------------|--------------|--------------|-----------|--------|-------------|
| 2023 | N/A          | N/A          | N/A          | N/A       | N/A    | N/A         |
| 2022 | \$257,440    | \$10,288,270 | 70,900       | 1,158,170 | \$0    | \$1,158,170 |
| 2021 | \$3,750      | \$8,017,960  | 73,380       | 797,040   | \$0    | \$797,040   |
| 2020 | \$3,640      | \$6,146,500  | 70,290       | 73,930    | \$0    | \$73,930    |
| 2019 | \$3,470      | \$5,631,220  | 70,290       | 73,760    | \$0    | \$73,760    |
| 2018 | \$3,160      | \$4,743,030  | 70,310       | 73,470    | \$0    | \$73,470    |
| 2017 | \$3,160      | \$4,859,070  | 69,660       | 72,820    | \$0    | \$72,820    |
| 2016 | \$3,000      | \$4,428,360  | 69,410       | 72,410    | \$0    | \$72,410    |
| 2015 | \$2,930      | \$4,040,480  | 68,530       | 71,460    | \$0    | \$71,460    |
| 2014 | \$2,000      | \$3,800,290  | 66,260       | 68,260    | \$0    | \$68,260    |
| 2013 | \$2,000      | \$3,209,560  | 67,400       | 69,400    | \$0    | \$69,400    |
| 2012 | \$2,000      | \$3,342,470  | 70,210       | 72,210    | \$0    | \$72,210    |
| 2011 | \$2,000      | \$2,160,930  | 72,160       | 74,160    | \$0    | \$74,160    |
| 2010 | \$2,000      | \$2,160,930  | 72,410       | 74,410    | \$0    | \$74,410    |
| 2009 | \$2,000      | \$2,160,930  | 70,420       | 72,420    | \$0    | \$72,420    |

Questions Please Call (512) 398-5550

This year is not certified and ALL values will be represented with "N/A".



**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
County Auditor  
512 398-1801

**Caldwell County Courthouse**  
110 South Main Street  
Lockhart, TX 78644  
Fax: 512 398-1828



**B.J. Westmoreland**  
Commissioner Precinct 1

**Rusty Horne**  
Commissioner Precinct 2

**Edward "Ed" Theriot**  
Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. Derrick Herring  
Presiding Officer of the Caldwell-Hays ESD #1  
8203 S. U.S. 183 HWY  
Austin, Texas 78747

Re: Notice of Tax Abatement Agreement

Mr. Herring,

Caldwell County intends to enter into a tax abatement agreement with Ardesia Storage Project, LLC, under Chapter 312, Texas Tax Code. This proposed tax abatement agreement, attached to this notice as Attachment I, includes real property located within the boundaries of your taxing entity. The affected real property will be located within the Ardesia Storage Project Reinvestment Zone #1. The proposed agreement incentivizes development of the property, including improvements generally described as a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity.


Therefore, pursuant to Sections 312.402 and 312.2041, Texas Tax Code, Caldwell County provides the following notice:

**NOTICE IS HEREBY GIVEN PURSUANT TO SECTION 312.402 AND 312.2041, TEXAS TAX CODE, THAT THE CALDWELL COUNTY COMMISSIONERS COURT SHALL CONVENE A SPECIAL MEETING TO CONSIDER APPROVAL OF A TAX ABATEMENT AGREEMENT PURSUANT TO CHAPTER 312, TEXAS TAX CODE, THAT CONTAINS THE FOLLOWING INFORMATION:**

- **NAME OF PROPERTY OWNER AND APPLICANT: ARDESIA STORAGE PROJECT, LLC, BY TRACY STODDARD, VICE PRESIDENT, BUSINESS DEVELOPMENT**
- **NAME AND LOCATION OF THE REINVESTMENT ZONE: ARDESIA STORAGE PROJECT REINVESTMENT ZONE #1, LOCATED AT 29.95389°, -97.665449°**
- **NATURE OF IMPROVEMENTS: CONSTRUCTION AND MAINTENANCE OF A BATTERY STORAGE FACILITY WITH NAMEPLATE CAPACITY TO STORE AND TRANSMIT 100 MW OF ELECTRICITY**
- **ESTIMATED COST OF IMPROVEMENTS: \$85,000,000.00**

**THE MEETING SHALL BE HELD ON MARCH 28, 2023, AT THE LATER OF: (1) 9:30 A.M.; OR (2) IMMEDIATELY FOLLOWING THE ADJOURNMENT OF THE COURT'S REGULAR MEETING. THE MEETING SHALL BE LOCATED IN THE SECOND FLOOR COURTROOM OF THE CALDWELL COUNTY COURTHOUSE, 110 S. MAIN STREET, LOCKHART, TEXAS 78644.**

Sincerely,

  
Hoppy Haden  
Caldwell County Judge

**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
County Auditor  
512 398-1801

**Caldwell County Courthouse**  
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**B.J. Westmoreland**  
Commissioner Precinct 1

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Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. James Holt  
Presiding Officer of the Plum Creek Conservation District  
1101 W. San Antonio Street  
Lockhart, Texas 78644

Re: Notice of Tax Abatement Agreement

Mr. Holt,

Caldwell County intends to enter into a tax abatement agreement with Ardesia Storage Project, LLC. under Chapter 312, Texas Tax Code. This proposed tax abatement agreement, attached to this notice as Attachment 1, includes real property located within the boundaries of your taxing entity. The affected real property will be located within the Ardesia Storage Project Reinvestment Zone #1. The proposed agreement incentivizes development of the property, including improvements generally described as a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity.


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Sincerely,

  
Hoppy Haden  
Caldwell County Judge

**Hoppy Haden**  
County Judge  
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**Angela Rawlinson**  
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**Edward "Ed" Theriot**  
Commissioner Precinct 3

**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. Michael Wright  
Presiding Officer of the Lockhart ISD School Board  
419 Bois D'Arc Street  
Lockhart, Texas 78644

Re: Notice of Tax Abatement Agreement

Mr. Wright,

Caldwell County intends to enter into a tax abatement agreement with Ardesia Storage Project, LLC, under Chapter 312, Texas Tax Code. This proposed tax abatement agreement, attached to this notice as Attachment 1, includes real property located within the boundaries of your taxing entity. The affected real property will be located within the Ardesia Storage Project Reinvestment Zone #1. The proposed agreement incentivizes development of the property, including improvements generally described as a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity.

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Sincerely,

  
Hoppy Haden  
Caldwell County Judge



**Hoppy Haden**  
County Judge  
512 398-1808

**Angela Rawlinson**  
County Treasurer  
512 398-1800

**Danie Teltow**  
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**Dyral Thomas**  
Commissioner Precinct 4

March 9, 2023

Mr. James Holt  
Presiding Officer of the Plum Creek Underground Water District  
1101 W. San Antonio Street  
Lockhart, Texas 78644

Re: Notice of Tax Abatement Agreement

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Sincerely,

  
Hoppy Haden  
Caldwell County Judge

# ATTACHMENT 1

## **TAX ABATEMENT AGREEMENT BETWEEN CALDWELL COUNTY, TEXAS and ARDESIA STORAGE PROJECT LLC**

This Tax Abatement Agreement (this "Agreement") is entered into by and between Caldwell County, Texas (the "County") duly acting herein by and through its County Judge, and Ardesia Storage Project LLC (together with its successors and assigns, "Owner") effective as of March 28, 2023, and is as follows:

### Recitals:

- A. The County has indicated its election to be eligible to participate in tax abatements in Resolution 40-2022. The Commissioners Court of Caldwell County, Texas, by Order 03-2023, designated the "Ardesia Storage Project Reinvestment Zone #1" for commercial-industrial tax abatement (the "Reinvestment Zone"); the Reinvestment Zone is described in the Order and Exhibits attached hereto; and
- B. Owner proposes certain improvements generally described as a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity (the "Project"), that will be located on land within the Reinvestment Zone.
- C. The Commissioners Court, after conducting a hearing and having heard evidence and testimony, has concluded, based on the evidence and testimony presented to it, that the Improvements and operations proposed by Owner within the Reinvestment Zone and described in this Agreement and the terms of this Agreement: (i) are consistent with the requirements of the Property Redevelopment and Tax Abatement Act and the Caldwell County Tax Abatement and Reinvestment Zone Guidelines and Criteria adopted by the County on September 1, 2022. (the "Guidelines"), or to the extent of any inconsistency with the Guidelines, the Commissioners Court has determined, in its discretion and in accordance with TEX. TAX CODE §312.002(d), that this Agreement should be entered into notwithstanding any such inconsistency; and (ii) constitute a major investment in the Reinvestment Zone that will be a benefit to the Reinvestment Zone and will contribute to the economic development of the County.
- D. Proper notice of the County's intent to enter into this Agreement has been provided to the presiding officers of each of the other taxing units levying taxes in the Reinvestment Zone not less than 7 days prior to the date on which this Agreement was approved by the Commissioners Court.
- E. This Agreement was adopted at a regularly scheduled meeting of the Commissioners Court which was preceded by thirty-day written notice which was properly posted in accordance with the Open Meetings Act and at which a quorum of the Commissioners Court was present.



NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the parties do hereby agree as follows:

## **ARTICLE 1. DEFINITIONS**

As used in this Agreement, the following terms shall have the respective meanings assigned to them below:

1.1. "Affiliate" or "Affiliate of Owner" shall mean a person who controls, is controlled by, or under common control with another person, where a person shall be deemed to control another person if such person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other person through an ownership interest; and "Subsidiary" or "Subsidiary of Owner" shall have the meaning assigned to it in the Texas Business Organizations Code.

1.2. "Background Information" shall include, without limitation, in the case of a proposed assignee or partial assignee and any specific Affiliate or Affiliates of a proposed assignee or partial assignee identified by the County and reasonably pertinent to the County's consent under Section 6.3 hereof:

- (1) its legal name or identity;
- (2) the address of its local office in the County, its registered office and address maintained with the Secretary of State of the State of Texas and its principal or home office;
- (3) the state in which it was chartered and its registered office and agent in that state, the name and address of its registered agent and office in the State of Texas, and the names and addresses of all governing persons (as that term is defined by the Texas Business Organizations Code);

1.3. "Certified Appraised Value" shall mean the final appraised value of property that is subject to property taxation under the Texas Tax Code, as determined and certified by the Chief Appraiser of the Caldwell County Central Appraisal District after the exhaustion of remedies under Texas Tax Code Title 1, Subtitle F, for each taxable year during the Abatement Period.

1.4. "Facilities" shall mean the Improvements and all other tangible property or fixtures, more fully described in the Owner's application for abatement which is attached to this Agreement as Exhibit 'A', as used by Owner in connection with its energy storage operations in the Reinvestment Zone and shall include any property added to the Improvements because of repairs, retrofitting, or additional improvements during the term of this Agreement. Notwithstanding the foregoing sentence, Facilities shall include only the following property: (i) the property must be located within the Reinvestment Zone, (ii) it must be eligible for tax abatement pursuant to Chapter 312 of the Texas Tax Code, (iii) it must meet the definition of an improvement or tangible personal property as provided in Chapter 1 of the Texas Tax Code, and (iv) it must be constructed or placed in the Reinvestment Zone after the date this Agreement is approved by the Commissioners Court.



1.5. "Improvements" shall mean improvements, fixtures, and equipment, which are more particularly described in Owner's application for abatement, which is attached to this Agreement as Exhibit 'A', identifying the improvements that are to be installed within the Reinvestment Zone. Notwithstanding the foregoing sentence, improvements shall include only the following property: (i) the property must be located within the Reinvestment Zone, (ii) it must be eligible for tax abatement pursuant to Chapter 312 of the Texas Tax Code, (iii) it must meet the definition of an improvement or tangible personal property as provided in Chapter 1 of the Texas Tax Code, and (iv) it must be constructed or placed in the Reinvestment Zone after the date this Agreement is approved by the Commissioners Court.

1.6. "Initial Appraised Value" shall mean the appraised value of taxable property as determined by the Caldwell County Appraisal District that is subject to property taxation under the Texas Tax Code prior to the exercise of any remedies under Texas Tax Code Title 1, Subtitle F, for each taxable year during the Abatement Period.

1.7. "Substantial completion," including derivatives of this term, shall mean that at least 100 MW Capacity of the Improvements must be installed.

1.8. "Taxes" shall mean ad valorem property taxes, including Maintenance & Operations ("M&O"), Interest and Sinking Funds ("I&S"), and Lateral Road, Farm-to-Market, Road and Bridge, or other special County tax authorized by the Texas Constitution and in effect, either currently-existing or later-imposed, for any year during the Abatement Period with respect to the Improvements and Facilities.

## **ARTICLE 2. IMPROVEMENTS**

2.1. Improvements in Reinvestment Zone. Owner anticipates that it will construct the Improvements within the Reinvestment Zone. Owner acknowledges that the abatement granted herein is conditioned upon completion of construction of the Improvements within the Reinvestment Zone as provided in Section 2.4 herein.

2.2. Timing of Improvements. Owner projects that construction of the Improvements will begin by January 1, 2024, and will be substantially completed by December 31, 2025. If Owner has not substantially completed construction of the Improvements by December 31, 2026, then Owner may, in writing, request a one-time, one-year extension of such December 31, 2026, deadline (or such later deadline resulting from Owner's exercise of a force majeure extension as described in Section 9.7 of this Agreement) in the event of permitting delays, equipment shortages, construction delays or other events or circumstances impacting construction that are beyond Owner's reasonable control. The County shall not unreasonably withhold, condition or delay its consent to any such extension.

2.3. Plans and Specifications, Governmental Requirements and Workmanship. All Improvements shall be constructed and installed substantially in accordance with plans and specifications (as the same may be amended, modified or changed by change orders from time to



time, the "Plans and Specifications") prepared by an engineer or architect licensed within one of the states of the United States of America and in accordance with all regulations of any governmental agency or entity having jurisdiction over any aspect of the construction. Owner shall take such steps as are reasonably necessary to see that all work on the Improvements is completed in a good and workmanlike manner.

### **ARTICLE 3. TAX ABATEMENT**

3.1. Tax Abatement Granted. Subject to the terms and conditions of this Agreement, the County agrees to abate taxes imposed by the County on the Improvements and Facilities during the Abatement Period (hereinafter defined) as provided by this Agreement.

3.2. Abatement Period; Commencement Date; Term of Agreement. The period in which taxes are abated (the "Abatement Period") is deferred until the Commencement Date, which shall begin on the earlier of: (a) January 1st of the first calendar year after the commencement of commercial operations ("COD") of the Improvements, as the term COD is customarily used in the solar farm industry; or (b) January 1st of the calendar year identified in a Notice of Abatement Commencement (as defined below) delivered by Owner (the "Commencement Date"). The Abatement Period will terminate on December 31st of the tenth (10<sup>th</sup>) year following the Commencement Date, unless sooner terminated in accordance with the terms of this Agreement. Termination of this Agreement shall not relieve either party of any covenants, obligations, or payments owing to the other as of the date the Agreement is terminated. As used in this Section 3.2, "Notice of Abatement Commencement" means a notice that Owner may, in its sole discretion, deliver to the County stating Owner's desire to commence the Abatement Period prior to January 1st of the first calendar year after COD. If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: "Owner elects for the abatement period to begin on January 1, 202\_\_"; the date stated in the Notice of Abatement Commencement shall be the Commencement Date. Owner shall deliver the Notice of Abatement Commencement not later than the December 31st that immediately precedes the January 1st Commencement Date. Regardless of whether or not Owner delivers a Notice of Abatement Commencement, Owner shall provide certification of the COD in writing both to the County and to the County Appraisal District within sixty (60) days of the COD.

3.3. Payments In Lieu of Taxes. As consideration for the abatement granted by County under this Agreement, Owner agrees to timely perform all covenants undertaken by Owner pursuant to the terms of this Agreement including the making of an annual payment in lieu of taxes (the "Annual PILOT") to the County for each year during the Abatement Period. During each year of the Abatement Period, the County will abate 100% of all taxes owed to the County. At the conclusion of the Abatement Period, the Improvements shall be taxed at the Certified Appraised Value of the Improvements and Facilities each year thereafter for the remaining life of the Project.

(a) Due Date. The Annual PILOT required by this Agreement must be paid to the County no later than January 31st of the following year for which abatement is granted.



(b) Calculation of the Annual PILOT. Owner agrees to pay to the County an Annual PILOT equal to 50% of the annual taxes imposed by Caldwell County and assessed by the Caldwell County Appraisal District for each year during the Abatement Period.

(c) Annual PILOT in Lieu of Taxes. The parties agree that each Annual PILOT will be in lieu of any taxes which would otherwise be owed by Owner to the County for any year during the Abatement Period with respect to the Improvements and Facilities.

3.4. Conditions to Tax Abatement. The tax abatement granted by this Agreement is expressly conditioned upon the following conditions which must be satisfied throughout the entire term of this Agreement and with which Owner agrees to comply with at all times, subject, however, to the notice and cure rights of Owner set forth in Article 6 hereof:

(a) Construction of the Improvements. Owner's timely construction of the Improvements in accordance with this Agreement.

(b) Operations. Owner's operation of the Facilities as a battery storage facility and associated improvements with nameplate capacity to store and transmit at least 100 megawatts (MW) of electricity.

(c) Compliance with this Agreement. Owner's compliance with all material covenants and obligations undertaken by Owner pursuant to the terms of this Agreement.

(d) Accuracy of Representations. The accuracy and truthfulness in all material respects of the representations by Owner contained in this Agreement as of the date this Agreement is executed and throughout the term of this Agreement.

(e) Payment of Taxes. The payment by Owner and all Subsidiaries of Owner (as defined in Section 1.1), prior to delinquency, of all taxes imposed by the County, any other taxing unit within the County based on the value of, or levied against, the Facilities or the Improvements. It shall not be a violation of this provision if the party who is assessed the tax in good faith protests the levy or assessment of a particular tax by the timely filing of appropriate proceedings to prosecute a protest or contest of the tax, makes payment of the disputed tax during such protest or contest as required by applicable law, and pays the tax, as finally determined, prior to delinquency as required by applicable law.

(f) Continued Operations following Abatement. Owner agrees to continue routine commercial operation of the Facilities, including all outages for repair, maintenance and refurbishment, for a period of twenty (20) years after the end of the Abatement Period. This provision shall not be interpreted to require the Improvements to generate any minimum amount of electricity or require that any part of the Improvements generate electricity at any particular time. In addition to any other remedies available to the County pursuant to this Agreement or applicable law, upon any breach of this covenant as determined by a final judgment by a court of competent jurisdiction, the County shall be entitled to the remedies specified in Section 6.4 hereof.



(g) Annual Certification. Beginning in the year immediately following the Commencement Date and continuing each year thereafter during the Abatement Period, Owner agrees to annually submit a certified, sworn statement acceptable to the Caldwell County Auditor and signed by an authorized officer or employee of Owner that it is in full compliance with its obligations under this Agreement or, if not in full compliance, a statement disclosing the nature of any non-compliance and any reasons therefor.

**ARTICLE 4.  
COVENANTS APPLICABLE TO CONSTRUCTION  
AND OPERATIONS AFTER CONSTRUCTION**

4.1. Inspections. The County shall have the right to inspect the Improvements and the Facilities. The County agrees to provide Owner with at least two (2) weeks advance written notice of any such on-site inspection and further agrees that any such on-site inspection shall be conducted at a mutually agreed time and date and in a manner that will not unreasonably interfere with the construction of the Improvements or the operation of the Facilities. All such inspections shall be made with one or more representatives of Owner and in accordance with all applicable governmental safety standards. The rights of inspection set forth herein may be exercised by officers, agents, or employees of the County or the Appraisal District. Nothing herein shall be construed to limit or diminish the authority of the County or the Appraisal District to conduct inspections or obtain information under applicable law.

4.2. Determination of Value. The parties recognize that to the extent required by applicable law, the Chief Appraiser of the Appraisal District shall annually assess the Certified Appraised Value of all real and personal property making up the Facilities without regard to the abatement granted by this Agreement and the Certified Appraised Value of such property after applying the abatement granted this Agreement, and the Chief Appraiser shall then record both values in the appraisal records. The Certified Appraised Value of the Facilities without regard to the abatement shall be used to compute the amount of abated taxes that are required to be recaptured and paid to the County in the event recapture of such taxes is required by this Agreement or applicable law. During the term of this Agreement, Owner shall each year furnish the Chief Appraiser of the Appraisal District with such information as is required by applicable law (including a rendition filed under Chapter 22 of the Texas Tax Code and an application for exemption filed under Section 11.28 of the Texas Tax Code) and as may be necessary for the administration of the abatement specified in this Agreement. The Appraisal District will determine the values required herein in any manner permitted by applicable law, but without limitation of Owner's rights in Section 3.3 hereinbelow.

4.3. Owner's Right of Protest. Nothing in this Agreement shall limit Owner's right to protest and contest any appraisal or assessment of the Facilities in accordance with applicable law. In the event (i) the Certified Appraisal Value is finalized after Owner's Annual PILOT is due to the County; and (ii) the Initial Appraisal Value exceeds the Certified Appraisal Value for a taxable year during the Abatement Period, then the County will credit the difference in value to the following taxable year's Annual PILOT. However, the Owner shall be bound by any representations of capital values subject to abatement in the Application, or contained within this Agreement.



**ARTICLE 5.  
REPRESENTATIONS**

5.1. By the County. The County hereby warrants and represents that this Agreement was authorized by an order of the Commissioners Court adopted on the date recited above authorizing the County Judge to execute this Agreement on behalf of the County.

5.2. By Owner. Owner hereby warrants and represents to the County:

(1) That Owner is a limited liability company in good standing under the laws of its state of organization and authorized to do business in the State of Texas; or in the case of a permitted assignee of this Agreement, that such assignee is authorized to do business in the State of Texas.

(2) That Owner is not in default in the payment of any taxes owing to the federal, state or any local governmental units within the County.

(3) That the officer of Owner signing this Agreement is properly authorized to enter into this Agreement and bind Owner to the terms thereof and Owner is thereby authorized to perform all covenants undertaken by Owner pursuant to this Agreement.

(4) That there is no operating agreement, certificate of formation provision, or agreement between Owner and any third party which in any way limits Owner's authority to enter into this Agreement and perform all covenants and agreements set forth herein.

(5) That none of the tangible personal property that is intended to be a part of the Improvements located within the Reinvestment Zone is located within the Reinvestment Zone as of the effective date of this Agreement.

(6) That this Agreement contains each term as agreed to by Owner.

**ARTICLE 6.  
DEFAULT; REMEDIES**

6.1. Default In Constructing Improvements. If Owner fails to complete the Improvements in the manner, and within the time period stated in this Agreement, and Owner's failure to comply with those provisions of this Agreement are not cured following notice to Owner pursuant to Section 6.3 below, Owner shall be in default under the terms of this Agreement. In the event of a default in the construction of the Improvements the County may terminate or cancel this Agreement and Owner shall pay to the County all tax revenues (including penalties, interest, attorney's fees and costs) that would have been payable to the County in the absence of this Agreement for any portion of the Improvements that are constructed less a credit for any PILOT payments made by Owner.

6.2. Default In Operations, Payments or Performance of Other Covenants. The occurrence of any of the following circumstances shall be an event of default under the terms of this Agreement:

(1) Owner fails to timely pay any amounts owing to County pursuant to this Agreement, including taxes owed to the County or any other taxing unit within the County, or fails to timely and properly follow applicable procedures for protest or contest of any such taxes; or

(2) Owner fails to timely perform any material covenant, condition or agreement it has undertaken pursuant to the terms of this Agreement;

(3) Any representation made by Owner in Section 5.2 of this Agreement is materially untrue or, with the passage of time, becomes materially untrue; or

(4) Owner fails to maintain continued operations in accordance with Section 3.4(f).

6.3. Notice, Right to Cure. Upon the occurrence of an event of default (including default under Sections 6.1 or 6.2 above), the County shall give the Owner written notice specifying the default.

(1) Monetary Defaults. If the event of default relates to the payment of money, Owner shall cure such default within 90 days of the date of the notice from the County.

(2) Non-Monetary Defaults. If the event of default is based upon an event other than a default in the payment of money, Owner shall cure such default within 30 days of the date of the notice of default by the County. This cure period shall be extended such additional time period as the documentation demonstrates is reasonably necessary to cure the default provided that Owner has commenced the cure and is diligently proceeding with such cure but not longer than 90 days without the approval of the County, which approval shall not be unreasonably withheld, conditioned or delayed.

6.4. Remedies. If an event of default is not cured in accordance with Section 6.3 above, then the County may terminate this Agreement. If there is a default (other than a default pursuant to Section 6.1 above) that is not cured by Owner within the time permitted by Section 6.3, Owner shall not be entitled to abatement of taxes for the calendar year in which the default occurs and any subsequent calendar year on which the default remains uncured for any period. If a default continues over more than one day, it will be considered to have occurred on the date on which it first occurred. Regardless of any other term of this Agreement, in the event that Owner fails to comply with this Agreement, the County may cancel or modify the Agreement, as allowed by Texas Tax Code Section 312.205(7).

6.5. Mortgagee Protection. Notwithstanding any other provision hereof, County agrees that Owner may, without any further consent from the County, mortgage, pledge, or otherwise encumber its interest in the Improvements and Facilities, and Owner's lease and easement agreements related to the land on which the Improvements and Facilities are located ("Leases"),



to any lender or to any trustee or beneficiary under a deed of trust or to any master or special servicer (a "Mortgagee") for the purpose of financing operations of the Facilities, constructing the Improvements or acquiring additional equipment for the Facilities following any initial phase of construction (a "Financing"). Any Mortgagee shall be entitled to receive the same written notice of any default as County is required to provide Owner hereunder so long as County has been provided notice of the identity and address of such Mortgagee, and such Mortgagee shall be entitled to cure or commence cure of any such defaults in the same manner as Owner. This provision shall not be construed to limit or diminish the County's lien priority for taxes owed pursuant to the Texas Tax Code.

**6.6. LIMITATION OF LIABILITY.** NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, TERMINATION OF THE AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE), RECAPTURE OF PROPERTY TAXES ABATED ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN THIS AGREEMENT, AND/OR RECOVERY OF THE AMOUNTS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED HEREIN, ALONG WITH ANY REASONABLY INCURRED COURT COSTS AND ATTORNEYS' FEES, SHALL BE THE COUNTY'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO MAKE THE SPECIFIED IMPROVEMENTS OR TAKE OTHER ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED UNDER THIS AGREEMENT. OWNER AND COUNTY AGREE THAT THE LIMITATIONS CONTAINED IN THIS SECTION ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

## **ARTICLE 7. ASSIGNMENT**

**7.1. Assignment.** So long as no default exists and is continuing at the time of the proposed assignment and Owner provides the information required under Section 7.2 hereinbelow, and subject to the restrictions set forth in Section 7.4, Owner may, with the consent of the County, assign, in whole or in part, any of its rights or obligations under the terms of this Agreement or in the Improvements, Leases or the Facilities. Consent of the County may only be withheld under those circumstances described in Section 7.3 below. After an assignment that is completed in accordance with the requirements of this Agreement, Owner shall have no further rights, duties, or obligations under this Agreement to the extent such rights, duties, and obligations have been assumed by the assignee. Notwithstanding the foregoing, (i) an assignment of this Agreement pursuant to Section 6.6, including in connection with the foreclosure of the lien of any Mortgagee securing any Financing or conveyance in lieu thereof, shall not require the consent of the County; and (ii) an assignment of this Agreement in whole or part by Owner to an Affiliate of Owner in connection with the transfer by Owner of Improvements or Facilities to such Affiliate shall not require the consent of the County, provided that Owner shall provide written notice of such assignment to the County, and Owner and such Affiliate shall comply with Section 7.4(1) hereof.



7.2. Information on Assignee to be Provided to County; Timing of Consent. In the event Owner proposes to assign all or any portion of its interest in the Facilities in a transaction that requires the County's consent, Owner agrees to provide the County the Background Information (as defined in Section 1.2) on the proposed assignee.

7.3. County May Withhold Consent. The County may withhold its consent to a proposed assignment, and such action by the County will not be considered to be unreasonable if: (i) the proposed assignee cannot demonstrate that it reasonably can expect to have, during the term of this Agreement, annual revenues sufficient to comply with the Agreement and pay the tax assessments from Caldwell County as they are made, or the proposed assignee cannot otherwise demonstrate its financial ability to abide by all terms and conditions set forth herein; (ii) the proposed assignee has a record of violations or defaults with respect to its operations of storage projects such that the assignee does not have the capability and reliability to perform the requirements of the Agreement; or (iii) the assignee does not comply with each of the conditions to assignment set forth in Section 7.4 below. If the County reasonably requests additional information, the County, the Owner, and the prospective assignee agree to negotiate in good faith regarding what information will, and will not, be made available to the County and any conditions to the disclosure of such information. The County shall advise Owner in writing of whether it consents to a proposed assignment not later than 30 days from the date the County is provided with all information required by Section 1.2. If the County withholds consent, it shall provide the reasons it is doing so in the written decision. If Owner disagrees with the County's denial of consent, within thirty (30) days following Owner's written request the Parties shall submit the consent issue to binding arbitration by an arbitrator acceptable to both parties. If the parties cannot agree on an arbitrator, the American Arbitration Association ("AAA") shall appoint an arbitrator and preside over the arbitration pursuant to AAA's commercial arbitration rules then in effect. Unless otherwise agreed in writing by the parties, the venue for such arbitration shall be at a location within the County.

6.4. Conditions to Assignment. Owner's assignment shall also be conditioned on the following:

- (1) The execution and delivery to the County of an addendum to this Agreement, in a form substantially similar to this Agreement, wherein: (i) in the case of a partial assignment, it is executed by the Owner and the assignee and provides that each of them assume and agree to timely discharge all covenants and obligations under the terms of this Agreement; and (ii) in the case of a full assignment, it is executed by the assignee and provides that assignee assumes and agrees to timely discharge all covenants and obligations undertaken by Owner under the terms of this Agreement;
- (2) Proof reasonably acceptable to the County (which may be in the form of an opinion of legal counsel) that the assignee is authorized to sign the addendum and perform the covenants and obligations thereby undertaken;
- (3) The absence of any event of default under the terms of this Agreement for which a notice of default has been given and the cure period has expired; and

(4) Proof that the proposed assignee has obtained or will obtain the insurance coverage required by this Agreement.

## **ARTICLE 8. NOTICES**

8.1. Notices. All notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed to be properly given when delivered personally to any of the hereinafter designated addresses or the named representatives thereof, or when mailed by prepaid certified mail, return receipt requested, addressed to such party at the respective addresses set forth below:

If to the County:

Caldwell County, Texas  
Attn: County Judge  
Caldwell County Courthouse  
110 S. Main St., Rm. 101  
Lockhart, TX 78644

If to the Owner:

Ardesia Storage Project LLC  
Attn: George Gunnoe, Development Manager  
300 Spectrum Center Drive, Suite 1250  
Irvine, CA 92618

Either party may change the address for notices by a written notice forwarded in accordance with the foregoing.

## **ARTICLE 9. GENERAL PROVISIONS**

9.1. Governing Law; Venue. This Agreement shall be construed and governed in accordance with the laws of the State of Texas without giving effect to its conflict of law rules. Venue for any action relating to the interpretation or performance of this Agreement or to enforce any right or obligation relating to this Agreement shall be in a court of competent jurisdiction in Caldwell County, Texas, or in a United States District Court of Texas having Caldwell County within its original jurisdiction. Venue may not be assigned or transferred elsewhere.

9.2. Waiver. The failure of either party to enforce any right or demand strict performance of any obligation of the other party under this Agreement shall not operate as, or be construed to be, a waiver of such right or obligation.



9.3. Entire Agreement, Interpretation. This Agreement, including Exhibits A thru C, attached hereto and which are incorporated herein by reference, collectively constitute the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous discussions, representations, correspondence or agreements, written or oral. This Agreement may only be amended by a written instrument signed by both parties or their duly authorized officers or representatives. The language of this Agreement shall be construed as a whole according to its fair and common meaning and shall not be construed for or against either of the parties hereto. All titles or headings to sections or other divisions of this Agreement are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the content of this Agreement, such content being controlling as to the agreement between the parties hereto.

9.4. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement.

9.5. Employment of Undocumented Workers. During the term of this Agreement, Owner agrees not to knowingly employ any undocumented workers as defined in Section 2264.001 of the Texas Government Code. If Owner is convicted after exhaustion of all rights of appeal of a violation under 8 U.S.C. §1324a(f), Owner shall repay the amount of the abatements and any other funds received by the Company from the County as of the date of such violation, minus any Annual PILOT payments made by Owner, not later than one hundred and twenty (120) days after the date Owner is notified by the County of a violation of this section, plus interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the County) as its prime or base commercial lending rate. The payment of interest shall be as if it had been accruing from the dates the abatements were granted to Owner and the dates the Annual PILOTs were paid by Owner until the date the amount due is repaid to the County.

9.6. Owner as Party to Litigation. In the event any litigation is initiated questioning or challenging the validity of this Agreement or any part hereof or any of the underlying orders or Commissioners Court actions authorizing the same, the County agrees not to object to the Owner's joinder or intervention in such litigation.

9.7. Force Majeure. If Owner's performance of any obligation or obligations under this Agreement is interrupted, delayed, or prevented by any contingency or cause beyond the control of Owner, then Owner shall be excused from the performance of any such obligation or obligations during the period of time that Owner is reasonably unable to perform such obligation or obligations as a result of such contingency or cause, and no default will have occurred with respect to such circumstances. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be



suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as possible be remedied with all reasonable dispatch. Any period of suspension under this Section may, at the request of Owner, extend its construction period under Section 2.2 of this Agreement, but for no longer than the duration of the Force Majeure event. Contingencies or causes beyond the control of Owner include, without limitation:

- (1) Acts of God, or the public enemy, any natural disaster, war, riot, civil commotion, insurrection, fires, explosions, accidents, floods, and labor disputes or strikes;
- (2) The current coronavirus pandemic or governmental actions, governmental shut-downs, travel restrictions, quarantines, or business closings stemming therefrom;
- (3) To the extent it affects the Owner's ability to perform a non-monetary covenant or obligation under this Agreement, a change in a governmental law or regulation if Owner complies with the changed or revised law or regulation within the time limits, and in the manner, provided by such changed or revised law or regulation.

Any party claiming delay due to an event of Force Majeure must provide written notice to the other party promptly upon learning of such event, and in such notice must provide a reasonable description of the event of Force Majeure, the date of commencement of the event of Force Majeure, and the nature of the delay anticipated to be incurred as a result thereof. The party claiming Force Majeure must also provide written notice to the other party of the cessation of the event of Force Majeure, including a reasonable description of the resolution of the event of Force Majeure and the date on which the Force Majeure was resolved.

9.8. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes and all of which constitute, collectively, one agreement. Once all parties to this Agreement have signed a counterpart, this Agreement shall be binding upon all parties in accordance with the terms hereof.

9.9. Recording of Agreement. The parties agree to execute this Agreement in recordable form and that a duplicate of this Agreement shall be entered in the Official Minutes of the Commissioners Court of Caldwell County, Texas.

9.10. Adoption of Agreement. The County agrees that any other taxing unit eligible to enter into agreements relating to the abatement of taxes may adopt all or any portion of this Agreement.

9.11. Further Acts. The parties each agree to cooperate fully with the other and to take such further action and execute such other documents or instruments as necessary or appropriate to implement the terms of this Agreement.

9.12 Conflict with Guidelines. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, the Amendment is excepted from the Guidelines.

9.13 **Indemnity.** Owner agrees to indemnify, defend, and hold County harmless against and from all liabilities, damages, claims, and expenses, including without limitation reasonable attorneys' fees, that may be imposed upon or asserted against County by any third party in connection with Owner's alleged breach of this Agreement. Owner shall not be required to indemnify, defend, and hold County harmless against third party claims asserting procedural defects relating to the County's adoption of this Agreement. Owner will reimburse the County for all costs, including reasonable and necessary legal fees, in any final disposition of a claim that is subject to indemnification by Owner under the first sentence of this Section, whether by adjudication in court or alternative dispute resolution procedures, provided that Owner shall not be responsible for reimbursement of County for any matter that the County agrees to settle without the approval of Owner, which shall not be unreasonably withheld.

EXECUTED AND EFFECTIVE as of the date and year first written above.

Attachments:

Exhibit 'A': Application for Abatement  
Exhibit 'B': Reinvestment Zone Resolution

ATTEST:

\_\_\_\_\_  
County Clerk

COUNTY:

Caldwell County, Texas

By: \_\_\_\_\_  
Judge Hoppy Haden, County Judge

OWNER:

Ardesia Storage Project LLC  
300 Spectrum Center Drive, Suite 1250  
Irvine, CA 92618

By: \_\_\_\_\_  
Printed Name:

Title of Owner:



# APPLICATION FOR TAX ABATEMENT IN CALDWELL COUNTY, TEXAS

**FILING INSTRUCTIONS:**

This application must be filed prior to the anticipated commencement of construction, improvements, or the installation of equipment. This filing acknowledges familiarity and assumed conformance with "CALDWELL COUNTY TAX ABATEMENT AND REINVESTMENT ZONE GUIDELINES AND CRITERIA" and "CALDWELL COUNTY ANNUAL TAX ABATEMENT COMPLIANCE REPORT". This application will become a part of any later agreement or contract, and knowingly false representations thereon will be grounds for the voiding of any later agreement or contract.

ORIGINAL APPLICATION, CHECK, AND ATTACHMENTS SHOULD BE SUBMITTED TO:

Caldwell County  
Attention: County Judge's Office  
Caldwell County Courthouse  
110 South Main Street, Room 101  
Lockhart, Texas 78644



**Questions? Please call:**  
County Judge's Office: (512) 398-1809

**Section I - APPLICANT INFORMATION**

Date of Application: 2/8/2023  
Company Name  
(Exact Legal Name): Ardesia Storage Project LLC  
Applicant Name: Tracy Stoddard, Vice President, Business Development  
Address: 55 E. Monroe Street, Suite 1925  
City, State, and Zip Code: Chicago, IL 60603  
Telephone: 312-497-0658  
Email: tstoddard@acciona.com  
List all corporate subsidiaries under which jobs will be reported for this project: n/a

Federal Tax ID Number: 88-0484512 Comptroller of Public Accounts Number: 32085428293  
Corporate Credit Rating and Source: TBD NAICS Code: 362900 (Battery Storage NAICS is not established)  
Type of Ownership:  Corporation  Partnership  Proprietorship  Other  
Will the Company be required to pay state sales and use tax on equipment:  Yes  No  Undetermined  
Total Current Number of Employees: 0  
Corporate Annual Sales Per Year: n/a

**APPLICANT'S REPRESENTATIVE ON THIS PROJECT**

Applicant Name: Tracy Stoddard, Vice President, Business Development  
Address: 55 E. Monroe Street, Suite 1925  
City, State, and Zip Code: Chicago, IL 60603  
Telephone: 312-497-0658  
Email: tstoddard@acciona.com

Date Received: \_\_\_\_\_

Project: \_\_\_\_\_

**Section II – FACILITY INFORMATION**

This application is for a:       New Facility               Expansion               Modernization

Type of Facility for which abatement is requested: Battery energy storage facility

Minimum economic qualification for tax abatement – place a check beside the statements that apply to your project:

Minimum investment of at least \$ 1.0 million

Creation of at least 10 new permanent jobs

Address of proposed facility: APN 36042, 5200 N US HWY 183 NB LOCKHART, TX 78644

Legal description of proposed facility: A157 JACKSON, ISAAC, ACRES 1229.076, ALSO A054 J BOWMAN

Describe product or service to be provided: Battery energy storage facility that would operate in the ERCOT market and provide local grid-stabilization over a projected 30+ year operational project life.

Building Size: n/a

Manufacturing Space: n/a

Office Space: n/a

Ceiling Heights: n/a

Facility Acreage: n/a

Docks/Type: n/a

Parking Requirements: n/a

Rail:                       Yes               No              Interstate:       Yes               No

Airport:                       Yes               No              Fiber:               Yes               No

Is the proposed facility within an identified Historical Commercial District:       Yes               No

Is the company considering other Texas locations:     Yes               No

Is the company considering other U.S. locations:     Yes               No

Is the company considering other Global locations:     Yes               No

Market for Product of Activity:     Local               State               U.S.               Global

**Section III – FACILITY DESCRIPTION**

Please attach the following: See Project Attachment

**Attachment 1**

- (a) A general description of the project to be undertaken (example: build new factory at 1234 Lockhart Avenue and install new shelving and fixtures)
- (b) A descriptive list of the project/improvements for which tax abatement is requested, including:
- (c) A list of any and all **Tangible Personal Property** which may exist on the Real Property or located in an existing facility.
- (d) A proposed time schedule for undertaking and completing the proposed project/improvements.

**Attachment 2**

- (a) A site map indicating the approximate location of the project on the Real Property or Existing Facility together with the location of any or all existing facilities located on the Real Property or Facility.

**Attachment 3**

- (a) A statement of the additional value to the Real Property or Facility as a result of the proposed improvements.
- (b) A statement of the assessed value of the Real Property, Facility, or Existing Facility for the base year (attach tax assessment for property from the Caldwell Appraisal District).



**Section III – FACILITY DESCRIPTION (Continued)**

**Attachment 4**

- (a) The applicant company is asked to provide three consecutive years of financial data in the form of independent, audited
- (b) financial statements containing, at minimum, the following categories:

|                     |                             |
|---------------------|-----------------------------|
| Current Assets      | Total Equity                |
| Inventories         | Net Income                  |
| Total Assets        | Revenue                     |
| Current Liabilities | Cost of Goods Sold          |
| Total Liabilities   | Current Accounts Receivable |

**NOTE** Audited financial statements are required from the applicant company. If financial statements are provided from a parent entity, the parent entity will be required to guarantee any economic development agreement with Caldwell County, should one result from this application:

**Attachment 5**

- (a) \$ 1,000.00 non-refundable Application Fee (made payable to Caldwell County)

**Section IV – ECONOMIC IMPACT INFORMATION**

**Part A – Current Investment in Existing Project/Improvements: \$91,100,000**

- (a) **Investment Schedule – Please Provide a 10-year list of the following items:**

| Year                 | Land               | Building | M&E                 | FF&E | Taxable Inventory | Labor | Total               |
|----------------------|--------------------|----------|---------------------|------|-------------------|-------|---------------------|
| 1                    | \$2,400,000        |          | \$88,700,000        |      |                   |       | \$91,100,000        |
| 2                    |                    |          |                     |      |                   |       |                     |
| 3                    |                    |          |                     |      |                   |       |                     |
| 4                    |                    |          |                     |      |                   |       |                     |
| 5                    |                    |          |                     |      |                   |       |                     |
| 6                    |                    |          |                     |      |                   |       |                     |
| 7                    |                    |          |                     |      |                   |       |                     |
| 8                    |                    |          |                     |      |                   |       |                     |
| 9                    |                    |          |                     |      |                   |       |                     |
| 10                   |                    |          |                     |      |                   |       |                     |
| <b>TOTALS</b>        | <b>\$2,400,000</b> |          | <b>\$88,700,000</b> |      |                   |       | <b>\$91,100,000</b> |
| <b>PROJECT TOTAL</b> |                    |          |                     |      |                   |       | <b>\$91,100,000</b> |

**Section IV – ECONOMIC IMPACT INFORMATION (Continued)**

(b) **Depreciation Schedule** - We have modeled depreciation with guidance from Capitol Appraisal Group, the firm retained by Caldwell County Appraisal District. Battery projects are fairly new and there are differing opinions on the asset life ranging from 8 to 12 years.

|           | Years | Percent Per Year | Item     | Years | Percent Per Year |
|-----------|-------|------------------|----------|-------|------------------|
| Machinery | _____ | _____            | Building | _____ | _____            |
| Equipment | _____ | _____            | Other    | _____ | _____            |

**Part B – Permanent Employment Estimates:**

(a) If existing facility, what is the current plant employment:

(b) **Job Categories and Wage Distributions**

| Job Category | Number of Jobs (Employed by Company) | Number of Jobs (Vendor or Contract) | Annual Average Wages | Percent to be Locally Hired |
|--------------|--------------------------------------|-------------------------------------|----------------------|-----------------------------|
| Executive    | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Manager      | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Supervisor   | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Staff        | n/a                                  | n/a                                 | n/a                  | n/a                         |
| Entry Level  | n/a                                  | n/a                                 | n/a                  | n/a                         |

(c) **Job Creation and Investment Schedule**

| Year         | Existing Jobs On Site | New Jobs | Total    |
|--------------|-----------------------|----------|----------|
| 1            | n/a                   | n/a      | n/a      |
| 2            | n/a                   | n/a      | n/a      |
| 3            | n/a                   | n/a      | n/a      |
| 4            | n/a                   | n/a      | n/a      |
| 5            | n/a                   | n/a      | n/a      |
| 6            | n/a                   | n/a      | n/a      |
| 7            | n/a                   | n/a      | n/a      |
| 8            | n/a                   | n/a      | n/a      |
| 9            | n/a                   | n/a      | n/a      |
| 10           | n/a                   | n/a      | n/a      |
| <b>TOTAL</b> | <b>0</b>              | <b>0</b> | <b>0</b> |

(d) Estimated number of retained jobs: 0

(e) Opening of project: 05/25 (MM/YY)



**Section IV – ECONOMIC IMPACT INFORMATION (Continued)**

**Part C – Permanent Payroll Estimates:**

- (a) If existing facility, what is the current plant payroll: n/a
- (b) Estimated amount of new payroll: n/a
- (c) Estimated amount of retained payroll: n/a

**Part D – Construction and Employment Estimates:**

- (a) Construction to begin: 11/23 (MM/YY)
- (b) Number of construction jobs: At start: 30 Peak: 50 Finish: 30

**Part E – Construction and Employment Estimates:**

- (a) Estimated number of children added to ISD: 0

**Part E – Impact Estimates**

- (a) Required from n/a water provider, 0 gallons of water per day
- (b) Volume of effluent to be treated by n/a (list name of provider) and an estimated 0 gallons of water per day

(c) Type of waste disposal: n/a       Septic       City Sewer       Other: \_\_\_\_\_

(d) Peak monthly electricity demand in kilowatts: n/a KW

(e) Average monthly electric usage in kilowatt/hours: n/a KWh

(f) Average monthly load factor: n/a

**Part F – Tax Generation Estimates**

**Property Tax:**

- Land:                       Yes                       No
- Building:                 Yes                       No
- M&E:                       Yes                       No
- Inventory:                Yes                       No

**Local Sales Tax:**                       Yes                       No

**State Sales Tax:**                       Yes                       No

Total annual company purchases subject to local sales tax:                      \$ n/a  
(i.e., office supply purchases, operating expenses, and taxable professional services)

**Indirect Local Revenue:**             Yes                       No

**Describe:** The project would make reasonable efforts to utilize local vendors and services related to the facility construction and maintenance.

**Other Local Revenue:**                Yes                       No

Describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**Section IV – ECONOMIC IMPACT INFORMATION (Continued)**

Does the company have either of the following: (1) Historical data that demonstrates that the company has been successful in achieving diversity in vendor contracting through its existing programs or policies, or (2) a policy or plan for establishing goals for diversity in vendor contracting:  Yes  No

If so, please describe the historical data or policy/plan and attach the historical data or policy/plan:

The project would make reasonable efforts to utilize local vendors and services related to the facility construction and maintenance.

**Section V – DECLARATION**

To the best of my knowledge and belief, the information contained in this Caldwell County Application for Tax Abatement is true and correct, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within Texas.



2/8/2023

\_\_\_\_\_  
Signature of Certifying Officer

\_\_\_\_\_  
Date of Signature

**Tracy Stoddard**  
\_\_\_\_\_  
Name of Certifying Officer

**Authorized Signatory**  
\_\_\_\_\_  
Title

312-673-3081  
\_\_\_\_\_

tstoddard@acciona.com  
\_\_\_\_\_

Phone

Email

Ardesia Storage Project LLC  
Caldwell County – Application for Tax Abatement – Attachment

### **Section III – Facility Description**

Ardesia Storage Project LLC is considering a 100-megawatt battery energy storage facility in Caldwell County. The prospective project site would be a purchased 20-acre segment of a large vacant parcel between Lockhart and Mendoza (APN 36042).

The project will be developed by Acciona Energy USA Global LLC (AEUG), the largest utility in the world without a fossil legacy, exclusively operating in renewable technologies. AEUG has been present for almost 20 years in North America. It develops, builds, owns, and operates its projects and has 1,303 MW operational in wind and CSP in the US and Canada. Regarding current development in the US, the company has a portfolio of four photovoltaic solar plants under construction: Fort Bend Solar (316 MWdc) and Red-Tailed Hawk Solar (460 MWdc), both in Texas; High Point Solar (127 MWdc) in Illinois; and Union County Solar (415 MWdc) in Ohio. Upon completion of these projects, ACCIONA Energía will have more than 2GW capacity of solar and wind production in the United States.

The project would include battery energy storage system equipment (i.e., batteries, substation equipment, transmission connection, inverters, ventilation, fire suppression, container housing), fencing, and gates. Battery energy storage facilities require large capital investments that bring substantial incremental tax revenue to the County and ISD without adding incremental burden to the jurisdiction (municipal services, school students, and rooftops). These projects also do not require extensive use of local roads or emergency services.

The Ardesia Storage project would require a large capital investment that brings substantial incremental tax revenue to the County and ISD without adding incremental burden to the jurisdiction (municipal services, school students, and rooftops). The project would also not require extensive use of local roads or emergency services. Lastly, to further support the community, Ardesia Storage will not seek a Chapter 313 school abatement for this project.







# Caldwell CAD

Property Search > 36042 130 ENVIRONMENTAL PARK LLC Tax Year: 2023 - Values not available for Year 2023

## Property

### Account

|                           |                    |                    |   |
|---------------------------|--------------------|--------------------|---|
| Property ID:              | 36042              | Legal Description: | A157 JACKSON, ISAAC, ACRES<br>1229.076, ALSO A054 J<br>BOWMAN |
| Geographic ID:            | 0200157-167-000-00 | Zoning:            |   |
| Type:                     | Real               | Agent Code:        |   |
| Property Use Code:        |                    |                    |   |
| Property Use Description: |                    |                    |   |

### Location

|                  |  |         |        |
|------------------|--|---------|--------|
| Address:         | 5200 N US HWY 183 NB<br>LOCKHART, TX 78644 | Mapsc0: | 03-416 |
| Neighborhood:    | RURAL NW LYTTON SPRGS- E OF HWY 183 AREA   | Map ID: | 03-416 |
| Neighborhood CD: | 4200                                       |         |        |

### Owner

|                  |   |              |                 |
|------------------|---|--------------|-----------------|
| Name:            | 130 ENVIRONMENTAL PARK LLC                              | Owner ID:    | 167550          |
| Mailing Address: | 134 RIVERSTONE TERRACE STE 203<br>CANTON, GA 30114-1705 | % Ownership: | 100.0000000000% |
|                  |   | Exemptions:  |                 |

## Values

|                                       |   |     |                       |
|---------------------------------------|---|-----|-----------------------|
| (+) Improvement Homesite Value:       | + | N/A |                       |
| (+) Improvement Non-Homesite Value:   | + | N/A |                       |
| (+) Land Homesite Value:              | + | N/A |                       |
| (+) Land Non-Homesite Value:          | + | N/A | Ag / Timber Use Value |
| (+) Agricultural Market Valuation:    | + | N/A | N/A                   |
| (+) Timber Market Valuation:          | + | N/A | N/A                   |
| <hr/>                                 |   |     |                       |
| (=) Market Value:                     | = | N/A |                       |
| (-) Ag or Timber Use Value Reduction: | - | N/A |                       |
| <hr/>                                 |   |     |                       |
| (=) Appraised Value:                  | = | N/A |                       |
| (-) HS Cap:                           | - | N/A |                       |
| <hr/>                                 |   |     |                       |
| (=) Assessed Value:                   | = | N/A |                       |

## Taxing Jurisdiction

Owner: 130 ENVIRONMENTAL PARK LLC  
 % Ownership: 100.0000000000%

Total Value: N/A

| Entity          | Description                      | Tax Rate | Appraised Value | Taxable Value               | Estimated Tax |
|-----------------|----------------------------------|----------|-----------------|-----------------------------|---------------|
| CAD             | Caldwell Appraisal District      | N/A      | N/A             | N/A                         | N/A           |
| CHES1           | Caldwell-Hays ESD 1              | N/A      | N/A             | N/A                         | N/A           |
| FTM             | Farm to Market Road              | N/A      | N/A             | N/A                         | N/A           |
| GCA             | Caldwell County                  | N/A      | N/A             | N/A                         | N/A           |
| SLH             | Lockhart ISD                     | N/A      | N/A             | N/A                         | N/A           |
| WPC             | Plum Creek Conservation District | N/A      | N/A             | N/A                         | N/A           |
| WUG             | Plum Creek Underground Water     | N/A      | N/A             | N/A                         | N/A           |
| Total Tax Rate: |                                  | N/A      |                 |                             |               |
|                 |                                  |          |                 | Taxes w/Current Exemptions: | N/A           |
|                 |                                  |          |                 | Taxes w/o Exemptions:       | N/A           |

Improvement / Building

Improvement #1: MISCELLANEOUS State Code: D2 Living Area: sqft Value: N/A

| Type | Description              | Class CD | Exterior Wall | Year Built | SQFT   |
|------|--------------------------|----------|---------------|------------|--------|
| BN   | BARN                     | BF1 - D  |               | 0          | 336.0  |
| SD   | SHED                     | SHF1 - D |               | 1999       | 1000.0 |
| SD   | SHED                     | SHF1 - D |               | 0          | 676.0  |
| DSTG | DETACHED STORAGE/UTILITY | SHIP2    |               | 0          | 320.0  |

Improvement #2: COMMERCIAL State Code: F1 Living Area: 600.0 sqft Value: N/A

| Type | Description | Class CD | Exterior Wall | Year Built | SQFT   |
|------|-------------|----------|---------------|------------|--------|
| MA   | MAIN AREA   | CO3 - CS |               | 2021       | 600.0  |
| BN   | BARN        | BS2 - C  |               | 2021       | 600.0  |
| SD   | SHED        | SHS3 - G |               | 2021       | 2800.0 |

Improvement #3: COMMERCIAL State Code: F1 Living Area: 1680.0 sqft Value: N/A

| Type | Description                   | Class CD | Exterior Wall | Year Built | SQFT   |
|------|-------------------------------|----------|---------------|------------|--------|
| MA   | MAIN AREA                     | CO3 - CS |               | 2021       | 1680.0 |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 16.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 111.0  |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 25.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 116.0  |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 20.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 88.0   |
| OP   | COVERED PORCH (20% MAIN AREA) | *        |               | 2021       | 40.0   |
| WD   | WOOD DECK                     | *        |               | 2021       | 25.0   |

Land

| # | Type | Description | Acres   | Sqft       | Eff Front | Eff Depth | Market Value | Prod. Value |
|---|------|-------------|---------|------------|-----------|-----------|--------------|-------------|
| 1 | C    | COMMERCIAL  | 87.5300 | 3812806.80 | 0.00      | 0.00      | N/A          | N/A         |
| 2 | WILD | WILDLIFE    | 64.8000 | 2822688.00 | 0.00      | 0.00      | N/A          | N/A         |
| 3 | WILD | WILDLIFE    | 7.4000  | 322344.00  | 0.00      | 0.00      | N/A          | N/A         |

|    |      |            |          |             |      |      |     |     |
|----|------|------------|----------|-------------|------|------|-----|-----|
| 4  | C    | COMMERCIAL | 7.0000   | 304920.00   | 0.00 | 0.00 | N/A | N/A |
| 5  | C    | COMMERCIAL | 0.8000   | 34848.00    | 0.00 | 0.00 | N/A | N/A |
| 6  | C    | COMMERCIAL | 0.5000   | 21780.00    | 0.00 | 0.00 | N/A | N/A |
| 7  | WILD | WILDLIFE   | 283.7000 | 12357972.00 | 0.00 | 0.00 | N/A | N/A |
| 8  | WILD | WILDLIFE   | 218.9800 | 9538768.80  | 0.00 | 0.00 | N/A | N/A |
| 9  | WILD | WILDLIFE   | 298.8460 | 13017731.76 | 0.00 | 0.00 | N/A | N/A |
| 10 | WILD | WILDLIFE   | 144.1200 | 6277867.20  | 0.00 | 0.00 | N/A | N/A |
| 11 | WILD | WILDLIFE   | 29.4000  | 1280664.00  | 0.00 | 0.00 | N/A | N/A |
| 12 | WILD | WILDLIFE   | 86.0000  | 3746160.00  | 0.00 | 0.00 | N/A | N/A |

### Roll Value History

| Year | Improvements | Land Market  | Ag Valuation | Appraised | HS Cap | Assessed    |
|------|--------------|--------------|--------------|-----------|--------|-------------|
| 2023 | N/A          | N/A          | N/A          | N/A       | N/A    | N/A         |
| 2022 | \$257,440    | \$10,288,270 | 70,900       | 1,158,170 | \$0    | \$1,158,170 |
| 2021 | \$3,750      | \$8,017,960  | 73,380       | 797,040   | \$0    | \$797,040   |
| 2020 | \$3,640      | \$6,146,500  | 70,290       | 73,930    | \$0    | \$73,930    |
| 2019 | \$3,470      | \$5,631,220  | 70,290       | 73,760    | \$0    | \$73,760    |
| 2018 | \$3,160      | \$4,743,030  | 70,310       | 73,470    | \$0    | \$73,470    |
| 2017 | \$3,160      | \$4,859,070  | 69,660       | 72,820    | \$0    | \$72,820    |
| 2016 | \$3,000      | \$4,428,360  | 69,410       | 72,410    | \$0    | \$72,410    |
| 2015 | \$2,930      | \$4,040,480  | 68,530       | 71,460    | \$0    | \$71,460    |
| 2014 | \$2,000      | \$3,800,290  | 66,260       | 68,260    | \$0    | \$68,260    |
| 2013 | \$2,000      | \$3,209,560  | 67,400       | 69,400    | \$0    | \$69,400    |
| 2012 | \$2,000      | \$3,342,470  | 70,210       | 72,210    | \$0    | \$72,210    |
| 2011 | \$2,000      | \$2,160,930  | 72,160       | 74,160    | \$0    | \$74,160    |
| 2010 | \$2,000      | \$2,160,930  | 72,410       | 74,410    | \$0    | \$74,410    |
| 2009 | \$2,000      | \$2,160,930  | 70,420       | 72,420    | \$0    | \$72,420    |

Questions Please Call (512) 398-5550

This year is not certified and ALL values will be represented with "N/A".





**ORDER 03-2023  
ORDINANCE DESIGNATING  
ARDESIA STORAGE PROJECT REINVESTMENT ZONE #1**

**WHEREAS**, Chapter 312, Texas Tax Code, allows counties to designate areas as “reinvestment zones,” in order to encourage development of underutilized real property and to expand economic development generally within the county through tax abatement.

**WHEREAS**, Caldwell County has, in Resolution 40-2022, indicated its election to be eligible to participate in tax abatement under Chapter 312, Texas Tax Code, and established guidelines and criteria governing tax abatement agreements;

**WHEREAS**, Ardesia Storage Project, LLC, (“Ardesia”) seeks to construct a battery storage facility and associated infrastructure with nameplate capacity necessary to store and transmit approximately 100-Megawatts (MW) of electricity within Caldwell County, that will be used to reinforce the state’s overburdened electricity grid.

**WHEREAS**, Ardesia has approached the County and requested an area (the “Proposed Zone”) be designated as the Ardesia Storage Project Reinvestment Zone #1, more accurately described in Attachment ‘A’.

**WHEREAS**, Ardesia has indicated in its application that the battery storage facility will be located within the Proposed Zone.

**WHEREAS**, notice of a public hearing set on March 28, 2023, was published in a newspaper having general circulation in Caldwell County for a period not less than seven days before the date of the hearing;

**WHEREAS**, notice of a public hearing set on March 28, 2023, was delivered in writing—via USPS by registered or certified mail with return receipt received—to the presiding officer of the governing body of each taxing unit that includes in its boundaries the area described in Attachment ‘A’; and

**WHEREAS**, on March 28, 2023, a public hearing was held and interested parties were permitted to speak and present evidence for or against the designation.

**[BALANCE OF THIS PAGE LEFT INTENTIONALLY BLANK]**

**NOW THEREFORE, BE IT ORDERED BY THE CALDWELL COUNTY COMMISSIONERS COURT THAT:**

- (1) The Court finds that designation of the Proposed Zone would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County;
- (2) The Proposed Zone is eligible for commercial-industrial tax abatement;
- (3) The boundaries of the Proposed Zone are described in Attachment 'A';
- (4) The Proposed Zone is hereby designated as the Ardesia Storage Project Reinvestment Zone #1; and
- (5) As required by Section 312.401, Texas Tax Code, this designation expires five years from the date of this Order.

**ORDERED** this the 28th day of March, 2023.

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**Happy Haden**  
Caldwell County Judge

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**B.J. Westmoreland**  
Commissioner, Precinct 1

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**Rusty Home**  
Commissioner, Precinct 2

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**Ed Theriot**  
Commissioner, Precinct 3

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**Dyral Thomas**  
Commissioner, Precinct 4

**ATTEST:**

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**Teresa Rodriguez**  
Caldwell County Clerk

### **3. Adjournment.**

As authorized by Chapter 551 of the Texas Government Code, the Commissioners Court of Caldwell County, Texas reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed above. The Court may adjourn for matters that may relate to Texas Government Code Section 551.071(1) (Consultation with Attorney about pending or contemplated litigation or settlement offers); Texas Government Code Section 551.071(2) (Consultation with Attorney when the attorney's obligations under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Texas Government Code); Texas Government Code Section 551.072 (Deliberations about Real Property); Texas Government Code Section 551.073 (Deliberations about Gifts and Donations); Texas Government Code Section 551.074 (Personnel Matters); Texas Government Code Section 551.0745 (Deliberations about a County Advisory Body); Texas Government Code Section 551.076 (Deliberations about Security Devices); and Texas Government Code Section 551.087 (Economic Development Negotiations). In the event that the Court adjourns into Executive Session, the Court will announce under what section of the Texas Government Code the Commissioners Court is using as its authority to enter into an Executive Session. The meeting facility is wheelchair accessible and accessible parking spaces are available. Request for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the County Judge's office at 512-398-1808 for further information.