



Clay County, Texas
Application for Tax Abatement
and other Economic Development Incentives

Introduction

APPLICATION INFORMATION

- a) Name, address, principals, and owners of applicant: **Hecate Energy Hazel Storage LLC**
- b) Does any city or ETJ have jurisdiction and an abatement process? **No**
- c) Certification: By signing below, the applicant certifies its intent to comply with all applicable local, state, and federal laws.
- d) Conflict of interest: No public official (i) has or may have any interest (financial or otherwise) in the success of the Project or (ii) is in any way employed by any person or entity associated with the applicant. Description of project business:
Battery Energy Storage Facility
- e) A description of the project location (including a plat with precise location and legal description). It must show the detail of all proposed ingress and egress and all County, state and federal roads that might be affected, and the location of any pre-existing structure within one mile of the reinvestment zone or Project:
See attached Map and Legal Description
- f) Description of project size, scope and footprint (physical showing all anticipated or required zoning and land uses on the site): **The applicant plans to develop a 500 MWac battery energy storage facility. This includes but is not limited to the following improvements: energy storage enclosures containing batteries, energy storage cooling systems, SCADA systems, transformers, fire suppression systems and all necessary equipment for commercial storage of electricity.**

- g) The expected fair market value ("FMV") of the Project upon completion showing a separate FMV of the land on which the Project will be located and the added FMV of the facility:

1st year value of Storage Facility- \$148M

FMV of Land will not be affected by the construction of this project but it would remove the special valuation for any land currently valued as "Ag Land" were the improvements would be located.

- h) The increase in FMV of the reinvestment zone property when the Project is completed and operational, showing the FMV both before and after the Project is completed:

Before Value of Solar Facility - \$0 After Value of Storage Facility - \$148M

- i) Identify any land outside the reinvestment zone property, affected for additional resources such as water, sewer, drainage, roads, easements, pipelines, and electricity (showing route to a transmission line or pipeline): N/A

- j) The number of full-time permanent employees/jobs to be created by the Project when operational:
1

- k) The salary ranges for permanent employees, including employee benefits, stated separately:
\$47,221

- l) The initial determination of applicable City, County, State, Federal or other jurisdictional entities (such as TCEQ, FDA, DOD) Codes or Requirements, and any Extraterritorial Jurisdiction (ETJ) impacting the proposed Project: N/A

- m) Expected additional resources required of the County such as water, sewer, drainage, roads, easements, fire, and security: None

- n) Any plans for environmental, historical, anthropological, cultural, and aesthetical impact to the reinvestment zone property and the properties of the immediate neighbors of the Project, the general area of the Project will be an important consideration in approval of abatement agreement: Hecate has conducted extensive environmental, archeological and cultural resource studies of the project site to identify and mitigate any potential impacts to the environment, endangered species, or archeological or cultural resources. Limited potential impacts were identified. Hecate addresses potential impacts by eliminating sensitive areas from the project site, or consulting with relevant state and federal agencies and following recommended best practices for preservation or mitigation if eliminating an area from the project site is impractical.

Any detrimental aesthetic impacts to neighboring properties should be limited due to existing vegetation and the remote location of the project site west of the town of Petrolia.

- o) Anticipated time to complete the Project showing all phases as scheduled: **Estimated construction time is 18 months but could vary.**
- p) Applicant's requested abatement by percentage, by year: **70% PILOT equivalent**
- q) The percentage of local suppliers, contractors, or labor force to be used in the construction of the Project: **Hecate will make every effort to use local vendors when available and comparable.**
- r) Determination of how proposed affected land and property is currently taxed (FMV or Ag value): **Land is currently taxed at the Ag Value and the portion of the land where the potential improvements will be located would be taxed at Market Value once the project breaks ground.**
- s) The projected dates for the beginning construction and the beginning of actual operations: **The project is anticipated to commence construction in late 2023 or early 2024, and complete construction and begin operations in 2025.**
- t) Whether or not the Project will change the tax status of the reinvestment zone land and whether the applicant will pay ad valorem taxes for the land on which the facility is located: **Not all of the land in the Reinvestment Zone is part of the project. Only the land parcels that have solar panels on them will change their taxable status. As part of the lease agreement, the applicant will pay the tax difference between the Ag Value and Market Value.**
- u) Whether the facility is expected to require connection to an energy source (electric or gas), including generally the route(s) to connect to any existing energy source (electric transmission line or pipeline): **N/A**
- v) Whether or not securing a connection to an energy source will cause acquiring rights-of-way by eminent domain. *(This shall identify all public roads and landowners to be crossed to connect to a transmission line.):* **No additional right-of-way will be needed, and no land will be acquired by eminent domain. The project site and all related facilities will be located on private land acquired by Hecate for the project. Eminent domain will not be used.**

[CERTIFICATION ON THE FOLLOWING
PAGE]

CERTIFICATION

Brandon Westlake does hereby certify that all statements and representations made herein are accurate to the best of its knowledge and agree to comply with these terms.

By Authorized Representative:



Signature

3-10-23

Date

Name:

Brandon Westlake

Title: Auth. Rep.

STATE OF TEXAS
COUNTY OF CLAY

This instrument was acknowledged before me on _____ Date, by

Notary: _____

Exhibit 1
Location of Project

Name	Zip	County	Company Name	Owner Group	Primary Owner First Name	Primary Owner Last Name	Primary Owner	Acres (Deed)	APN/PIN
Hb Investm	76305	Clay	Investments LP	Company			Hb Investments LP	167	15169
Fleming No	76305	Clay	Nova Trust	Company, Trust			Fleming Nova Trustee	160	1289
Arnhold Th	76305	Clay		Person	Thomas	Arnhold	Arnhold	168	1268
Carter Willi	76305	Clay	William Wayne	Company, Trust			William Wayne Rev Trust	640	3347
Fleming No	76305	Clay	Nova Trust	Company, Trust			Fleming Nova Trustee	149	1301
Julie P Swai	76305	Clay	Julie P Swanda	Company, Trust			Julie P Swanda Living Trust	48.75	15243
Marshall Li	76305	Clay		Person	Lloyd	Marshall	Marshall	12.68	36512
Arnhold Th	76305	Clay		Person	Thomas	Arnhold	Arnhold	160	1284
Hb Investm	76305	Clay	Investments LP	Company			Hb Investments LP	30.68	1824
Wagner R	76377	Clay		Person	Robert	Wagner	Wagner	45	2339
Fleming No	76305	Clay		Person	Nova	Fleming	Nova	2	7144
Harding An	76305	Clay		Person	Andy	Harding	Andy	440	3362
Stevenson	76305	Clay		Person	Kelly	Stevenson	on	97.3	7134
Harrison L I	76377	Clay		Person		Harrison	C	105	2340

Harrison LLC	76377 Clay	Person	Harrison C	320	7379
Hb Investments LP	76305 Clay	Company	Hb Investments LP	556.6	15244
Bachman T	76305 Clay	Person	Travis Bachman	201	35205
Julie P Swanda	76305 Clay	Company	Julie P Swanda Living Trust	284.6	15346
Fleming No	76305 Clay	Company	Fleming Nova Trust	160	1290
Fleming No	76305 Clay	Company	Fleming Nova Trust	160	1291
Wagner R	76377 Clay	Person	Robert Wagner	160	2413
Julie P Swanda	76305 Clay	Company	Julie P Swanda Living Trust	639.6	12874
Fleming No	76305 Clay	Company	Fleming Nova Trust	37.95	1293
Krottinger I	76305 Clay	Person	Lynda Krottinger	332	7397

Antone M	76305 Clay	Antone M Swanda Living Company Trust, Trust Fleming Nova Trust Company	Antone M Swanda Living Trust	168.2	15487
Fleming No	76305 Clay	Donald S Praeger Jr Liv Trust, Trust Fleming Nova Trust Company	Fleming Nova Trustee	63	1302
Donald S Pr	76305 Clay	Donald S Praeger Jr Liv Trust, Trust Fleming Nova Trust Company	Donald S Praeger Jr Liv Trust	269.7	7133
Fleming No	76305 Clay	Thomas Arnhold Jr Person	Fleming Nova Trustee Thomas D Arnhold Jr	15	1299
Arnhold Th	76305 Clay	Thomas Arnhold Jr Person	Thomas Arnhold Jr	91	1308
Julie P Swa	76305 Clay	Julie P Swanda Living Company Trust, Trust	Julie P Swanda Living Trust	34.72	15168
Turner Stev	76305 Clay	Steve Turner Person	Steve Turner	160	36012

Fleming No 76305 Clay	Fleming Nova Trust Company, Trust			Fleming Nova Trustee Thomas D Arnhold Jr	63	1E+05
Arnhold Th 76305 Clay	Person	Thomas	Arnhold	Jr	145	1278
Julie P Swanda Living Company Trust, Trust	Julie P Swanda Living Company Trust, Trust			Julie P Swanda Living Trust	639.5	5479
Donald S Praeger Jr Living Company Trust, Trust	Donald S Praeger Jr Living Company Trust, Trust			Donald S Praeger Jr Living Trust	5	7146
Krottinger I 76305 Clay	Person	Lynda	Krottinger	Lynda G Krottinger	68.95	15796
Hb Investments LP Company	Hb Investments LP Company			Hb Investments LP Thomas D Arnhold Jr	279.1	18489
Arnhold Th 76305 Clay	Person	Thomas	Arnhold	Jr	171	1275
Marshall Lloyd 76305 Clay	Person	Lloyd	Marshall	Lloyd Marshall II	80.7	37038

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Simmons Jr 76377 Clay	Person	Johnny Simmons	Johnny Simmons	164	2414
Rosinbaum 76305 Clay	Person	Olga Rosinbaum	Olga Rosinbaum	34.16	7137
Turner Steve 76305 Clay	Person	Steve Turner	Steve Turner	59.62	36721
Fleming No 76305 Clay	Trust	Fleming Nova Trust Company, Trust	Fleming Nova Trustee Thomas D Arnhold	126	1803
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas Arnhold Jr	165	1269
Marshall Ll 76305 Clay	Person	Lloyd Marshall	Lloyd Marshall II	530	5439
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	292	1274
Julie P Swanda Living Company Trust, Trust	Trust	Julie P Swanda Living Company Trust	Julie P Swanda Living Trust	293	15502
Unknown C 76305 Clay				0	
Marshall Ll 76305 Clay	Person	Lloyd Marshall	Lloyd Marshall II	123.5	36384

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Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	192	1307
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	305	1273
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	126	1276
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	219.7	1288
Turner Stav 76305 Clay	Person	Steve Turner	Steve Turner	156.7	1283
Turner Stav 76305 Clay	Person	Steve Turner	Steve Turner	156.7	1282
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	148	3123
Harding An 76305 Clay	Person	Anne Harding	Anne Harding	411	35228
Harding An 76305 Clay	Person	Andy Harding	Andy Harding	321.4	3161
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	271	1287
Arnhold Th 76305 Clay	Person	Thomas Arnhold	Thomas D Arnhold Jr	180	1304

Harding An 76305 Clay	Person	Andy	Harding	Andy Harding Worsha m W	199	1826
Harding D\ 76377 Clay	Person	m	Harding	Harding	311	3385

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