Save Our Scenic Hill Country Environment, Inc.

Annual Report on Operations

November 1, 2023 - October 31, 2024

Save Our Scenic Hill Country Environment (SOSHCE) continued to monitor renewables and transmission developments and to take related actions. We continue to strongly believe that industrial wind and solar energy development and the directly related transmission system additions do not make sense in Gillespie and surrounding counties.

In November of 2023, SOSHCE discovered that a potential 150MW solar farm and 150MW battery facility is being considered by a Singapore affiliated developer on more than 1,000 acres approximately 5 miles northeast of Fredericksburg. A Solar Lease Memorandum was entered into between a group of landowners and Pivot Power Projects. The property is accessed off Highway 16 North via Clear Springs Rd and extends northwest to eventually touch a 138kV powerline in its northwest corner. In December of 2022, Pivot Power Projects assigned their rights to Ampyr Energy USA, LLC which is a subsidiary of a Singapore based AGO Sustainable Real Assets. Based on a 10-31-24 ERCOT Generation Interconnection Studies report, it appears these projects are named Marshall Spring Solar and Marshall Spring Storage. For a 150 MW solar project, it should require about 750 acres or 5 acres per megawatt of generation. SOSHCE will continue to monitor developments with this project.

SOSHCE continues to monitor the development of a 146MW battery storage facility near Harper. On November 19, 2024, SOSHCE members, Tim Lehmberg and Errol Candy attended a public meeting in Harper hosted by the Harper Community Chamber of Commerce. Dustin Ingram with Peregrine Energy Solutions and Matt Kim, Peregrine's tech & safety consultant, made a presentation regarding the proposed facility – Rogers Draw Energy Storage. The majority of the meeting was spent answering questions from 200 or more attendees, none of whom were supportive of the project. This is a \$150MM - \$200MM project that will consist of approximately 88 battery "cells" totaling 146 megawatts with a discharge duration of two hours. The business model for this facility is to buy power when it is cheap, store it, and then sell it back into the grid when the price of power is high. This arbitrage will occur over and over again.

SOSHCE also continues to monitor possible wind farm developments: one in southeastern Kimble County and northeastern Edwards County and one, possibly two, in the adjoining areas of Kimble, Menard, Sutton and Schleicher Counties. A landowner in southeast Kimble County has kept several SOSHCE directors informed about developments in that part of the county. SOSHCE will remain in contact with local landowners to see how this area develops and offer assistance where possible. A wind farm at this location would also visually impact properties in western Kerr County.

In the four-corner area of Kimble, Menard, Sutton (Sonora) and Schleicher (Eldorado) counties, there have been two companies trying to develop wind farms, one in possible conjunction with a hydrogen plant. A grass roots organization, Edwards Plateau Alliance has been formed to oppose these developments. At last report these developments had somewhat quieted down.

On June 25, 2024, Dale Geistweidt and Errol Candy attended the Kimble County Wind Forum held in the First Baptist Church gymnasium in Junction, Texas. The sponsors of the event were the Republican Women of Kimble County. Invited to the event were residents of Kimble, Menard, Sutton and Schleicher Counties. There were approximately 100 to 120 in attendance, presumably all opposed to wind or neutral and seeking more information. Asked to speak in a panel format were SOSHCE President Dale Geistweidt and Brian Treadwell with the Edwards Plateau Alliance. Also sitting on the panel was the Kimble County Judge, Hal Rose.

In Dale's part of the panel discussion, he shared at least 21 key points of covering past experiences SOSHCE encountered in its opposition to wind farm developments and discussing negative impacts wind farms could have on subject and surrounding properties. Mr. Treadwell shared similar thoughts with the audience, but as a 5th generation rancher in a threatened area near Ft. McKavett, his words were much more passionate in opposition to wind. The event seemed to be well received by the audience and everyone in attendance seemed genuinely concerned. Most in the audience were opposed to wind farm developments, and it appeared the Edwards Plateau Alliance was building a ground swell of opposition to further developments.

The accelerated proliferation of renewables projects continues to be driven by the "Inflation Reduction Act" that was enacted by the Biden Administration in 2022. It is uncertain at this time as to what changes the Trump administration will make.

After a great deal of hype following Winter Storm URI in 2021, state renewables-related legislative action in the 2023 session was limited. A related constitutional amendment was approved that establishes a taxpayer funded Texas Energy Fund. The fund provides low interest loans to new "dispatchable" electric generation facilities. The Public Utility Commission of Texas announced in August that 17 projects representing almost 10,000 megawatts of new generation and a total loan amount of over \$5 billion had been selected to advance to the next phase of the application review process. The enabling legislation also included three other programs that are under development. One other positive development was that the expired Chapter 313 school property tax abatement program was replaced with a new program that excludes renewables.

For transmission developments, we continue to monitor the monthly ERCOT Regional Planning Group (RPG) meetings, the monthly Generator Interconnection Studies reports, the annual Transmission Project and Information Tracking report, the annual RPG Regional Transmission Plan, the annual Constraints and Needs report and the bi-annual Long-Term System Assessment.

ERCOT data indicates that the design capacity of the \$6.9 billion CREZ transmission additions has been significantly exceeded. Identification of potential transmission line improvements is now progressing with at least initial results expected by year end.

The one active larger transmission project in the area to upgrade of the 69kV transmission line from Fredericksburg to Harper to 138-kV was completed.

Other area transmission projects include storm hardening, overhauling and upgrading of selected circuits.

SOSHCE activities and key developments will be communicated to members and others at the Annual Membership meeting.

We will continue to monitor key renewable energy-related developments in the coming year and will be prepared to become more actively engaged as appropriate.