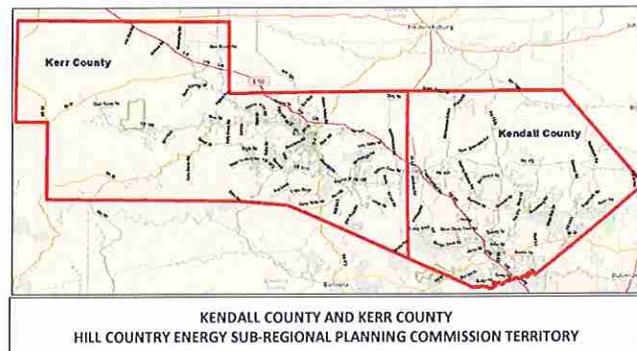


# HILL COUNTRY ENERGY SUB-REGIONAL PLANNING COMMISSION



August 11, 2025

Mr. Thomas E. Oney,  
Executive Vice President of External Affairs & CPO  
LCRA  
P.O. Box 220  
Austin, TX 78767 - 0220

## 4<sup>th</sup> Notice to LCRA to Coordinate BESS Development Planning with the HCESRPC

Dear Mr. Oney,

At the onset, I must state that I find it unacceptable that you have been silent in response to our last two notice to coordinate letters dated March 21<sup>st</sup> and May 16<sup>th</sup>.

In LCRA's only response (dated March 3<sup>rd</sup>, 2025) to our first notice, you stated that *"You may not be aware that LCRA TSC is a political subdivision of the state and is not a state agency subject to Chapter 391.009 of the Local Government Code."* In our continued dispute of this statement, I now bring to your attention the letter from LCRA's Counsel, Leah Yousefi, to the Office of the Attorney General of Texas Open Records Division dated July 23, 2025, sent via electronic filing. In this letter, LCRA requested an opinion from the AG's Office supporting its intention to decline to release the information that Kendall County Commissioner Jennifer McCall requested from LCRA on July 1, 2025. In its letter, LCRA stated that *"LCRA is a conservation and reclamation district that was created by the Texas Legislature in 1934 and qualifies as a special district. LCRA is a "local governmental entity" and, as such, is within the purview of the provisions of Chapters 418 and 421 of the Government Code."* Later in the same letter, Ms. Yousefi stated that *"LCRA is a governmental body as defined in Chapter 552, Texas Government Code."* Hence there can be no doubt that as a "government entity" subject to Chapters 418 and 421 of the Government Code and a "government body as defined in Chapter 552" of the Government Code, **LCRA is also subject to Chapter 391 of the Texas Local Government Code** and must coordinate the planning for any development, installation or operation of Battery Energy Storage System (BESS) facilities in Kendall and Kerr Counties. Section 391.009 (c) of the Code states: *"In carrying out their planning and program development responsibilities, state agencies shall, to the greatest extent feasible, coordinate planning with commissions to ensure effective and orderly implementation of state programs at the regional level."*

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Ms. Yousefi also stated “as a *Transmission Service Provider in the Electric Reliability Council of Texas (ERCOT) region, LCRA TSC must provide open, nondiscriminatory access to the transmission system to any load seeking interconnection, including BESS, as set forth in the Texas Utilities Code and ERCOT Protocols and procedures.*” In my letter to you dated May 16<sup>th</sup>, I asked you to “advise us as to which state law requires LCRA to provide transmission service to “generation resources” seeking interconnection and which state law defines a Battery Energy Storage System (BESS) as a “generation resource”. A BESS is clearly not a generation resource by any definition. In addition, I now ask that you provide us with a copy of the applicable sections of the Texas Utilities Code and the ERCOT Protocols and procedures.

Ms. Yousefi also stated that “*Section 421.002(a) of the Government Code, states that the Governor’s homeland security strategy shall coordinate homeland security activities among and between local, state and federal agencies and the private sector and must include specific plans for... protecting critical infrastructure. Chapter 421 defines an “agency” to mean any governmental entity.*” Hence, Chapter 421 reinforces the Chapter 391 requirement for LCRA to coordinate with our Sub-Regional Planning Commission, particularly as we too have serious concerns about the security of grid infrastructure that is put at ever greater risk each time a BESS facility is connected.

As you know, BESS pose a cybersecurity risk because they are controlled remotely and many of the critical components are made in China. Our Dept. of Defense has recognized the security threat associated with battery and control system components made in China and have removed them from all US military facilities. Sadly, despite the known risks, Texas continues to allow China made components to be installed where they could be used to take our grid down.

These and other security concerns must be understood and the plan for BESS development must, to the greatest extent feasible, be coordinated with our commission as required by Chapter 391 of the Texas Government Code. As Ms. Yousefi pointed out in her letter to the AG, “*Damage or disruption to BESS and transmission substations could lead to a widespread power outage. In recent years there have been increased reports of physical attacks on electric substations in the Pacific Northwest and North Carolina in 2022 which caused large-scale power outages and severe damage to these facilities,..*”

However, our concern goes far beyond physical attacks on facilities, as we believe that the greater risk to grid infrastructure is a BESS explosion or thermal runaway fire, which have been all too frequent with catastrophic impact on local communities. The potential for a cybersecurity attack intentionally creating a BESS thermal runaway makes the risk unacceptable and it becomes imperative that transmission companies such as LCRA coordinate planning with local commissions. We intend to present the findings of our research and our specific concerns in the coordination meeting we are requesting.

In my letter of May 16<sup>th</sup>, I asked you to provide us with the following details as soon as possible on each of the potential BESS projects in both Kendall and Kerr counties for which LCRA TSC has received requests to perform interconnection studies.

1. Developer Name and Contact Information
2. Developer Corporate Ownership Structure
3. BESS Site Location
4. Size, acres
5. Size, MW
6. Approval Status

There has been no response to my earlier request. As LCRA is the wholesale electricity provider in Kendall and Kerr Counties, and the location of the BESS facility is determined by the BESS developer, we do not see any possibility of specific harm to LCRA's marketplace interests by releasing the above requested information which is devoid of any costs (we understand that all costs associated with BESS connection are born by the BESS developer) or power transfer pricing information. Hence please expedite the release of the information requested above.

In closing, we once again insist that LCRA meet with our HCESRPC to coordinate planning for any and all BESS development in Kerr and Kendall Counties. Please send your authorized delegates to meet with us at the Kerr County courthouse on the 27<sup>th</sup> of August at 2:00 pm or propose an alternative date and time.

Respectfully yours,

**HILL COUNTRY ENERGY SUB-REGIONAL PLANNING COMMISSION**



Richard S. Paces

President, HCESRPC

Cc: Wes Virdell, State Representative, District 53  
Ellen Troxclair, State Representative, District 19  
Pete Flores, State Senator, District 24  
Donna Campbell, State Senator, District 25  
Chip Roy, US Congress, 21st District of Texas  
Phil Wilson, LCRA General Manager  
Texas Attorney General, Ken Paxton