

Hill Country Energy Sub-Regional Planning Commission

December 16, 2025 Meeting Minutes

A meeting of the Hill Country Energy Sub-Regional Planning Commission (HCESRPC) took place in the Kendall County Courthouse on December 16th, 2025.

The following members of the Board were in attendance:

Rich Paces, Kerr County Commissioner, Precinct 2
Jeff Holt, Kerr County Commissioner, Precinct 3, via TEAMS
Jennifer McCall, Kendall County Commissioner, Precinct 1
Chad Carpenter, Kendall County Commissioner, Precinct 4
Linda Bullard, Landowner Representative
Daniel Jones, Gillespie County Commissioners Court Judge

The following members of the Board were absent:

Keith Kramer, Gillespie County Commissioner Precinct 2
Wes Virdell, Texas State Representative

NOTE: These Minutes are a record of Motions voted upon, decisions taken, and agreements reached in the meeting, as well as action items from previous meetings. For content of reports, updates, information, announcements, invited guest contributions, discussion, and public comment, reference is made to the video recording of the meeting, posted at www.HCESRPC.com and hereby made part of these Minutes.

A quorum being present, the meeting was called to order at 1 pm, and Commissioner Carpenter offered a prayer, followed by the Pledges of Allegiance to the American and Texas flags. The Commission then considered, discussed and took action as described below for each item on the posted meeting agenda.

1. Approval of the November 18th Meeting Minutes

A motion was made by Commissioner McCall to adopt the Draft Minutes of the HCESRPC meeting on November 18th, 2025 and seconded by Judge Jones. The motion was adopted 6-0, and **the Minutes were approved** without amendment.

2. Board Member Comments

Commissioner Carpenter addressed the issue that data centers, with mega investors like Jeff Bezos and Bill Gates, are driving the energy market, but we are the ones who will have to pay for the infrastructure, and it actually doesn't even stabilize the grid long-term.

Commissioner McCall welcomed Milan Michalec from Cow Creek and Joyce Yannuzzi from Senator Donna Campbell's office.

Ms. Bullard reported on her attendance at the most recent Secure the Texas Grid coalition meeting by Zoom and offered to send information regarding the issues discussed to members of the public who put an asterisk by their names on the sign-in sheet.

Commissioner Holt reported that it appears a planned large Lennar subdivision in Comfort has been defeated due to grassroots opposition, noting that fewer homes mean less power demand in the future, as the Counties try to maintain responsible growth.

Commissioner Paces reported on an investigation by the Office of the Attorney General of the use of Chinese CATL batteries in Van Zandt County's BESS project, which is currently under a Temporary Restraining Order. He said that he will write a letter to the AG to ask if that investigation could include Kerr County's proposed East-West BESS facility, and expand it to control systems and other BESS components from countries named in the Lone Star Infrastructure Protection Act. He also noted that it is time to start addressing needed legislative amendments, suggested setting up a Committee for that purpose, and invited members of the public to volunteer if they would like to work on this.

3. Local BESS Facilities Status and Action

Commissioner Carpenter reported that they had a meeting the previous day with East Point Energy's entire crew, along with their attorney, plus Kendall County's Fire Marshal, and their newly-hired consultant, Dr. Steele. The company will be required to insure a second access point for that facility. Commissioner McCall added that Kendall County uses the International Fire Code, and they recently adopted its 2023 Chapter 12, which refers to NFPA 855. Van Zandt County's Fire Marshal will be advising Kendall County's Fire Marshal; however, nothing can be done in terms of enforcement until the company submits a plan. Commissioner Paces pointed out that Dr. Steele actually co-authored NFPA 855, and that the State Fire Marshal's Office is about to adopt the 2023 version, hopefully in January.

Judge Jones reported on the two proposed projects in Gillespie County. Gillespie County has joined litigation currently pending against Peregrine Energy, the developer of Roger's Draw BESS in Harper, bringing public nuisance and public safety claims, in addition to the private claims brought by citizens in the case. There is a hearing scheduled in mid-January for a temporary injunction. Approximately 12 days ago they received notice that there was construction on that site. Their County Engineer and Fire Marshal were dispatched to investigate and confirmed that an LCRA utility pole for the project had been erected on private property. Based on that, Gillespie County issued 2 Stop Work orders to Peregrine, one under the Flood Plain Ordinance and the other pursuant to NFPA 1, alleging that they have initiated construction without providing any plans or specifications for it, copies of which were delivered to LCRA and the State Fire Marshal's Office. Peregrine acknowledged receipt of the Stop Work Order; they are intending to challenge the applicability of the Flood Plain Ordinance to the project, while noting that there is no scheduled work on the project in the immediate future.

The second project in Gillespie County is Marshall Springs, which is a 1000-acre solar farm with a co-located BESS. The County sent a letter to that developer notifying them that the Flood Plain Ordinance applies to the project, due to the amount of impervious cover which will be created by the solar panels, and informing them that they are not to commence any kind of construction activity, including clearing of trees and vegetation, prior to receiving a permit from the County. The company responded that their project is in the early exploratory stage, and they plan to move to a development

stage in January, at which point they will engage with the community and elected officials, and obtain permits. Gillespie has a County BESS page on their Website, which includes a tool for people to report activity they see at these sites, especially the ones which are not visible from public roads.

Commissioner Paces reported that last month Kerr County received a request for approval of NFPA 855 exemptions for the Mountain Home East West BESS (for on-site water supply and sprinkler systems inside the battery containers), accompanied by a report from a San Antonio-based consulting firm, Fajardo Fire Protection & Associates, outlining their development plans and compliance efforts. The company's request was subsequently withdrawn, but this led Kerr County to set up a committee consisting of Commissioners Paces and Jones and the County Attorney to explore hiring a fire marshal, establishing a permit and fee schedule, and contracting with one of the BESS safety and compliance experts, such as Dr. Steele or Dr. Erik Archibald. These matters are on the agenda of the next Commissioners Court meeting. Commissioner Paces also intends to ask the developer for a site-specific Hazard Mitigation Plan and a site-specific emergency response plan, and UL Battery testing certificates. All developers so far have been unable to provide satisfactory UL 9540A certificates.

Commissioner Holt reported on BESS projects in our neighboring Hill Country Counties of Bandera, Medina, Real, Edwards and Kimble. Real and Edwards have no projects. Kimble County has a large 300 MW facility called South Fork, projected for 2028. Bandera has 3 stand-alone projects in the planning and approval process: one on Medina Lake by Regis, one called Motif Storage, and one called Regis Utopia. Medina, just to our southeast, has 5 projects: The Ranger BESS at 155 MW, Adam Bryant at 100 MW, Cattleman BESS at 189 MW, Divine Mary BESS at 200 MW, and a 60 MW solar PV farm co-located with a 100 MW BESS called Hondo Arroyo. Commissioner Paces informed that the solar/BESS project in Bandera County is reported to have gone bankrupt, although that doesn't necessarily mean that the project is going away, since another company can buy it and continue operations; however, it is an indication that subsidies are drying up on wind and solar projects, although not for BESS.

Ms. Bullard raised a question about the fact that the material supplied by the developer of the Mountain Home BESS listed "Kerr County Court Order #41286 - Resolution/Policy on the Safe Development of Battery Energy Storage Systems (BESS)" in the codes and standards for which compliance was evaluated by their consulting firm. She wanted to know how the company had acquired that document. She also wanted to understand the process which had triggered the company's sudden request to address the Kerr County Commissioners Court and their submission of documents, whether it had been entirely at their own initiative or whether they had been contacted by any Kerr County Commissioners. A discussion ensued in which Commissioner Paces stated that the company was aware of Court Order #41286, complied with it, and asked for an item on Commissioners Court agenda all on their own initiative, having had no contact with any Kerr County Commissioners or personnel, and that in any case the Resolution should be rescinded and replaced with a stronger one.

4. Protecting Critical Infrastructure/Cybersecurity

Ms. Bullard raised two questions about requesting the Attorney General to extend his investigation of the Van Zandt County BESS to the Mountain Home BESS. First, she wanted to know whether it should include all BESS facilities in our jurisdiction, rather than being limited to the Mountain Home BESS, pointing out that if so, we will need to demonstrate reasonable suspicion that they may contain batteries or other components from China, even using generic, non-site-specific information such as Kerr County has received. She also wanted clarification on whether it is our Commission which will

make this request rather than individual Commissioners Courts. An extensive discussion ensued about issues such as whether site-specific documentation and permit applications must be received before a request can be made to the AG's office. DECISION: Our 391 Commission will write the letter to the AG's office requesting that their current investigation of the Van Zandt County BESS be extended to include the Mountain Home BESS. Commissioner McCall noted that if Kendall County should obtain more documentation on their BESS projects, they could join the request later.

Commissioner Paces spoke about the Texas Division of Emergency Management's being the agency which will enforce the State's cybersecurity measures. He reached out to their Director, Nim Kidd, who was heavily involved in the response to the July 4th flood in Kerr County, who had his Assistant Director, Blair Walsh return the call. She offered to organize a meeting between our Commission and TDEM, ERCOT, PUCT, and LCRA to discuss these security concerns. Subsequently, another TDEM staff person, Shorey Harmon, suggested that TDEM would be willing to attend our January meeting. So TDEM will be formally invited as soon as we have a date and encouraged to bring along PUCT, ERCOT, and LCRA to the meeting, although it may not be an official Chapter 391 planning coordination meeting.

Ms. Bullard recalled that one of the most confusing aspects of our discussion with Mike Hoke, the PUCT's representative at our November meeting, was the issue of the missing attestations required by the Lone Star Infrastructure Protection Act (LSIPA). She said that she would like to try to clear that up at our next meeting. She said that she has obtained a copy of the blank attestation which affected companies are required to submit, which she will provide to the Board, and has made a request to ERCOT for the report they filed with the PUC regarding non-compliance with LSIPA.

Ms. Bullard noted that the biggest weakness of the LSIPA is a massive loophole in the original law, which was not remedied by the recently-enacted SB 2368. It is an exception which allows access by entities from the named countries to critical infrastructure for servicing Warranties and maintenance purposes. This obvious weakness definitely needs to be addressed in the next legislative session.

5. Coordination with Relevant State Agencies and Other Government Officials

Commissioner Paces reported that he had traveled to Austin the previous Tuesday, accompanied by Audrey and Jeff Boerner, to speak during the Public Input section of the LCRA Board Meeting with a message which was very similar to that delivered at the PUCT Board meeting in October. He also had copies for all 14 Board members of his written statement, which is posted on our Website, along with a video recording of their input. Afterwards there was a short response and interaction with LCRA's General Manager, Mr. Phil Wilson, who was sympathetic, although they continue to maintain that they are not a state agency and thus not subject to Chapter 391. Everyone at LCRA was extremely friendly, gracious, accommodating, welcoming, and appreciative of the stated concerns, but stated that they are required by PUCT and ERCOT to accept any generation resource for connection which is safe according to the Security Screening Studies and the Interconnectivity Agreement.

Ms. Bullard noted that we were not able to send a delegation to the December ERCOT Board meeting, because it took place on the same date as the Kerr County Commissioners Court; the next opportunity is February 4th, in Austin. She wanted to confirm that we are still committed to doing that, and she is prepared to go herself if she can get a ride. DECISION: Yes, it is still a commitment, Commissioner Paces will check his calendar, and Commissioner McCall has penciled it in. The approach will have to

be somewhat different, as there is no doubt that ERCOT is NOT a State Agency, being a 501.C.4 organization.

Judge Jones reported that in the near future he's going to be attending a meeting with staff people from the offices of both U.S. Senators, their U.S. Representative, State Senator and State Representative to try to get a sense of whether they are aware of this issue, where they stand on it, and their willingness to support whatever action can be taken to address it. Chip Roy has sent letters to both of the developers in Gillespie County.

Ms. Bullard referred back to the problem of the definition of a state agency, and reported that Dan Byfield of American Stewards of Liberty has a lawyer working to challenge the very narrow way that Chapter 391 is being interpreted by certain quasi-State agencies so as to claim that they are not subject to its provisions. He did not provide specifics about how or on what level this challenge is being pursued but was quite hopeful about a positive outcome. She will follow up. Mr. Byfield also said that his organization is going to try to put together 391 Commissions all along the 3 corridors for the 765 KV transmission lines to oppose them.

Commissioner Carpenter noted that in order to make long-term permanent change, we need to start now working with our legislators to propose unified, simple language legislation and stop the chaos that comes from every office having their own bill. This should be one of our priorities. Commissioner Paces repeated that we should get a committee together to work on this.

6. Discussion and Appropriate Action on Other Administrative Matters

Ms. Bullard pointed out that with the adhesion of Gillespie County to the HCESRPC, the number of voting members on the Board has risen to 7, making the quorum 4. This means that now 3 Board members can attend the same event without having to post it, and that each Board member may discuss 391 Commission matters with a maximum of 2 other Board members, instead of just 1.

Commissioner Paces noted that Ms. Bullard's one-year appointment will be coming to an end in February and that Kendall County will appoint the next Landowner Representative on the Board. Commissioner McCall asked anyone from Kendall County who is interested in taking that position to let the Kendall County Commissioners know.

7. Public Comments and Discussion

One member of the public took the floor to ask about AI Data Centers, and a discussion ensued. Commissioner Carpenter said that if a data center is going to be drawing a certain amount of power off the grid, they are supposed to be self-contained and self-sustainable, and so some of them are going toward nuclear energy and might be able to sell some of it back to the grid. It was noted that President Trump supports the data centers, because he does not want to fall behind the Chinese in AI and it's seen as a national defense issue. Commissioner Paces said that we're not aware of any specific data centers coming into our area. Mr. Wheeler said that the reason the BESS are coming is because of AI, but until we go to Washington and stop the subsidies for BESS, they're going to continue to be built.

Mr. Wheeler commented on the Bandera solar/BESS project, pointing out that their subsidies are not running out for 4 years, so that's not the reason for the company's filing bankruptcy. It's because they

are a poorly run company, and they overextended themselves. He thinks they filed Chapter 11, and that a private equity firm will come in and offer something like \$300 million to keep operations running, with the equity firm now in control of the process. They will get a company for cents on the dollar and make a lot of money off it.

8. Set Next Meeting Date, Location and Agenda

The next meeting will take place at 1 p.m. on Tuesday, January 20th, 2026, at the Gillespie County Courthouse. *The time of the meeting was later changed to 2:00 pm.*

Commissioner Paces wished everyone a Merry Christmas and adjourned the meeting at 2:22 p.m.

*Respectfully submitted,
Linda Bullard, Secretary*

Approved by the HCESRPC Board January 20, 2026