

Hill Country Energy Sub-Regional Planning Commission

January 20th, 2026 Meeting Minutes

A meeting of the Hill Country Energy Sub-Regional Planning Commission (HCESRPC) took place in the Gillespie County Courthouse on January 20th, 2026.

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, Agricultural/Landowner Representative
Daniel Jones, Gillespie County Commissioners Court Judge
Keith Kramer, Gillespie County Commissioner Precinct 2
Wes Virdell, Texas State Representative, District 53

These Minutes are a full rendering of discussions and actions of the Board Meeting.

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 December 16, 2025 Meeting Minutes

A motion was made by Commissioner Carpenter to approve the Draft Minutes of the HCESRPC meeting on December 16th, 2025 and seconded by Commissioner Paces. The motion was adopted unanimously, and **the Minutes were approved** without amendment.

2. Board Member Comments

ACTION ITEM: Representative Wes Virdell requested that the HCESRPC address the 765 kV transmission lines coming through the Hill Country, while recognizing that the 3 participating Commissioners Courts would have to vote on adding that to the Commission's remit. Initially it would involve investigating why PUCT is planning to install these transmission lines, who else is involved, the eminent domain process, and the impact of proposed data centers.

Ms Bullard reported on the Secure the Texas Grid Coalition meeting, which she had just attended. The American Stewards of Liberty published a paper on "The Importance of 391 Commissions" in connection with responding to the proposed 765 kV transmission lines, which she will send to all as soon as she gets it.

The 5-year anniversary of Winter Storm Uri is coming up February 13-17, and since the outages we suffered then are used in part as justification for BESS as backup power in extreme weather events, she suggested that this anniversary provides a good opportunity for

the Commission to produce a statement about whether BESS is really going to be able to save us during such events and what its actual purpose is.

Rep. Virdell informed that he filed a bill in the last Session that prioritized reliable power, defining primary and secondary sources based on how much power is provided to ERCOT, and recognizing green energy as secondary. BESS cannot meet the criteria for a primary power source, and this helps to correct some of the market distortions and incentivize natural gas. The Bill number is HB 4817. It did not get a hearing in the 89th Legislature.

Finally, Ms. Bullard reminded about the next ERCOT Board meeting, which has been rescheduled to the afternoon of February 9th in Austin and asked if the Commission is still committed to sending a delegation to make Public Comment. Commissioner McCall said she planned to go.

Judge Jones asked whether the statements to ERCOT would be statements from the Commission itself, or from Members of the Commission. Commissioner Paces responded that he had done Public Comment to the Boards of PUCT and LCRA, and that they are basically statements from the Commission which are also delivered as a letter to the Board and posted on our Website. Since the speaking time is generally 3 minutes, additional speakers are needed to get through the statement.

Commissioner Kramer reported that New York City is considering a 6-month moratorium on BESS, citing mounting fire safety concerns and pressure from citizens and firefighters.

Commissioner Carpenter reported on the BESS project at Flat Rock Creek in Comfort. They are trying to force the developer to have an alternate road. Kendall County has hired Dr. Robert Steele to review BESS applications. Commissioner Paces commented that Kerr County is also in the process of hiring the same expert. The next step will be to meet with their State representatives and work on legislation.

Commissioner McCall welcomed Joyce Yanuzzi from Senator Campbell's office. She also recognized a candidate running for Judge in Gillespie County, Esther Schneider, and a Gillespie County Commissioner.

3. Discussion and Possible Action to Adopt Amended By-Laws of HCESRPC

Ms. Bullard explained that the Bylaws as amended by the 3 Commissioners Courts did not provide the opportunity for Gillespie County to appoint an Agricultural/Landowner Representative, and she proposed that we correct this error by approving language for an amendment which creates a system for each participating County to appoint an Agricultural/Landowner Representative in turn on a rotating basis. The amendment would be recommended to the 3 Courts for their adoption. When all three have approved it, the amended Bylaws can finally be adopted by our Commission.

ACTION ITEM: Commissioner Paces responded that he would "run with that ball." He noted that he was sure Kerr County would want to take the lead in modifying all these documents. He said that he would initiate that through the Kerr County Attorney and doubted that there would be any major issue, although it will be a process likely requiring considerable time to get everybody on board. Judge Jones added that Gillespie County had identified a few other

inadvertent errors in the Bylaws requiring amendment. He will pass those items on to Commissioner Paces.

Regarding the completion of her own term as Secretary, Ms. Bullard pointed out that the Bylaws stipulate that a new Secretary is to be elected at the next Annual Meeting following a vacancy in that position. Commissioner McCall shared that Kendall County has already decided upon an individual to appoint as the new Agricultural/Landowner Representative on the Board, but that person has not agreed to be the Secretary.

ACTION ITEM: Organize an Annual Meeting on the same date as the next regular business meeting.

4. Local BESS Facilities Status and Action

Commissioner Holt thanked Rep. Virdell for hosting a debate that addressed AI and BESS, as a result of which he looked into tracking data centers as an economic incentive for BESS. 402 data centers currently exist in Texas, and there's a plan for 442 more. A significant amount of water is required by these facilities for cooling fans—even a small one takes a million gallons a day. He acknowledged that oil and gas refineries also consume energy and water, but there's only one located in west Texas where water is scarce. Major tech companies like Google, Microsoft, Meta, and Amazon are planning to have these all over Texas. Is it a coincidence that 969 BESS are currently planned, and 844 data centers? There's a significant number of them projected out west in the vicinity of wind and solar farms, but where water is a problem. He does not know where data centers are being considered in each of our counties, but we need to start tracking that as much as we track where the BESS are going. East West BESS in Mountain Home is still on track, according to the ERCOT GIS report, but they have not yet submitted their engineering proposal to Kerr County. The local newspaper reported that they had, and that Kerr County had 30 days to evaluate it and respond. However, this was inaccurate, as the developer withdrew its application to Kerr County.

Commissioner Paces added that there seems to be nothing happening on the other BESS projects in Kerr County--Center Point and Upper Turtle Creek--and they do not appear on ERCOT's GIS report, but that doesn't necessarily mean that they have gone away.

Judge Jones reported that there is an agreed Temporary Injunction on Harper Roger's Draw BESS, which essentially stops all work on it. This is the relief that both the citizen plaintiffs and Gillespie County were seeking, and the agreement allowed them to avoid a 2-day hearing. All parties have agreed to expedite a final hearing, which would be in pursuit of a permanent injunction. With regard to the Marshall Springs project, the Commissioners have been in discussions with outside counsel about how best to protect the County's and the public's interest.

Ms. Bullard returned to her earlier proposal for organizing a tour to the BESS sites in our jurisdiction, as both a press event and educational event for the public and explained what she had in mind. Commissioner McCall supported the idea and suggested it would be good to do it after the beginning of March, but said that it wouldn't be possible to do all 3 Counties in one day. An extensive discussion, with public input ensued. Judge Jones pointed out that we would have to be cognizant of the quorum issue, but that having a tour in one County on the same day as a posted 391 Commission meeting could solve that problem. Commissioner

Paces didn't have any objection--other than just the time involved—if someone is willing to take the lead on logistical planning. A member of the public offered his trailer if we wanted to set up tables, chairs and equipment for an outside meeting at one of these BESS projects. Another member of the public pointed out that if we want the press to cover this, we're going to need to provide drone photos of the sites, and a member of the press added that a formal press release will be needed, and that both the San Antonio and Austin press cover what goes on in the Hill Country. In general, there was support for such an action. **ACTION ITEM:** Ms. Bullard and Commissioner McCall will further explore this idea and bring back some proposals at our next meeting, targeting an event in March.

Commissioner McCall reported on a meeting they had with East Point Energy. Kendall County's Fire Marshal and General Counsel were present. The company has not submitted any plans over the past year and a half of discussions. She pointed out that they closely monitor all meetings of our 391 Commission and three Commissioners Courts and are tracking what we're discovering and trying to stay ahead of us. She also brought up Non-Disclosure Agreements (NDA), which are signed by officials all over the country and prevent them from talking about a project, sometimes even prevent them from knowing what the actual project is. Commissioner McCall said that for the record, she has never signed an NDA and does not intend to, and she sees this as just another tactic the developers are using. In response to a question from the public, Commissioner McCall stated that East Point had actually joined the Boerne EDC in an effort to get into the community as much as possible, and Commissioner Carpenter added that they had also sponsored and judged the Comfort parade floats. The citizen noted that the solar farm company in Bandera had given money to the schools to build new locker rooms and contributed to scholarships and foundations, like the cartels in Mexico building hospitals. Commissioner McCall said she's just beginning to dig into how these donations work, noting that sometimes they do it anonymously, for example, to volunteer fire departments, and requested assistance from the public in tracking this. Rep. Virdell observed that the companies try to identify the influencers in a County and get them on board first. He has also been hearing rumors that elected officials have been signing NDAs. A member of the public brought up another form of NDA called Good Neighbor Agreements, which involves the recipient of a donation or gift from the company signing a contract of sorts never to discuss the matter. She said if you do a search on Good Neighbor Agreements, the first hit will be Peregrine Energy. She reported that Nancy White had discovered that many County officials have signed NDAs, which is dereliction of duty.

Commissioner Paces stated that he has never signed an NDA, nor would he. Commissioner Carpenter stated that he had not either.

In response to a question, Commissioner Holt responded that the East West BESS developer is based out of Houston, as are many of the start-ups and subsidiaries, but also large companies, like Vistra and Key Capture. ONCOR is out of the Dallas/Fort Worth area. A member of the public pointed out that many of these companies, like OCI of San Antonio, get these BESS projects started and then sell them off to other companies.

5. Update from Kerr County BESS Workshop on January 5, 2026

Commissioner Paces reported on the Kerr County BESS Workshop which took place on January 5th, 2026. This Workshop resulted from Kerr County's consideration of a proposal to hire a county Fire Marshal, which revealed a need for a fuller picture of BESS and also an update on the HCESRPC's progress, achievements, etc. He made the presentation, and the

video recording of the Workshop can be viewed on Kerr County's YouTube channel. One of the recommendations he made during the Workshop was to hire an expert to review BESS development plans, and fire and life safety documents that would be required, and a second was to hire a part-time Fire Marshal. Decisions cannot be taken in a Workshop, so none were; however, a week later the Kerr County Commissioners Court did approve hiring Dr. Robert Steele, an outside expert on NFPA 855 and UL 9540, to evaluate BESS plans and documents. Dr. Steele has also been hired by Kendall and Van Zandt Counties for the same purpose. The contract is now being worked out and should be approved at the next Commissioners Court. He stated that the East West BESS developer did submit to Kerr County a detailed report by an outside engineering firm, in compliance with an existing Kerr County policy. But before it could be considered in Commissioners Court, the company withdrew it. Nonetheless, the document itself is still in possession of the Court and can be submitted for review to Dr. Steele. Regarding the hiring of a part-time Fire Marshal, Commissioner Paces tabled his Motion to do so following a 1-1/2 hour Executive Session which failed to resolve concerns about the complications for a County of hiring a Fire Marshal. Commissioner Paces explained these concerns and issues, as well as the benefits, such as the Permit and Fee schedule which can help to pay for both the expert and the Fire Marshal. He also made a proposal to adopt the Kendall County fee schedule and will continue to pursue the hiring of a Fire Marshal for Kerr County. Bruce Neitzke added that many expert fees are collected through a separate section in the Fire Code, distinct from the fee for Fire Marshal inspection.

Commissioner Carpenter added that Counties have the "shot clock rule," which was passed in Texas in 2019 as HB3167, and it forces a municipality or local government to act on a development application within 30 days by approval, disapproval, or approval with conditions specifying all deficiencies. If they fail to act within 30 days, the project is approved. But for a Fire Marshal there is no shot clock rule for safety, and he can slow down and stop a project to, for example, determine that there are no China-sourced components. So that in itself may be an important justification for having a Fire Marshal.

Susan Bell expressed her hope that Representative Virdell will work with legislators like Senator Bob Hall in the next legislative session to set up a Task Force to tackle these issues aggressively. With regard to Kerr County, she stated that the population is really in favor of having a Fire Marshal, because without that, how can an expert's opinion be enforced? When people's lives are at stake, the question can't just be decided by the budget. She also referred to one of the BESS developers in Comfort trying to buy favor with the community by making a \$10,000 donation to the Boys and Girls Club. She said this has been going on since 2023, and the public is ready for some bold action. She concluded that there are plenty of people ready to testify in Austin in support of legislation. Commissioner McCall asked members of the public to identify themselves on the sign-in sheet if they are willing to go to Austin to make public comment at the ERCOT Board meeting. If the law were to be enforced as it is written, the BESS might all be shut down.

6. Protecting Critical Infrastructure/Cybersecurity

Commissioner Paces explained that he had hoped that representatives from TDEM, together with representatives of all the State agencies, would attend this meeting, coordinate and talk about cybersecurity, which he considers one of the biggest vulnerabilities of BESS. In this regard he talked about the Lone Star Infrastructure Protection Act (LSIPA), GA 48 and 49, and the 89th Legislature's LSIPA amendment, and the fact that there is very little which goes into a

BESS that is NOT sourced from China. The problem is that it does not appear that these laws are being effectively enforced. At the moment the primary enforcement agency seems to be ERCOT, working under the supervision of PUCT, and they are relying on the developers to submit attestations that their systems can't be used to control or have a detrimental impact on the grid, but it isn't very clear who is in charge. He mentioned that Van Zandt County has a Restraining Order against even bringing these batteries into the County, and the Attorney General's office has launched an investigation to determine whether their BESS project involves using China-sourced components.

Ms. Bullard reported that so far there has not been any action by the AG's office on the investigation, which is being carried out by the Consumer Protection Division; however, there's a great deal going on proactively in connection with the case, such as they're sending in additional expert testimony and even making a documentary film. They also consider that this case has the potential to trigger the Department of War to weigh in, because China-sourced BESS batteries have already been determined at the federal level to be a threat to national security and taken off all military bases. She recalled that we had decided in our last meeting that as a Commission we would request the AG's office to extend the Van Zandt County investigation to our jurisdiction, and in particular to the Mountain Home BESS. She asked Nancy White whether this move would be welcomed, and was assured that it would be. **ACTION ITEM:** Commissioner Paces will pursue developing such a letter to the AG's Office, recalling the documentation received from the East West BESS developer which shows a lot of Chinese characters.

Esther Schneider cautioned that they received a lot of discovery in their case against Peregrine and it has many similarities to what Commissioner Paces mentioned, but they can't use any of it, because the attorneys marked it Confidential. Commissioner Paces responded that there was nothing like that in the documents which were submitted to Kerr County, and they are now public documents. Ms. Bullard pointed out that those documents with the Chinese characters were generic and originally submitted in the European Union, so not specific to the Mountain Home BESS.

Ms. Bullard reported that TDEM has submitted its first report to the Governor and Legislature under Senate Bill 75, entitled "Critical Infrastructure Protection and Electromagnet Pulse Preparedness Report." She was shocked by lack of substance in the report. SB 75 requires TDEM to establish a Texas Grid Security Commission, and they don't appear to have done this. We need them, and they do not seem to be stepping up to the plate. **ACTION ITEM:** Ms. Bullard will send a copy of TDEM's report to the Board. She said that she didn't want to lose sight of the many other threats that BESS presents in addition to cybersecurity, such as the huge solar storm we just had that very day, and arson, terrorism, military assaults, and extreme weather events. She concluded that pressure needs to be put on TDEM, because they are not doing a very good job at the moment, and we can be part of that pressure. She proposed that the Commission send an official notification letter to Chief Nim Kidd of TDEM inviting the agency to attend an official planning coordination meeting with our 391 Commission. Until now there have only been phone calls with TDEM. Ms. Bullard made the distinction between what she is proposing and the meetings we had with TCEQ and PUCT, which were regular business meetings of our Commission, not planning coordination meetings in the sense of Chapter 391. She proposed that the letter make clear that it is a government-to-government meeting without public comment, and that we invite them to choose a date or several possible dates, and we will try to accommodate their schedule. We

could ask them what's happening with the Texas Grid Security Commission, which is within TDEM and includes ERCOT and LCRA, and perhaps that is who we need to meet with. Commissioner Carpenter noted that neither TCEQ nor TDEM permit battery storage; they can only make recommendations back to the State of Texas, recognizing that there are safety issues involved, and responding after a disaster, not proactively. So the State of Texas is where this needs to be fixed, with legislation. Ms. Bullard disagreed that these agencies have no authority, arguing that the 89th Legislature already passed some laws relevant to BESS, and we can use them. But definitely more needs to be done in the next legislative session with a small number of focused bills. Commissioner Paces said that TDEM had gotten back to him and said that they could still help us coordinate a meeting with State agencies on emergency response. Ms. Bullard recalled that as a 391 Commission, we're supposed to be harmonizing BESS planning across our 3 Counties. She recalled that even if BESS are 100% compliant and check all of the boxes of the Fire Codes and the Flood Plain ordinances, etc., we still don't want them, because they have impacts on our economy, tourism, our culture, the environment, etc.

Ms. Bullard reported that she had made a Public Information request to ERCOT with the aim of learning whether any of the 5 BESS developers in our jurisdiction were among those who were delinquent in submitting their LSIPA attestations. ERCOT declined to provide the information in response to that question, so she narrowed it down to a simple yes or no question for the 5 companies, and she's still waiting for a response to that. She also clarified that the number of missing attestations is now 700, up from the 300 which were still missing after ERCOT, the receiving agency, issued a second chance deadline last summer. She distributed to all Board members a copy of ERCOT's blank LSIPA attestation form, noting that it was very minimal, and recalling that warranty, service and maintenance are excluded, which is a loophole that lets everything in.

7. Adding Development to HCESRPC, Discussion Only

Commissioner Carpenter raised the issue of adding development to the scope of the Hill Country Energy Sub-Regional Planning Commission versus having a separate 391 Commission to deal with it. He reported that a large home developer had just moved out of the Comfort area, but he believes they are going to just move into Kerr County. They do have to get permits through TCEQ, unlike the lack of clear State agency permitting for BESS. There was a data center looking at Comfort about a year ago, right by Love's. He said it would be good if we could fight these developments across our three Counties. Every one of our Counties is a Priority Groundwater Management Area, which means that we do not have sufficient groundwater to just keep approving every development project that comes along, such as a data center using 1 million gallons of water daily. There's a point where this limitation has to be recognized. And if the home developer goes to Kerr County, that's going to impact Kendall County, which cannot fight on Kerr County's behalf. It needs to be done as a team. Although it is different from the BESS issue, the chance of running out of water in all our communities is as much of a threat as BESS is. So he would like for us to consider this, and he has put the matter on their Agenda in Kendall County, and is trying to get the hand ready to extend out to Kerr and Gillespie to join Kendall on this issue. Commissioner Paces informed that Rep. Virdell is planning to attend the next meeting of Kerr County Commissioners to request that the 391 Commission remit be broadened to include the 765 kV transmission lines, which is at least related to BESS. Commissioner McCall suggested that we consult with Dan Byfield on this; she thinks that the 391 should be able to encompass anything that happens within the sub-region. For Commissioner Paces, it's more a question

of whether we have the horsepower to tackle too many separate issues. Commissioner Carpenter concluded by acknowledging the tremendous amount of work which goes into this Commission just on BESS, and said that at least in the 90th Legislature, our representatives are going to see 3 Counties standing together, pushing back, and demanding legislation to help us. When the next Session opens, we need to flood the Capitol with boots on the ground.

Ms. Bullard said that she supports Commissioner Carpenter's proposal, and agrees that the remit of this Commission needs to be expanded, because BESS relates to so many things, including water, data centers, the transmission lines, and to cybersecurity. She said that the new Texas Cyber Command which is headquartered in San Antonio uses 391 Commissions as it's kind of organizational platform. She also recommends consulting with Dan Byfield about expanding the mandate. If we need extra resources to deal with new issues, we can also appoint qualified members of the public to assist the board to cover all bases. She said maybe "development" would be too broad, but perhaps "water" could be added. Commissioner Carpenter further explained his justification for having a 391 Commission to deal with development. Commissioner Paces asked whether Kendall had any discussion with Cow Creek Groundwater Conservation District? Commissioner Carpenter responded that regarding the 1100-home Comfort development, the Groundwater Conservation District (GCD) can't write a letter on something for which there has been no application. The only thing they applied for was a wastewater treatment discharge permit; they never applied for a public water well, and the GCD has no authority over discharge. But they don't want to be blindsided about something that is best addressed at the 3-County level. Commissioner Paces suggested that Commissioners Carpenter and Paces visit the Headwaters GCD, lay out the threat, and ask how they would handle it. These GCDs can also zone.

Esther Schneider suggested that there be a series of public relations meetings with the realtors and that we need to do a better job of educating the public about what to do when somebody comes and wants to buy your land, because that's really where this starts. They can't build unless they have land. Do a public meeting on what happens when you sell your land to a BESS developer, and advise landowners to at least get an attorney with experience in that field to look over their sales documents. Commissioner Paces added that he was at least as concerned about leases. Ms. Schneider responded that it could also be something posted on the Website, like "If you're considering selling or leasing your land, please be aware...."

8. Discussion and Appropriate Action on Other Administrative Matters

There was no business under this item.

9. Public Comments and Discussion

The public had participated in discussions throughout the meeting. Additional comments included:

- thanks to the Commission for its efforts to deal with this crucial issue
- a question for Kendall regarding Lennar Homes

10. Set Next Meeting Date, Location and Agenda

The next meeting will take place in the Kerr County Courthouse on Thursday, March 5th, at 1 p.m. There will be an Annual Meeting in addition to the regular business meeting.

Ms. Bullard pointed out that this meeting date is after the expiration of her term of office, and therefore that today was her final meeting as a member of the Board and Secretary. Commissioners Paces and McCall thanked Ms. Bullard on behalf of the Commission for her service.

There being no further business, the President adjourned the meeting at approximately 3:08 p.m.

*– Respectfully submitted,
Linda Bullard, Secretary*

Approved by the Board on March 5th, 2026