

**HOOD COUNTY  
CHAPTER 381 ECONOMIC DEVELOPMENT  
PROGRAM AND AGREEMENT**

This **CHAPTER 381 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT** (hereinafter referred to as the "Agreement") is made and entered into by and between **HOOD COUNTY, TEXAS**, a Texas political subdivision (hereinafter referred to as "County"), and **LUMINANT GENERATION COMPANY LLC**, a Texas limited liability company (hereinafter referred to as the "Luminant"), for the purposes and considerations stated below:

**WHEREAS**, Luminant desires to enter into this Agreement pursuant to Chapter 381 of the Texas Local Government Code (hereinafter referred to as "Chapter 381"); and

**WHEREAS**, Luminant will invest approximately \$136 million dollars in its property generally located at 4950 Power Plant Court, Granbury, Texas, in its battery assets which will improve operational efficiency and storage of energy which will increase the operational life of its turbines located on the Property; and

**WHEREAS**, the County desires to provide, pursuant to Chapter 381, an incentive to Luminant to develop the Property as defined below; and

**WHEREAS**, the County has the authority under Chapter 381 to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within Hood County, Texas; and

**WHEREAS**, the County determines that a grant of funds to Luminant will serve the public purpose of promoting local economic development and enhancing business and commercial activity within the County, and will further assist with economic development within the County; and

**WHEREAS**, the County has concluded and hereby finds that this Agreement clearly promotes economic development in Hood County, Texas, and, as such, meets the requisites under Chapter 381 of the Texas Local Government Code, and further is in the best interests of the County and Luminant; and

**WHEREAS**, the County has concluded and hereby finds that this Agreement clearly promotes economic development in the Hood County, Texas, and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution by assisting in the development and diversification of the economy of the state, by eliminating unemployment or underemployment in the state, and by the development or expansion of commerce within the state.

**NOW, THEREFORE**, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## SECTION 1. FINDINGS INCORPORATED.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

## SECTION 2. TERM.

This Agreement shall be effective as of the Effective Date of this Agreement, and shall continue thereafter until December 31, 2027, unless terminated sooner under the provisions hereof.

## SECTION 3. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- (a) **Agreement.** The word "Agreement" means this Chapter 381 Economic Development Program and Agreement, authorized by Chapter 381 of the Texas Local Government Code, together with all exhibits and schedules attached to this Agreement from time to time, if any.
- (b) **County.** The word "County" means Hood County, Texas, a political subdivision of the State of Texas, whose address for the purposes of this Agreement is 100 E. Pearl Street, Granbury, Texas 76048. Telephone is (817) 579-3200.
- (c) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between Luminant and the County.
- (d) **Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth in the section entitled "Events of Default" in this Agreement.
- (e) **Full-Time Equivalent Employment Positions.** The words "Full-Time Equivalent Employment Position" or "Full-Time Equivalent Employment Positions" mean and include a job requiring a minimum of One Thousand Eight Hundred (1,800) hours of work averaged over a twelve (12) month period.
- (f) **Luminant.** The word "Luminant" means Luminant Generation Company LLC, a Texas limited liability company, whose address for the purposes of this Agreement is 6555 Sierra Drive, Irving, Texas 75039-2479.
- (g) **Program Grant or Program Grant Payment.** The words "Program Grant" or "Program Grant Payment" mean the economic development grants paid by the County to Luminant in accordance with this Agreement.
- (h) **Property.** The word "Property" is described in *Exhibit A* of this Agreement, which is

attached hereto and incorporated herein for all purposes, and generally located at 4950 Power Plant Court, Granbury, Texas 76048.

- (i) **Qualified Expenditures.** The words "Qualified Expenditures" mean those expenditures made to the Property as described in *Exhibit B* of this Agreement, which is attached hereto and incorporated herein for all purposes, and consisting of approximately \$136 million dollars investment in its battery assets located on the Property.
- (j) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

#### **SECTION 4. OBLIGATIONS OF LUMINANT.**

Luminant covenants and agrees with County that, while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) **Qualified Expenditures.** Luminant covenants and agrees to submit to the County invoices, receipts, expenditure reports or other documentation of the Qualified Expenditures made to the Property in a form acceptable to the County for an amount within +/- fifteen percent (15%) of the budgeted amount of One Hundred Thirty-Six Million and No/100 Dollars (\$136,000,000.00) by July 1st, 2022.
- (b) **Operate Luminant Facility.** Luminant covenants and agrees by July 1st, 2022, and during the Term of this Agreement to maintain and keep operational the industrial space located on the Property.
- (c) **Job Creation and Retention.** Luminant covenants and agrees by July 1, 2022 and during the Term of this Agreement, to employ and retain or cause to be employed and retained a minimum of eleven (11) Full-Time Equivalent Employment Positions working on the Property. Luminant covenants and agrees beginning on October 1, 2023, (reporting period of July 1, 2022 to June 30, 2023), and during the Term of this Agreement, Luminant shall deliver or cause to be delivered to the County an annual compliance verification signed by a duly authorized representative of Luminant that shall certify the number of Full-Time Equivalent Employment Positions, and shall disclose and certify the average wage for all Full-Time Equivalent Employment Positions (the "Annual Compliance Verification"). Luminant covenants and agrees beginning on October 1, 2023, and annually thereafter during the Term of this Agreement, there will be a total of five (5) Annual Compliance Verifications due and submitted to the County covering the Full-Time Equivalent Employment Positions created and maintained during the Term of this Agreement. All Annual Compliance Verifications shall include quarterly IRS 941 returns, or Texas Workforce Commission Employer Quarterly Reports.
- (d) **Payment of Ad Valorem Taxes.** Luminant covenants and agrees to pay by January 31<sup>st</sup> of each year all of the real and business personal ad valorem taxes due for the previous tax year on the Property. Luminant shall have the right to contest the appraised value of the

Property as provided by law.

(e) **Performance.** Luminant agrees to perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between Luminant and County.

#### **SECTION 5. OBLIGATIONS OF COUNTY.**

County covenants and agrees with Luminant that, while this Agreement is in effect, it shall comply with the following terms and conditions:

(a) **Program Grant Payments.** The County covenants and agrees to make a Program Grant Payment to Luminant based upon the following percentages:

<b>Tax Year</b>	<b>Percentage of County Ad Valorem Taxes Reimbursed</b>
Year 1	70%
Year 2	60%
Year 3	50%
Year 4	40%
Year 5	30%

Notwithstanding the foregoing, the County shall have no obligation to pay Luminant any Program Grant Payment until receipt of the Annual Compliance Verification required pursuant to Section 4(c) of this Agreement and notification by Luminant that it would like to initiate Year 1 of the rebate period. The County covenants and agrees to provide the Program Grant Payment to Luminant within thirty (30) days following receipt of the latter of: (1) ad valorem taxes paid to the County for the Property; and (2) the Annual Compliance Verification.

(b) **Performance.** County agrees to perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements between Luminant and County.

#### **SECTION 6. EVENTS OF DEFAULT.**

Each of the following shall constitute an Event of Default under this Agreement:

(a) **General Event of Default.** Failure of Luminant or the County to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement, or failure of Luminant or County to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement by and between Luminant and County is an Event of Default.

- (b) **False Statements.** Any warranty, representation, or statement made or furnished to the County by or on behalf of Luminant under this Agreement that is false or misleading in any material respect, either now or at the time made or furnished is an Event of Default.
- (c) **Insolvency.** Luminant's insolvency, appointment of receiver for any part of Luminant's property, any assignment for the benefit of creditors of Luminant, any type of creditor workout for Luminant, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Luminant is an Event of Default.
- (i) **Other Defaults.** Failure of Luminant or County to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the related documents, or failure of Luminant or County to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement between the County and Luminant is an Event of Default.

## **SECTION 7.                   EFFECT OF AN EVENT OF DEFAULT.**

In the event of default under Section 6 of this Agreement, the non-defaulting party shall give written notice to the other party of any default, and the defaulting party shall have thirty (30) days to cure said default. Should said default remain uncured as of the last day of the applicable cure period and the non-defaulting party is not otherwise in default, the non-defaulting party shall have the right to immediately terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default. In the event Luminant defaults and is unable or unwilling to cure said default within the prescribed time period, the financial assistance provided pursuant to Section 5(a) of this Agreement, shall become immediately due and payable by Luminant to the County.

## **SECTION 8.                   INDEMNIFICATION.**

Luminant shall indemnify, save, and hold harmless County, its directors, officers, agents, attorneys, and employees (collectively, the "Indemnitees") from and against: (i) any and all claims, demands, actions or causes of action that are asserted against any Indemnitee if the claim, demand, action or cause of action directly or indirectly relates to tortious interference with contract or business interference, or wrongful or negligent use of County's financial assistance by Luminant or its agents and employees; (ii) any administrative or investigative proceeding by any governmental authority directly or indirectly related, to a claim, demand, action or cause of action in which County is a disinterested party; (iii) any claim, demand, action or cause of action which directly or indirectly contests or challenges the legal authority of County or Luminant to enter into this Agreement and related issues; and (iv) any and all liabilities, losses, costs, or expenses (including reasonable attorneys' fees and disbursements) that any Indemnitee suffers or incurs as a result of any of the foregoing; provided, however, that Luminant shall have no obligation under this Section to County with respect to any of the foregoing arising out of the gross negligence or willful misconduct of County or the breach by County of this Agreement. If any claim, demand, action or cause of action is asserted against any Indemnitee, such Indemnitee shall promptly notify

Luminant, but the failure to so promptly notify Luminant shall not affect Luminant's obligations under this Section unless such failure materially prejudices Luminant's right to participate in the contest of such claim, demand, action or cause of action, as hereinafter provided. If requested by Luminant in writing, as so long as no Default or Event of Default shall have occurred and be continuing, such Indemnitee shall in good faith contest the validity, applicability and amount of such claim, demand, action or cause of action and shall permit Luminant to participate in such contest. Any Indemnitee that proposes to settle or compromise any claim, demand, action, cause of action or proceeding for which Luminant may be liable for payment of indemnity hereunder shall give Luminant written notice of the terms of such proposed settlement or compromise reasonably in advance of settling or compromising such claim or proceeding and shall obtain Luminant's concurrence thereto.

## **SECTION 9. MISCELLANEOUS PROVISIONS.**

The following miscellaneous provisions are a part of this Agreement:

- (a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.
- (b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hood County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Hood County, Texas.
- (c) **Assignment.** This Agreement may not be assigned without the express written consent of the other party.
- (d) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. County warrants and represents that the individual executing this Agreement on behalf of County has full authority to execute this Agreement and bind County to the same. Luminant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.
- (e) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- (f) **Filing in Deed Records.** This Agreement shall be filed in the deed records of Hood County, Texas. The provisions of this Agreement shall be deemed to run with the land and shall be binding on heirs, successors and assigns of Luminant.
- (g) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement

that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.

(h) Notices. Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered either by facsimile (with electronic information and a certified mailed copy to follow) or by hand or (ii) three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified with return receipt requested, and addressed as follows:

if to Luminant: Luminant Generation Company LLC  
6555 Sierra Drive  
Irving, Texas 75039-2479  
Attn: Corey Juhl, Director of Development &  
Corporate Strategy  
Telephone: (507) 820-0670

Vistra Corp.  
6555 Sierra Drive  
Irving, Texas 75039-2479  
Attn: Carla Howard, SVP & General Tax Counsel  
Telephone: (214) 812-4800

if to County: Hood County, Texas  
100 E. Pearl Street  
Granbury, Texas 76048  
Attn: Ron Massingill, County Judge  
Telephone: (817) 579-3200

Any party may, from time to time, specify as its notice address for purposes of this Agreement any other address upon the giving of ten (10) days' prior written notice thereof to the other party hereto.

- (i) **Revenue Sharing Agreement:** The County designates this Agreement as a revenue sharing agreement, thereby entitling the County to request the County Sales and Use Tax information from the State Comptroller, pursuant to section 323.3022 of the Texas Tax Code, as amended.
- (j) **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

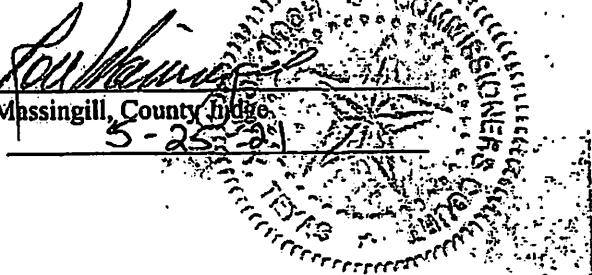
- (k) **Sovereign Immunity.** No party hereto waives any statutory or common law right to sovereign immunity by virtue of its execution hereof.
- (l) **Undocumented Workers.** Luminant certifies that Luminant does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Luminant is convicted of a violation under 8 U.S.C. § 1324a(f), Luminant shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%), not later than the 120th day after the date the County notifies Luminant of the violation.
- (m) In accordance with Chapter 2270 of the Texas Government Code, a Texas governmental entity may not enter into an agreement with a business entity for the provision of goods or services unless the agreement contains a written verification from the business entity that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the agreement. Chapter 2270 of the Texas Government Code does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) the contract has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless Luminant is not subject to Chapter 2270 of the Texas Government Code for the reasons stated herein, the signatory executing this Agreement on behalf of Luminant verifies that Luminant does not boycott Israel and will not boycott Israel during the Term of this Agreement.
- (n) In accordance with Section 2252.152 of the Texas Government Code, the Parties covenant and agree that Luminant is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Government Code.

[The Remainder of this Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

**COUNTY:**

**HOOD COUNTY, TEXAS**  
A Texas political subdivision

By:   
Ron Massingill, County Judge  
Date Signed: 5-25-21

**ATTEST:**

  
Katie Lang, County Clerk

**STATE OF TEXAS**

§  
§  
§

**COUNTY OF HOOD**

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, by Ron Massingill, County Judge of Hood County, Texas, a Texas political subdivision, on behalf of said political subdivision.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Page 9 of 16

**LUMINANT:**

**LUMINANT GENERATION COMPANY LLC,  
A Texas limited liability company,**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**STATE OF TEXAS**

**S**

**COUNTY OF \_\_\_\_\_**

**S**

**S**

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, \_\_\_\_\_ of Luminant Generation Company, LLC, a Texas limited liability company, on behalf of said company.

\_\_\_\_\_  
Notary Public, State of Texas

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Page 10 of 16

*Exhibit A*

[Legal Description and/or  
Depiction of the Property]

## Legal Description

### Tract 1 - 101.9 acres

A tract of land situated in the County of Hood, State of Texas being a part of the John Chenowith Survey (A-84) and the Wherry Adams Survey (A-1) and a part of the Frank Mabery pro-party as conveyed by deed dated June 1, 1954, from W. M. Mabery, et ux, and recorded in Volume 111, Page 220 of the Deed Records of Hood County, Texas, and being more particularly described as follows:

From the northeast corner of the Lynn Sweatt property, same being, in the common line of the Frank Mabery and J. W. Ables properties, south 33° 50' east 10.5 feet to the point of beginning, said point being situated in the common line between the Frank Mabery and Lynn Sweatt properties, et ux;

Thence north 79° east 165.57 feet to a point in the west line of the Brazos River Authority Tract 123-1;

Thence with the west line of the said Brazos River Authority Tract 123-1; south 40° 16' east 13.8 feet north 80° 44' east 60.65 feet, south 34° 38' east 210.49 feet, south 22° 07' east 184.15 feet, and south 52° 35' west 102.15 feet to a point at the most westerly southwest corner of the Brazos River Authority Tract 123-1;

Thence with the south line of the said Brazos River Authority Tract 123-1; north 76° 42' east 198.66 feet, south 80° 01' east 84.04 feet, north 7° 45' east 293.44 feet, north 65° 03' west 204.8 feet, north 40° 52' west 141.05 feet, north 11° 55' east 117.78 feet, north 46° 37' east 253.05 feet, south 36° 16' east 174.95 feet, north 88° 08' east 263.73 feet, north 68° 33' east 115.78 feet, south 40° 45' east 142.86 feet, south 75° 19' east 214.18 feet, north 65° 45' east 100.2 feet, north 20° 36' east 303.75 feet, north 78° 37' east 165.9 feet, south 76° 22' east 179.9 feet, north 48° 30' east 98.85 feet, and south 79° 52' east 142.6 feet to a point at the northeast corner of the said Brazos River Authority Tract 123-1; such point also being in the common line between the Frank Mabery and R. E. Mabery properties;

Thence south 20° 17' east 224.1 feet, south 31° 01' east 1415.4 feet and south 29° 51' east 519.1 feet along the common line between the Frank Mabery and R. E. Mabery properties to a point at the northeast corner of the Brazos River Authority Tract 123-2;

Thence with the north line of the Brazos River Authority Tract 123-2; south 25° 48' west 110.45 feet, south 54° 28' west 122.5 east, north 59° 07' west 177.34 feet, south 37° 08' west 79.8 feet, south 1° 45' east 161.5 feet, south 49° 29' west 341.00 feet, south 53° 25' west 124.28 feet, south 49° 25' west 217 feet, south 72° 03' west 203.98 feet, north 6° 19' east 155.73 feet, north 41° 33' west 203.55 feet, north 75° 33' west 165.09 feet, north 47° 15' west 184.26 feet, north 20° 42' west 183.8 feet, north 21° 20' west 333.45 feet, north 56° 42' west 62.84 feet, south 23° 01' west 336.25 feet, south 50° 11' west 149.62 feet, north 68° 14' west 94.23 feet, north 32° 33' west 351.95 feet, north 40° 11' west 402.10 feet, and south 64° 28' west 77.4 feet to an iron stake at the northwest corner of the said Brazos River Authority Tract 123-2; such point also being in the common line between the Frank Mabery and Lynn Sweatt properties and on the 693-foot contour.

Thence north 31° 37' west 379.7 feet and north 28° 50' west 578.3 feet along the common line between the Frank Mabery and Lynn Sweat properties to the point of beginning, containing 101.9 acres, more or less.

All elevations refer to the Brazos River Authority Datum, **SAVE AND EXCEPT** the Excluded CT Property:

"Excluded CT Property" means: (a) the lessor's estate and the lessee's estate and any other rights of the lessor and lessee under the Assignment, Amendment and Restatement of the De Cordova Ground Lease, dated as of December 1, 1989, among Mesquite Power Corporation, as assignor, Texas Utilities Electric Company, as lessor, and the Connecticut National Bank, as owner trustee, recorded in Hood County, Texas under Volume 1271, Page 1 (the "Ground Lease") as amended, restated, supplemented or otherwise modified; (b) the De Cordova Common Site and the De Cordova Construction Site as defined in the Ground Lease; (c) the four combustion turbine electric generating units and associated equipment comprising the De Cordova Facility as defined in (and all other assets or property lease pursuant to) the Lease Agreement, dated as of December 1, 1989, between The Connecticut National Bank, as lessor and Texas Utilities Electric Company, as lessee, recorded in Hood County, Texas under Volume 1271, Page 75, as amended, restated, supplemented or otherwise modified (the "Lease"); (d) the lessee's estate and the rights of the lessee under the Lease; (e) the assets and property comprising the Indenture Estate under and as defined in (or that are otherwise the subject of) the Trust Indenture, Security Agreement and Mortgage, dated as of December 1, 1989, among the Connecticut National Bank, as owner trustee, Texas Utilities Electric Company, and the First National Bank of Chicago, as indenture trustee, recorded in Hood County, Texas under Volume 1271, page 324, as amended, restated, supplemented or otherwise modified (the "Trust Indenture"); (f) the assets and property comprising the trust estate under, or otherwise the subject of, the Trust Agreement, dated as of December 1, 1988 between Philip Morris Credit Corporation, as original owner participant, and Shawmut Bank Connecticut, as owner trustee, as amended, restated, supplemented or otherwise modified (the "Trust Agreement"); and (g) any other property or assets that pursuant to the Ground Lease, the Lease, the Trust Indenture, the Trust Agreement, the Operative Documents (as defined in the Lease) or any other agreement or document relating to the transactions contemplated by the foregoing (the "Relevant Documents") the granting of a lien, mortgage or security instrument of the perfecting thereof (i) would be prohibited or restricted without the consent by any other party thereto (other than a Credit Party, as defined in the Credit Agreement) or would create any obligations thereunder on the part of the Grantor, unless all such consents have been obtained and such obligations complied with (ii) would represent a breach or default thereunder or give any other party thereto (other than a Credit Party) the right to terminate its obligations or the Grantor's rights thereunder (with or without the lapse of time, the giving of notice, or both), (iii) would give any other party thereto (other than a Credit Party) the right to accelerate the Grantor's obligations thereunder (with or without the lapse of time, the giving of notice, or both) or (iv) would be prohibited by the terms of such Relevant Documents (other than to the extent that any such prohibition, restriction or obligation referred to in clauses (i), (ii), (iii) and (iv) would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the applicable Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law) (it being understood that the foregoing shall not be deemed to obligate the Grantor to obtain such consent or comply with such obligations).

Tract 2 – 138.3 acres

A tract of land situated in the county of Hood, state of Texas, being a part of the Wherry Adams Survey (A-1) and a part of the John Chenowith Survey (A-118) and a part of the R. E. Mabery, et ux, property as conveyed by deed from Sam M. Russell and C. O. McMillan and recorded in Volume 97, Page 152 of the Deed Records of Hood County, Texas and a part of the R. E. Mabery, et ux, property as conveyed by deed dated November 15, 1949, from Sam X. Russell and C. O. McMillan, Trustee, and recorded in Volume 100, Page 296 of the Deed Records, and a part of the R. E. Mabery property as conveyed by deed dated December 6, 1926, from J. M. Mabery, et ux, and recorded in Volume 67, Page 210 of the said Deed Records and a part of the R. E. Mabery, et ux, property as conveyed by deed dated January 23, 1934, from W. A. Vaughan, et al, and recorded in Volume 110, Page 343 of the said Deed Records, and being more particularly described as follows:

From the Northwest corner of the R. E. Mabery, et ux, property same being in the common line of the Frank Mabery, et ux, property and the R. E. Mabery, et ux, property, south 29° 17' east, 520 feet, more or less, to the point of beginning, said point of beginning being situated at the point of intersection of the 693-foot contour and the common line between the R. E. Mabery, et ux, and Frank Mabery, et ux, properties and also being the most southerly northwest corner of Brazos River Authority Tract 131-1:

Thence along the south line of the said Brazos River Authority Tract 131-1 as follows:

Thence south 85° 10' east 235.78 feet to a point;

Thence north 53° 03' east 333.49 feet to a point;

Thence north 84° 15' east 376.15 feet to a point;

Thence north 39° 28' east 371.52 feet to a point;

Thence south 88° 16' east 197.30 feet to a point;

Thence north 54° 55' east 269.65 feet to a point;

Thence north 58° 53' east 271.70 feet to a point;

Thence south 57° 31' east 227.70 feet to a point;

Thence north 45° 28' east 274.67 feet to a point;

Thence south 69° 04' east 54.61 feet to a point;

Thence north 59° 32' east 880.28 feet to a point;

Thence north 10° 20' east 216.88 feet to a point;

Thence north 75° 20' east 80.25 feet to a point;

Thence south 61° 55' east 274.73 feet to a point;

Thence north 60° 57' east 541.22 feet to a point;

Thence north 10° 52' east 295.55 feet to a point;

Thence north 39° 46' east 183.93 feet to a point;

Thence north 80° 29' east 220.15 feet to a point at an interior corner of the said Brazos River Authority Tract 131-1 and the most easterly corner of this tract.

Thence continuing with the interior north line of the said Brazos River Authority Tract 131-1 as follows:

Thence south 12° 17' west 747.50 feet to a point;

Thence south 81° 24' east 138.24 feet to a point;

Thence south 27° 23' west 878.50 feet to a point;

Thence south 34° 03' west 262.55 feet to a point;

Thence south 45° 24' west 438.95 feet to a point;

Thence south 46° 20' west 685.75 feet to a point;

Thence south 62° 49' west 322.18 feet to a point;

Thence south  $56^{\circ} 04'$  west 649.90 feet to a point;  
Thence south  $63^{\circ} 42'$  west 282.10 feet to a point;  
Thence south  $16^{\circ} 33'$  west 335.70 feet to a point;  
Thence north  $53^{\circ} 47'$  west 412.46 feet to a point;  
Thence south  $05^{\circ} 22'$  west 227.70 feet to a point;  
Thence south  $14^{\circ} 03'$  west 332.23 feet to a point;  
Thence south  $64^{\circ} 37'$  west 257.75 feet to a point;  
Thence south  $18^{\circ} 33'$  east 72.92 feet to a point;

Thence south  $16^{\circ} 56'$  east 94.55 feet to a point in the common line between the R. E. Mabery, et ux, property; such point being at the point of intersection with the 693-foot contour and the common line between the R. E. Mabery, et ux and Frank Mabery, et ux, properties and also being the most westerly southwest corner of the said Brazos River Authority Tract 131-1;

Thence north  $29^{\circ} 28'$  west 519.1 feet, thence north  $30^{\circ} 43'$  west 1434.62 feet and thence north  $29^{\circ} 24'$  west 224.1 feet along the common line between the Frank Mabery, et ux and R. E. Mabery, et ux, property to the point of beginning and containing 138.3 acres, more or less.

***Exhibit B***

**[Qualified Expenditures]**

The standalone energy storage project with a nameplate capacity of 260 MW / 260 MWh consists of the following components:

- 86 - Power Conversion System (PCS) which includes an inverter and medium voltage transformer
- 86 - Battery Unit (40ft containerized enclosure) which is populated with Li-ion battery modules, battery switchgear, battery management system (BMS), fire protection and cabling.
- 1 - 138kV substation which includes a Generator Step-up Unit (GSU), breaker and modifications to the existing 138kV bus.