

Wage Requirements

Wage NAICS Code

22

Indicate the NAICS level used

Statewide

Texas Workforce Commission Quarterly Census of Employment and Wages Area

Texas

Annual Wages

Wage Reporting Year	Wage Reporting Quarter	Average Weekly Wage
2024	Q2	\$2,335.25
2024	Q3	\$2,335.25
2024	Q4	\$2,335.25
2025	Q1	\$2,335.25
Average Annual Wage: \$121,433		110% of Average Annual Wage: \$133,576

Texas Workforce Commission

A Member of Texas Workforce Solutions

Joe Esparza, Chairman
Commissioner Representing
Employers

Alberto Treviño III
Commissioner Representing
Labor

Brent Connett
Commissioner Representing
the Public

Randy Townsend
Interim Executive Director

December 10, 2025

Mr. Rob Coleman
Associate Deputy Comptroller for Operations and Support
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Coleman:

The Texas Workforce Commission (TWC) was asked by the Office of the Governor's Economic Development and Tourism Office (EDT) to review wage data for Project Thomas Train, also known as Jobs, Energy, Technology, and Innovation (JETI) program application #J0022. EDT made this request based on concerns brought to them regarding the accuracy of published Quarterly Census of Employment and Wages (QCEW) data for the project location and industry. TWC is committed to ensuring that wage determinations for proposed JETI projects are grounded in objective, high-quality labor market data and we appreciate the opportunity to investigate this matter.

As referenced in the Comptroller's rule, TWC uses data from the QCEW to calculate the wage requirement for submitted projects. The methodology prioritizes the use of local, industry-specific wage data wherever possible, beginning at the county level and progressing to broader geographies only when data at the local level does not meet minimum quality expectations. These expectations ensure the reliability and representativeness of wage information and are designed to align with Comptroller rules and the intent of the legislation.

TWC deems local data unavailable when there are insufficient businesses where the average would be a reliable indicator of labor market trends or when the data is not consistent with statewide industry trends. In those cases, we apply a structured fallback process that considers regional, statewide, and sector-wide data. In all cases, the final selected wage reflects the most detailed and geographically relevant data that meets basic quality criteria. This approach helps ensure consistency and transparency across all project evaluations. It is important to note that this analysis is not part of standard published QCEW; rather, it is an internal methodology applied for JETI purposes. JETI applicants with concerns about QCEW data may request this review based on their project criteria.

Due to insufficient data at the county and regional and statewide detailed industry levels, TWC recommends using QCEW statewide sector wage and employment data to calculate an average annual wage of \$121,433 for NAICS 22 (Utilities). This amount is calculated using wage and employment data during the most recent four quarters ending with 2025 Q1. Please feel free to contact us if additional detail or clarification is needed regarding this methodology or its application to specific projects.

Sincerely,



Mary York
Division Director
Workforce Development

cc: Randy Townsend, Interim Executive Director, Texas Workforce Commission
Adriana Cruz, Executive Director, Economic Development & Tourism, Office of the Governor

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Project Thomas

Energy Forge One LLC

**Jobs, Energy, Technology & Innovation Act (JETI)
Application: Economic Benefit Statement**

Prepared by Kroll Tax Services
FRIDAY, 12 DECEMBER 2025

December 12, 2025

Desiree Caufield
Interim Economic Development Manager
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th St.
Austin, TX 78774

Re: Energy Forge One LLC – JETI EBS Statement

Dear Ms. Caufield,

Please accept the following as a detailed analysis of the estimated economic benefits associated with the potential development of Energy Forge One LLC, also referred to as “Project Thomas”, to the surrounding community and State of Texas. This analysis contains detailed projections, estimates of project investment and job creation, and econometric estimates of the monetary benefit to the surrounding community, as requested in the JETI application pursuant to Texas Government Code Title 4, Subtitle A, Chapter and Sub-Section 403.608.

Our estimates are based on conservative, well-documented assumptions, avoiding duplication of impacts. Speculative revenues from ancillary sources such as tourism, fines, and hotel stays have been excluded to maintain defensibility. While these revenues would undoubtedly benefit the State and local community, the lack of solid metrics precludes their inclusion in a sound analysis. Kroll’s estimates are grounded in substantial, credible, and reasonable metrics and assumptions, taking into account local economic factors, wages, intra-industry spending, and market conditions to deliver an accurate assessment of community benefits.

A bulleted list of the estimates requested is included below as an executive summary.

- Sec. 403.608(b)(1) – The Project would create **25 permanent full-time jobs** and a peak **2,000 construction jobs** during construction.
- Sec. 403.608(b)(2) – The Project would entail a total of **~\$6.5B** in **capital investment, including ~\$84M in real property** and **~\$6.4B in personal property**.
- Sec. 403.608(b)(3) – The average estimated **valuation of new property** is **~\$3.3B**. This value is calculated by averaging the estimated taxable value of all years 2026 through 2064.
- Sec. 403.608(b)(4) – The Project would create an estimated ad valorem property tax liability of **~\$2.2B** across all taxing jurisdictions, including the local school district.

Jobs, Energy, Technology & Innovation Act
(JETI) Application: Economic Benefit
Statement

- Sec. 403.608(b)(5) – It is estimated that **state tax revenue** would be **~\$552M**, directly attributable to the Project’s activities. The **total direct state and local tax revenue** is estimated to be **~\$2.8B**.
 - The indirect economic impact of the Project would generate an estimated **~\$8.4B** in state and local taxes.
 - The total direct and indirect economic impact of the Project would generate an estimated **~\$11.1B** in state and local taxes.
- Sec. 403.608(b)(6) - These subsections include an estimate of the wider economic impact benefits reasonably attributed to the Project’s activities over the 39 years of this analysis:
 - (A) On average, an estimated **~1,852 permanent jobs would be supported and created by local businesses** as a result of the Project activities. It is reasonably assumed that the impact is positive on the surrounding businesses.
 - (B) The indirect economic impact of the Project would generate an estimated **~\$8.4B in state and local taxes**.
 - (C) Although it is not known if any businesses are locating to the area as a direct result of the project, it is anticipated that the Project will spur **\$211M in local business expenditures**. See *Section 4 on project economic impact analysis*
 - (D) It is estimated that the State of Texas would **increase its GDP by ~\$99B** as a result of the Project.
 - (E) It is estimated that earnings within the State of Texas would increase by **~\$6.3B** as a result of the Project.
 - (F) The total direct and indirect economic impact of the Project would generate an estimated **~\$11.1B in state and local taxes**.

Sincerely,



Tony Schum

Managing Director

Kroll Site Selection and Incentive Advisory

Table of Contents

01	Energy Forge One LLC – Job Creation and Capital Investment.....	4
	Total Number of Permanent and Temporary Job Creation – Subsections (1) and (2)	5
02	Energy Forge One LLC - Property Value Increases and Ad Valorem Taxes.....	8
	Increases in Proposed Value of Property and Estimated Ad Valorem Taxes - Subsections (3) and (4).....	9
03	Energy Forge One LLC - State Tax Revenue and Project Economic Impact Analysis.....	11
	Estimated State Tax Revenue and Project Economic Impact Analysis - Subsections (5) and (6)	12
	Direct and Indirect Tax	16
	Complementary Businesses and Industry Growth Table	17
	Direct and Indirect Economic Impacts on Earnings	18

SECTION 01

Energy Forge One LLC – Job Creation and Capital Investment

Total Number of Permanent and Temporary Job Creation – Subsections (1) and (2)

Sec. 403.608 (b) (1) and (2) require that the estimated number of total jobs and total amount of capital investment be provided in connection with the Project, beginning with the date of the construction of the project and looking forward twenty-five years after the end of the incentive term (ten years), for a total of 39 years of economic benefit.

(1) Job Creation

The Company intends to create **25** new full-time, permanent positions with an estimated total annual payroll of **~\$3.5M** at the start of operations. These positions are expected to provide wages consistent with regional manufacturing and advanced energy benchmarks. The projected Net New Job Creation fluctuates because of temporary construction hiring, which has been estimated by the Company, including earnings. During peak construction, up to **2,000** temporary construction jobs are anticipated. These jobs are not counted as permanent positions but are included in overall economic impact analysis.

Energy Forge One LLC – Job Creation and Capital Investment

Job Creation Schedule						
Calendar Year	Project Year	Net New Job Creation	Total Headcount	Permanent Job Payroll	Construction Payroll	Total Payroll
2026	1	571	571	\$0	\$62,857,143	\$62,857,143
2027	2	584	1156	\$1,736,488	\$125,714,286	\$127,450,774
2028	3	580	1736	\$2,997,445	\$188,571,429	\$191,568,874
2029	4	289	2025	\$3,474,312	\$220,000,000	\$223,474,312
2030	5	-2000	25	\$3,543,798	\$0	\$3,543,798
2031	6	0	25	\$3,614,674	\$0	\$3,614,674
2032	7	0	25	\$3,686,967	\$0	\$3,686,967
2033	8	0	25	\$3,760,707	\$0	\$3,760,707
2034	9	0	25	\$3,835,921	\$0	\$3,835,921
2035	10	0	25	\$3,912,639	\$0	\$3,912,639
2036	11	0	25	\$3,990,892	\$0	\$3,990,892
2037	12	0	25	\$4,070,710	\$0	\$4,070,710
2038	13	0	25	\$4,152,124	\$0	\$4,152,124
2039	14	0	25	\$4,235,167	\$0	\$4,235,167
2040	15	0	25	\$4,319,870	\$0	\$4,319,870
2041	16	0	25	\$4,406,267	\$0	\$4,406,267
2042	17	0	25	\$4,494,393	\$0	\$4,494,393
2043	18	0	25	\$4,584,281	\$0	\$4,584,281
2044	19	0	25	\$4,675,966	\$0	\$4,675,966
2045	20	0	25	\$4,769,486	\$0	\$4,769,486
2046	21	0	25	\$4,864,875	\$0	\$4,864,875
2047	22	0	25	\$4,962,173	\$0	\$4,962,173
2048	23	0	25	\$5,061,416	\$0	\$5,061,416
2049	24	0	25	\$5,162,645	\$0	\$5,162,645
2050	25	0	25	\$5,265,897	\$0	\$5,265,897
2051	26	0	25	\$5,371,215	\$0	\$5,371,215
2052	27	0	25	\$5,478,640	\$0	\$5,478,640
2053	28	0	25	\$5,588,212	\$0	\$5,588,212
2054	29	0	25	\$5,699,977	\$0	\$5,699,977
2055	30	0	25	\$5,813,976	\$0	\$5,813,976
2056	31	0	25	\$5,930,256	\$0	\$5,930,256
2057	32	0	25	\$6,048,861	\$0	\$6,048,861
2058	33	0	25	\$6,169,838	\$0	\$6,169,838
2059	34	0	25	\$6,293,235	\$0	\$6,293,235
2060	35	0	25	\$6,419,100	\$0	\$6,419,100
2061	36	0	25	\$6,547,482	\$0	\$6,547,482
2062	37	0	25	\$6,678,431	\$0	\$6,678,431
2063	38	0	25	\$6,812,000	\$0	\$6,812,000
2064	39	0	25	\$6,948,240	\$0	\$6,948,240
Total				\$185,378,575	\$597,142,857	\$782,521,432

CWIP Years
 Incentive Period



(2) Capital Investment

The Company has proposed a capital investment of approximately **\$6.5B**. The total real property investment expenditure is an estimated **\$84M**, with an additional estimated **\$6.4B** in personal property expenditures. While the Company would have regular capital upgrades, only the investment related to this Project construction is accounted for in the table below.

Estimated Capital Investment				
Calendar Year	Project Year	Real Property	Personal Property	Total Investment
2026	1	\$84,000,000	\$3,407,000,000	\$3,491,000,000
2027	2	\$0	\$1,934,000,000	\$1,934,000,000
2028	3	\$0	\$959,000,000	\$959,000,000
2029	4	\$0	\$119,000,000	\$119,000,000
2030-2039	5-14	\$0	\$0	\$0
2040-2064	15-39	\$0	\$0	\$0
Total		\$84,000,000	\$6,419,000,000	\$6,503,000,000

CWIP Years

Incentive Period

SECTION 02

Energy Forge One LLC - Property Value Increases and Ad Valorem Taxes

Increases in Proposed Value of Property and Estimated Ad Valorem Taxes - Subsections (3) and (4)

Sec. 403.608 (b) (3) and (4) require that the increase in appraised value of the property and the estimated amount of ad valorem taxes paid are stated in connection with the Project beginning with the date of the construction of the Project and looking forward twenty-five years after the end of the incentive term (ten years), for a total of thirty-nine years of economic benefit.

(3) Value of Property

The Company estimated asset valuation has been projected as follows. The estimated taxable value of new property averages ~\$3.3B across the construction, incentive, and 25-year post-incentive periods.

Estimated Asset Valuation							
Calendar Year	Project Year	Tax Year	Valuation	Calendar Year	Project Year	Tax Year	Valuation
2026*	1	2026	\$0	2046	21	2046	\$3,531,129,000
2027	2	2027	\$2,441,250,000	2047	22	2047	\$3,394,566,000
2028	3	2028	\$2,872,800,000	2048	23	2048	\$3,258,003,000
2029	4	2029	\$2,926,350,000	2049	24	2049	\$3,121,440,000
2030	5	2030	\$5,716,137,000	2050	25	2050	\$2,984,877,000
2031	6	2031	\$5,579,574,000	2051	26	2051	\$2,848,314,000
2032	7	2032	\$5,443,011,000	2052	27	2052	\$2,711,751,000
2033	8	2033	\$5,306,448,000	2053	28	2053	\$2,575,188,000
2034	9	2034	\$5,169,885,000	2054	29	2054	\$2,438,625,000
2035	10	2035	\$5,033,322,000	2055	30	2055	\$2,302,062,000
2036	11	2036	\$4,896,759,000	2056	31	2056	\$2,165,499,000
2037	12	2037	\$4,760,196,000	2057	32	2057	\$2,028,936,000
2038	13	2038	\$4,623,633,000	2058	33	2058	\$1,892,373,000
2039	14	2039	\$4,487,070,000	2059	34	2059	\$1,755,810,000
2040	15	2040	\$4,350,507,000	2060	35	2060	\$1,755,810,000
2041	16	2041	\$4,213,944,000	2061	36	2061	\$1,755,810,000
2042	17	2042	\$4,077,381,000	2062	37	2062	\$1,755,810,000
2043	18	2043	\$3,940,818,000	2063	38	2063	\$1,755,810,000
2044	19	2044	\$3,804,255,000	2064	39	2064	\$1,755,810,000
2045	20	2045	\$3,667,692,000	Average Value			\$3,310,221,923

CWIP Years
Incentive Period

*2026 is Project Year 1. In this year, the valuation of property for tax purposes is \$0 due to no investment occurring in 2025 that increases appraisal value.

Energy Forge One LLC - Property Value Increases and Ad Valorem Taxes

(4) Ad Valorem Taxes

The Company's estimated property tax liabilities are displayed in the table below. It is estimated that without economic development incentives, the Company would pay ~\$2.2B in property taxes through CWIP, the incentive period, and twenty-five following years.

Estimated Property Taxes										
Calendar Year	Project Year	Tax Year	Reeves County	Reeves County Groundwater Conservation District	Emergency Services District #1	Emergency Services District #2	Reeves County Hospital District	PBTISD M&O	PBTISD I&S	Total Property Taxes
2026*	1	2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2027	2	2027	\$9,059,743	\$67,336	\$1,949,167	\$1,918,878	\$2,726,444	\$16,405,481	\$8,080,312	\$40,207,361
2028	3	2028	\$10,677,264	\$79,358	\$2,297,170	\$2,261,473	\$3,213,222	\$19,334,505	\$9,522,965	\$47,385,957
2029	4	2029	\$10,892,606	\$80,959	\$2,343,500	\$2,307,083	\$3,278,027	\$19,724,449	\$9,715,027	\$48,341,652
2030	5	2030	\$21,308,806	\$158,376	\$4,584,503	\$4,513,263	\$6,412,684	\$38,586,217	\$19,005,152	\$94,569,001
2031	6	2031	\$20,830,922	\$154,824	\$4,481,688	\$4,412,046	\$6,268,869	\$37,720,858	\$18,578,930	\$92,448,137
2032	7	2032	\$20,351,556	\$151,262	\$4,378,555	\$4,310,514	\$6,124,608	\$36,852,817	\$18,151,387	\$90,320,699
2033	8	2033	\$19,870,705	\$147,688	\$4,275,102	\$4,208,669	\$5,979,901	\$35,982,087	\$17,722,520	\$88,186,670
2034	9	2034	\$19,388,365	\$144,103	\$4,171,328	\$4,106,508	\$5,834,745	\$35,108,661	\$17,292,326	\$86,046,036
2035	10	2035	\$18,904,534	\$140,507	\$4,067,234	\$4,004,031	\$5,689,141	\$34,232,534	\$16,860,801	\$83,898,781
2036	11	2036	\$18,419,208	\$136,900	\$3,962,818	\$3,901,238	\$5,543,086	\$33,353,700	\$16,427,942	\$81,744,892
2037	12	2037	\$17,932,383	\$133,281	\$3,858,079	\$3,798,127	\$5,396,581	\$32,472,153	\$15,993,747	\$79,584,351
2038	13	2038	\$17,444,056	\$129,652	\$3,753,018	\$3,694,698	\$5,249,624	\$31,587,885	\$15,558,212	\$77,417,146
2039	14	2039	\$16,954,224	\$126,011	\$3,647,633	\$3,590,950	\$5,102,213	\$30,700,892	\$15,121,335	\$75,243,259
2040	15	2040	\$16,462,883	\$122,359	\$3,541,923	\$3,486,883	\$4,954,349	\$29,811,167	\$14,683,112	\$73,062,677
2041	16	2041	\$15,970,030	\$118,696	\$3,435,887	\$3,382,496	\$4,806,030	\$28,918,704	\$14,243,541	\$70,875,383
2042	17	2042	\$15,475,662	\$115,022	\$3,329,526	\$3,277,787	\$4,657,254	\$28,023,496	\$13,802,617	\$68,681,364
2043	18	2043	\$14,979,774	\$111,336	\$3,222,838	\$3,172,757	\$4,508,021	\$27,125,537	\$13,360,339	\$66,480,602
2044	19	2044	\$14,482,364	\$107,639	\$3,115,822	\$3,067,404	\$4,358,330	\$26,224,822	\$12,916,703	\$64,273,084
2045	20	2045	\$13,983,428	\$103,931	\$3,008,478	\$2,961,728	\$4,208,180	\$25,321,343	\$12,471,706	\$62,058,794
2046	21	2046	\$13,482,963	\$100,211	\$2,900,805	\$2,855,728	\$4,057,570	\$24,415,095	\$12,025,345	\$59,837,717
2047	22	2047	\$12,980,964	\$96,480	\$2,792,802	\$2,749,403	\$3,906,498	\$23,506,071	\$11,577,617	\$57,609,836
2048	23	2048	\$12,477,430	\$92,738	\$2,684,468	\$2,642,753	\$3,754,964	\$22,594,265	\$11,128,519	\$55,375,137
2049	24	2049	\$11,972,355	\$88,984	\$2,575,804	\$2,535,777	\$3,602,967	\$21,679,671	\$10,678,047	\$53,133,605
2050	25	2050	\$11,465,738	\$85,218	\$2,466,807	\$2,428,474	\$3,450,505	\$20,762,282	\$10,226,199	\$50,885,223
2051	26	2051	\$10,957,573	\$81,441	\$2,357,477	\$2,320,844	\$3,297,578	\$19,842,092	\$9,772,971	\$48,629,977
2052	27	2052	\$10,447,858	\$77,653	\$2,247,814	\$2,212,885	\$3,144,184	\$18,919,095	\$9,318,360	\$46,367,850
2053	28	2053	\$9,936,590	\$73,853	\$2,137,817	\$2,104,597	\$2,990,323	\$17,993,284	\$8,862,364	\$44,098,828
2054	29	2054	\$9,423,764	\$70,041	\$2,027,485	\$1,995,979	\$2,835,993	\$17,064,654	\$8,404,979	\$41,822,894
2055	30	2055	\$8,909,377	\$66,218	\$1,916,816	\$1,887,030	\$2,681,193	\$16,133,197	\$7,946,201	\$39,540,033
2056	31	2056	\$8,393,426	\$62,384	\$1,805,812	\$1,777,750	\$2,525,922	\$15,198,907	\$7,486,029	\$37,250,229
2057	32	2057	\$7,875,907	\$58,537	\$1,694,469	\$1,668,138	\$2,370,180	\$14,261,778	\$7,024,458	\$34,953,468
2058	33	2058	\$7,356,817	\$54,679	\$1,582,789	\$1,558,194	\$2,213,964	\$13,321,803	\$6,561,485	\$32,649,732
2059	34	2059	\$6,836,151	\$50,809	\$1,470,770	\$1,447,915	\$2,057,275	\$12,378,977	\$6,097,108	\$30,339,006
2060	35	2060	\$6,846,406	\$50,885	\$1,472,976	\$1,450,087	\$2,060,361	\$12,397,545	\$6,106,254	\$30,384,514
2061	36	2061	\$6,856,675	\$50,962	\$1,475,186	\$1,452,262	\$2,063,452	\$12,416,141	\$6,115,413	\$30,430,091
2062	37	2062	\$6,866,960	\$51,038	\$1,477,399	\$1,454,441	\$2,066,547	\$12,434,766	\$6,124,586	\$30,475,736
2063	38	2063	\$6,877,261	\$51,115	\$1,479,615	\$1,456,622	\$2,069,647	\$12,453,418	\$6,133,773	\$30,521,450
2064	39	2064	\$6,887,576	\$51,191	\$1,481,834	\$1,458,807	\$2,072,751	\$12,472,098	\$6,142,974	\$30,567,232
Total			\$490,240,306	\$3,643,678	\$105,473,214	\$103,834,222	\$147,533,183	\$887,732,446	\$437,241,354	\$2,175,698,402

CWIP Years
 Incentive Period

*2026 is Project Year 1. In this year, the valuation of property for tax purposes is \$0 due to no investment occurring in 2025 that increases appraisal value.

SECTION 03

Energy Forge One LLC - State Tax Revenue and Project Economic Impact Analysis

Estimated State Tax Revenue and Project Economic Impact Analysis - Subsections (5) and (6)

Sec. 403.608 (b)(5) requires that the amount of state taxes paid are stated in connection with the Project, beginning with the date of construction of the project and looking forward twenty-five years after the end of the incentive term (ten years), for a total of thirty-nine years of economic benefit. Sec. 403.608 (b)(6) requests an estimate of the associated economic benefits that may be reasonably attributed to the project.

(5) Estimated State Tax Revenues by Category

The estimated state tax revenues were derived from categorical objective analysis of state Franchise Tax and State Sales & Use Tax. The latter 6.25% sales tax rate is applied to taxable and non-exempt project investments, the discretionary portion of income of permanent and construction wages used in purchasing goods and services locally, and the in-migration construction workers that are provided a travel per diem. Our assumptions are notated below:

- Discretionary and disposable income percentage used to purchase local goods & services subject to sales tax: **26% of wages earned**
- Net in-migration of construction workers (i.e., construction workers that would travel to the site from out-of-state or abroad): **20%**
- Estimated number of construction days on-site, per worker, per year: **300**
- To estimate the Franchise Tax due, the **70% margin** method is utilized.

Using these categorical Franchise and Sales & Use tax methodologies, it is estimated that through CWIP, the incentive period, and twenty-five following years, State tax revenue would be ~\$552M, directly attributable to the Project's activities. Total direct State and local tax revenues associated with the Project would be approximately \$2.8B.

Estimated State and Local Tax Revenue - Project Derived						
Calendar Year	Project Year	Tax Year	Sales Tax Revenue (Local)	Sales Tax Revenue (State)	Total State Tax Revenue	Total State and Local Tax Revenue
2026*	1	2026	\$3,203,595	\$23,987,798	\$23,987,798	\$27,191,393
2027	2	2027	\$3,939,337	\$16,762,127	\$18,041,434	\$62,188,132
2028	3	2028	\$4,989,269	\$13,576,239	\$17,991,072	\$70,366,298
2029	4	2029	\$5,393,056	\$10,510,699	\$19,770,763	\$73,505,470
2030	5	2030	\$250,102	\$2,423,777	\$12,786,165	\$107,605,268
2031	6	2031	\$253,862	\$2,470,773	\$13,037,458	\$105,739,457
2032	7	2032	\$250,646	\$2,430,578	\$12,812,907	\$103,384,252
2033	8	2033	\$248,699	\$2,406,232	\$12,674,731	\$101,110,099
2034	9	2034	\$248,511	\$2,403,888	\$12,656,492	\$98,951,039
2035	10	2035	\$248,522	\$2,404,029	\$12,651,710	\$96,799,014
2036	11	2036	\$247,971	\$2,397,139	\$12,608,450	\$94,601,313
2037	12	2037	\$249,756	\$2,419,447	\$12,724,388	\$92,558,496
2038	13	2038	\$252,347	\$2,451,835	\$12,895,210	\$90,564,702
2039	14	2039	\$254,780	\$2,482,248	\$13,055,135	\$88,553,174
2040	15	2040	\$256,810	\$2,507,619	\$13,187,433	\$86,506,920
2041	16	2041	\$259,657	\$2,543,207	\$13,375,354	\$84,510,394
2042	17	2042	\$260,983	\$2,559,792	\$13,459,463	\$82,401,810
2043	18	2043	\$263,764	\$2,594,553	\$13,642,618	\$80,386,984
2044	19	2044	\$266,225	\$2,625,307	\$13,803,783	\$78,343,092
2045	20	2045	\$266,346	\$2,626,827	\$13,805,303	\$76,130,443
2046	21	2046	\$266,470	\$2,628,377	\$13,806,853	\$73,911,040
2047	22	2047	\$266,597	\$2,629,958	\$13,808,434	\$71,684,867
2048	23	2048	\$266,726	\$2,631,571	\$13,810,047	\$69,451,910
2049	24	2049	\$266,857	\$2,633,216	\$13,811,692	\$67,212,154
2050	25	2050	\$266,991	\$2,634,894	\$13,813,370	\$64,965,584
2051	26	2051	\$267,128	\$2,636,605	\$13,815,081	\$62,712,186
2052	27	2052	\$267,268	\$2,638,351	\$13,816,827	\$60,451,945
2053	28	2053	\$267,410	\$2,640,131	\$13,818,607	\$58,184,845
2054	29	2054	\$267,556	\$2,641,947	\$13,820,423	\$55,910,873
2055	30	2055	\$267,704	\$2,643,800	\$13,822,276	\$53,630,013
2056	31	2056	\$267,855	\$2,645,689	\$13,824,165	\$51,342,250
2057	32	2057	\$268,009	\$2,647,617	\$13,826,093	\$49,047,570
2058	33	2058	\$268,167	\$2,649,583	\$13,828,059	\$46,745,957
2059	34	2059	\$268,327	\$2,651,588	\$13,830,064	\$44,437,397
2060	35	2060	\$268,491	\$2,653,633	\$13,832,109	\$44,485,114
2061	36	2061	\$268,658	\$2,655,719	\$13,834,195	\$44,532,944
2062	37	2062	\$268,828	\$2,657,847	\$13,836,323	\$44,580,887
2063	38	2063	\$269,001	\$2,660,018	\$13,838,494	\$44,628,945
2064	39	2064	\$269,179	\$2,662,232	\$13,840,708	\$44,677,118
Total			\$26,691,460	\$154,826,889	\$551,601,485	\$2,753,991,346

CWIP Years
 Incentive Period



(6) Associated Economic Benefits Attributed to the Project

The following table represents Kroll's best faith of the estimate of associated economic benefits, created by utilizing the Lightcast input-output general equilibrium multipliers and tax estimates. Where Kroll has intimate knowledge of the Project, the initial projections were removed, and only the Direct (suppliers), Indirect (suppliers of suppliers), and Induced (wider economy) outputs of the Lightcast engine were utilized in creating the table below. A restatement of the summary of this subsection request is listed below:

- On average, an estimated **1,852 permanent jobs would be supported and created by local businesses** as a result of the Project activities.
- The indirect economic impact of the Project would generate an estimated liability of **approximately \$8.4B in state and local tax**.
- Although it is not known if any businesses are locating in the area as a direct result of the project, it is anticipated that the Project will spur **\$211M in local business expenditures**. See *Complementary Businesses and Industry Growth Table* in the pages below.
- It is estimated that the State of Texas would **increase its GDP by approximately \$99B** as a result of the Project activities.
- It is estimated that the State of Texas would recognize an increase in **earnings of approximately \$6.3B** as a result of the Project activities.
- It is estimated that the total direct and indirect impact on **State and local tax liabilities generated** as a result of the project **would be approximately \$11.1B**.

Energy Forge One LLC - State Tax Revenue and Project Economic Impact Analysis

Economic Impact Analysis Results							
Calendar Year	Project Year	Tax Year	(A) Average Number of Permanent Jobs Supported	(B) Total Indirect Impact on State and Local Taxes	(D) Total Impact on State GDP	(E) Total Impact on Region Earnings	(F) Total State and Local Tax Revenue
2026	1	2026	0	\$2,129,347	\$3,555,986,490	\$62,857,143	\$29,320,740
2027	2	2027	237	\$31,165,474	\$2,392,431,047	\$145,117,289	\$93,353,605
2028	3	2028	795	\$99,233,077	\$2,196,077,474	\$252,535,282	\$169,599,375
2029	4	2029	1646	\$202,191,933	\$2,481,231,715	\$351,350,685	\$275,697,403
2030	5	2030	1839	\$217,914,849	\$2,429,371,027	\$146,642,663	\$325,520,117
2031	6	2031	1874	\$222,211,069	\$2,473,281,102	\$149,534,752	\$327,950,526
2032	7	2032	1842	\$218,334,188	\$2,429,615,651	\$147,061,202	\$321,718,441
2033	8	2033	1822	\$215,940,397	\$2,401,833,853	\$145,563,002	\$317,050,496
2034	9	2034	1819	\$215,606,153	\$2,396,112,042	\$145,418,727	\$314,557,192
2035	10	2035	1819	\$215,502,610	\$2,392,855,396	\$145,427,452	\$312,301,624
2036	11	2036	1812	\$214,737,767	\$2,382,506,756	\$145,003,452	\$309,339,080
2037	12	2037	1829	\$216,706,758	\$2,401,442,545	\$146,376,254	\$309,265,253
2038	13	2038	1853	\$219,617,931	\$2,430,466,480	\$148,369,358	\$310,182,633
2039	14	2039	1876	\$222,341,503	\$2,457,473,728	\$150,240,897	\$310,894,677
2040	15	2040	1894	\$224,590,119	\$2,479,385,459	\$151,802,207	\$311,097,039
2041	16	2041	1921	\$227,793,584	\$2,511,521,003	\$153,992,234	\$312,303,977
2042	17	2042	1933	\$229,213,585	\$2,524,541,287	\$155,012,836	\$311,615,395
2043	18	2043	1959	\$232,334,215	\$2,555,775,848	\$157,151,959	\$312,721,200
2044	19	2044	1982	\$235,076,677	\$2,582,951,853	\$159,044,546	\$313,419,769
2045	20	2045	1982	\$235,076,677	\$2,580,737,563	\$159,138,065	\$311,207,120
2046	21	2046	1982	\$235,076,677	\$2,578,516,485	\$159,233,455	\$308,987,717
2047	22	2047	1982	\$235,076,677	\$2,576,288,604	\$159,330,752	\$306,761,544
2048	23	2048	1982	\$235,076,677	\$2,574,053,906	\$159,429,996	\$304,528,587
2049	24	2049	1982	\$235,076,677	\$2,571,812,373	\$159,531,224	\$302,288,831
2050	25	2050	1982	\$235,076,677	\$2,569,563,991	\$159,634,477	\$300,042,261
2051	26	2051	1982	\$235,076,677	\$2,567,308,745	\$159,739,795	\$297,788,863
2052	27	2052	1982	\$235,076,677	\$2,565,046,618	\$159,847,219	\$295,528,622
2053	28	2053	1982	\$235,076,677	\$2,562,777,596	\$159,956,792	\$293,261,522
2054	29	2054	1982	\$235,076,677	\$2,560,501,662	\$160,068,556	\$290,987,550
2055	30	2055	1982	\$235,076,677	\$2,558,218,801	\$160,182,556	\$288,706,690
2056	31	2056	1982	\$235,076,677	\$2,555,928,998	\$160,298,836	\$286,418,927
2057	32	2057	1982	\$235,076,677	\$2,553,632,236	\$160,417,441	\$284,124,247
2058	33	2058	1982	\$235,076,677	\$2,551,328,500	\$160,538,418	\$281,822,634
2059	34	2059	1982	\$235,076,677	\$2,549,017,774	\$160,661,815	\$279,514,074
2060	35	2060	1982	\$235,076,677	\$2,549,063,283	\$160,787,679	\$279,561,791
2061	36	2061	1982	\$235,076,677	\$2,549,108,859	\$160,916,061	\$279,609,621
2062	37	2062	1982	\$235,076,677	\$2,549,154,505	\$161,047,011	\$279,657,564
2063	38	2063	1982	\$235,076,677	\$2,549,200,218	\$161,180,580	\$279,705,622
2064	39	2064	1982	\$235,076,677	\$2,549,246,000	\$161,316,820	\$279,753,795
Total			1852	\$8,364,174,779	\$98,695,367,473	\$6,261,759,488	\$11,118,166,125

CWIP Years
 Incentive Period



Direct and Indirect Tax

Over the construction period, the total of state and local direct and indirect tax revenues is estimated to be over **\$233M**. Through the years of operations, this figure is estimated to be approximately **\$2.5B**. Total direct state and local direct and indirect tax revenue over the construction and operations periods is an estimated **\$2.8B**.

Direct vs. Indirect Tax Revenues for State and Local Taxing Jurisdictions During Construction Period			
	Direct Taxes	Indirect Taxes	Total Tax Revenue
State of Texas	\$55,731,338	\$24,059,728	\$79,791,066
Local Districts	\$139,197,140	\$14,263,087	\$153,460,227
Total:	\$194,928,478	\$38,322,815	\$233,251,293
Direct vs. Indirect Tax Revenues for State and Local Taxing Jurisdictions During Operating Period			
	Direct Taxes	Indirect Taxes	Total Tax Revenue
State of Texas	\$384,699,409	\$87,111,009	\$471,810,418
Local Districts	\$2,039,993,754	\$8,935,881	\$2,048,929,635
Total:	\$2,424,693,163	\$96,046,890	\$2,520,740,053

Complementary Businesses and Industry Growth Table

Using Lightcast, this table predicts the ripple effect of the applicant's investment on local industries and complementary businesses. The data suggests that the investment would result in over **\$211M** in the **development of complementary businesses**.

Development of Industries in the State			
NAICS	Development of Complementary Businesses by Industry	In-Region Purchases	Percent of Total
21	Mining, Quarrying, and Oil and Gas Extraction	\$84,031,068	40%
48	Transportation and Warehousing	\$54,531,875	26%
23	Construction	\$16,965,313	8%
44	Retail Trade	\$12,002,791	6%
22	Utilities	\$11,106,330	5%
72	Accommodation and Food Services	\$7,828,838	4%
53	Real Estate and Rental and Leasing	\$5,941,378	3%
31	Manufacturing	\$3,548,566	2%
42	Wholesale Trade	\$3,156,961	1%
90	Government	\$2,601,629	1%
54	Professional, Scientific, and Technical Services	\$2,067,836	1%
81	Other Services (except Public Administration)	\$1,898,979	1%
51	Information	\$1,853,383	1%
11	Agriculture, Forestry, Fishing and Hunting	\$1,453,127	1%
52	Finance and Insurance	\$800,099	0%
56	Administrative and Support and Waste Management and Remediation Services	\$506,799	0%
62	Health Care and Social Assistance	\$366,125	0%
71	Arts, Entertainment, and Recreation	\$273,587	0%
55	Management of Companies and Enterprises	\$113,996	0%
61	Educational Services	\$90,032	0%
Total:		\$211,138,711	100%

Direct and Indirect Economic Impacts on Earnings

The table labeled Direct, Indirect, and Induced Earnings During Construction models the total estimated payroll for construction workers required on-site due to the proposed project, as well as payroll from indirect and induced project impacts. Construction workers are shown as Indirect and Induced because they would be employed by contractors, not the applicant. This table also models the direct payroll impact for the applicant's projected employees (as would be reflected on each employee's W-2) under "Direct Construction Earnings." Over the four-year construction period, we can project that there could be an approximately **\$812M payroll impact**.

The second table labeled Direct, Indirect, and Induced Earnings During Operations shows the direct payroll impact from the applicant's projected employees and from indirect and induced sources during the facility's operations period. Over the course of 35 years of normal business operations, the proposed project could result in over **\$5.4B in payroll earnings**.

Direct, Indirect, and Induced Earnings During Construction			
Calendar Year	Direct Construction Earnings	Indirect and Induced Construction Earnings	Total Construction Earnings
2026	\$0	\$62,857,143	\$62,857,143
2027	\$1,736,488	\$143,380,801	\$145,117,289
2028	\$2,997,445	\$249,537,837	\$252,535,282
2029	\$3,474,312	\$347,876,373	\$351,350,685
Total:	\$8,208,245	\$803,652,154	\$811,860,399
Direct, Indirect, and Induced Earnings During Operations			
Calendar Year	Direct Operations Earnings	Indirect and Induced Operations Earnings	Total Operations Earnings
2030	\$3,543,798	\$143,098,865	\$146,642,663
2031	\$3,614,674	\$145,920,078	\$149,534,752
2032	\$3,686,967	\$143,374,234	\$147,061,202
2033	\$3,760,707	\$141,802,295	\$145,563,002
2034	\$3,835,921	\$141,582,806	\$145,418,727
2035	\$3,912,639	\$141,514,812	\$145,427,452
2036	\$3,990,892	\$141,012,560	\$145,003,452
2037	\$4,070,710	\$142,305,544	\$146,376,254
2038	\$4,152,124	\$144,217,233	\$148,369,358
2039	\$4,235,167	\$146,005,731	\$150,240,897
2040	\$4,319,870	\$147,482,337	\$151,802,207
2041	\$4,406,267	\$149,585,967	\$153,992,234
2042	\$4,494,393	\$150,518,444	\$155,012,836
2043	\$4,584,281	\$152,567,678	\$157,151,959
2044	\$4,675,966	\$154,368,580	\$159,044,546
2045	\$4,769,486	\$154,368,580	\$159,138,065
2046	\$4,864,875	\$154,368,580	\$159,233,455
2047	\$4,962,173	\$154,368,580	\$159,330,752
2048	\$5,061,416	\$154,368,580	\$159,429,996
2049	\$5,162,645	\$154,368,580	\$159,531,224
2050	\$5,265,897	\$154,368,580	\$159,634,477
2051	\$5,371,215	\$154,368,580	\$159,739,795
2052	\$5,478,640	\$154,368,580	\$159,847,219
2053	\$5,588,212	\$154,368,580	\$159,956,792
2054	\$5,699,977	\$154,368,580	\$160,068,556
2055	\$5,813,976	\$154,368,580	\$160,182,556
2056	\$5,930,256	\$154,368,580	\$160,298,836
2057	\$6,048,861	\$154,368,580	\$160,417,441
2058	\$6,169,838	\$154,368,580	\$160,538,418
2059	\$6,293,235	\$154,368,580	\$160,661,815
2060	\$6,419,100	\$154,368,580	\$160,787,679
2061	\$6,547,482	\$154,368,580	\$160,916,061
2062	\$6,678,431	\$154,368,580	\$161,047,011
2063	\$6,812,000	\$154,368,580	\$161,180,580
2064	\$6,948,240	\$154,368,580	\$161,316,820
Total:	\$177,170,330	\$5,272,728,759	\$5,449,899,089

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