Parent Company Information

Legal Name
Pacifico Energy LLC

Taxpayer I.D.
32097318300

Authorized School District Consultant

Full Name
Kathy Mathias

Title
Vice President of Economic Development

Organization
Moak Casey

Phone Number
512-485-7878

Email Address
kmathias@moakcasey.com

Project Information

County Name
Bastrop

County Population
97,216

Minimum Investment Required	Required No. of New Jobs
$20 million	N/A Jobs

The Central Appraisal District (CAD) that will be responsible for appraising the property
Bastrop CAD

Indicate which zone the land on which proposed new construction or new improvements is located
Reinvestment Zone under Tax Code Chapter 311/312

Zone Name
Bevo Chamber Reinvestment Zone No. 1

Will any of the proposed required investment be leased under a capitalized lease?
No

Wage Requirements

Wage NAICS Code
2211

Indicate the NAICS level used
County

Texas Workforce Commission Quarterly Census of Employment and Wages Area
Bastrop

Annual Wages

Wage Reporting Year	Wage Reporting Quarter	Average Weekly Wage
2025	Q1	$2,683.00
2025	Q2	$2,220.00
2025	Q3	$2,254.00
2025	Q4	$2,583.00

Average Annual Wage: $126,620

110% of Average Annual Wage: $139,282

Description of Project (Tab 2)

In Tab 2, provide a detailed description of the proposed project. Include a legal description of the real property on which the proposed project will be located and the address, if known.

Project Overview

Pacifico Cedar Creek LLC (Pacifico) is currently contemplating the development of a large-scale energy infrastructure facility located within Bastrop County, TX that would include the construction and operation of a behind-the-meter natural gas-fired electric generation facility designed to serve a co-located hyperscale data center campus. Situated on approximately 2,842 acres in Bastrop County, Texas, more specifically identified by the parcel IDs listed below, the project would help transform currently undeveloped land into an integrated energy and digital infrastructure hub, using advanced power generation technologies to supply next-generation data center applications. In relation to this project, Pacifico is respectfully requesting consideration of an appraised value limitation from Bastrop ISD in support of the Project described herein.

At full build out, the Project would plan to develop a flexible, high-capacity electric generation facility designed to deliver 710 MW of site-rated redundant power using simple cycle natural gas turbines, supporting approximately 490 MW of IT load. The facility would utilize a modular microgrid configuration consisting of multiple simple-cycle combustion turbine generators supplemented by fast-start peaking turbines. This design allows the plant to efficiently ramp output in response to real-time demand, providing a dedicated and highly reliable energy supply tailored to the operational requirements of hyperscale data center users.

Electricity generated at the Project facility would primarily be delivered under a long-term, capacity-based offtake arrangement to a hyperscale data center tenant, providing a dedicated, resilient energy source that is insulated from grid congestion and market volatility. This behind-the-meter structure enables the data center to achieve greater certainty around power cost, availability, and performance—critical factors for high-density computing applications and emerging technologies that require uninterrupted energy supply.

In addition to its primary function as a power generation facility, the project would serve as a catalyst for regional economic activity. At the current projected timeline, construction would begin in the third quarter of 2026 and would involve a large, multi-disciplinary workforce across civil, electrical, and mechanical trades. At peak construction, the project is expected to employ approximately 700 workers on-site, supporting both direct employment and secondary economic activity throughout the region. Upon completion, the facility would transition to operations supported by a team of approximately 25 full-time, highly skilled personnel responsible for plant operations, maintenance, and system monitoring.

In total, the Project represents a total capital investment of approximately $2.2 billion, reflecting the scale of the power generation assets, supporting infrastructure, and site development required to deliver a project of this magnitude. This investment would significantly expand the local tax base, provide stable long term tax revenue to local taxing jurisdictions, contribute to long-term economic growth in Bastrop County, and support the continued expansion of data-driven industries in Central Texas.

Project Overview – Application Supplement 1

The project described in the application would consist solely of the development, construction, ownership, and operation of a natural gas-fired electric generation facility and its associated qualified property. No portion of the project would be a data center, and the application would not include any data center-related assets, buildings, equipment, infrastructure, operations, qualified investment, or qualified property.

The references to a "co-located hyperscale data center campus" and an "integrated energy and digital infrastructure hub" are intended to describe the anticipated market for a portion of the electricity generated by the proposed facility and the broader development that may occur in the area. The proposed generation facility would be located near a separately developed data center campus and may provide electric service to that campus pursuant to a potential power supply arrangement. Other than serving as a prospective customer for a portion of the facility's output, the data center would be separate from and unrelated to the applicant's project. The data center would be owned, operated, financed, and developed by an unrelated third-party entity, and the applicant would have no ownership interest in, or operational control over, the data center. Accordingly, the data center would not be included within the project scope, project costs, qualified investment, or qualified property identified in the application.

At this time, the applicant anticipates that a data center owner/operator would be the primary off-taker for a portion of the facility's electric output. The campus may be developed in multiple phases or buildings over time by that owner/operator. At full build-out, the project is planned to include a flexible, high-capacity electric generation facility capable of delivering approximately 710 MW of site-rated redundant power, supporting approximately 490 MW of dedicated IT load associated with the data center campus. The facility would be capable of generating power beyond the anticipated data center demand and also support broader regional energy needs and grid reliability, subject to future commercial arrangements and applicable system requirements.

Maps of Project, ISD, County, and Zones (Tab 4)

Attach the applicable supporting documentation in Tab 4. A high-resolution map depicting the eligible property and project boundaries within the Reinvestment Zone, along with the ISD and County Boundaries

Application Supplement 1

If approved, the Project would be located within Bastrop ISD's jurisdiction, accommodated by a proposed reinvestment zone that would be established by the Bastrop County Commissioners Court in accordance with Texas Tax Code Sec. 312.201. The maps below show the boundaries of the proposed Project and reinvestment zone.

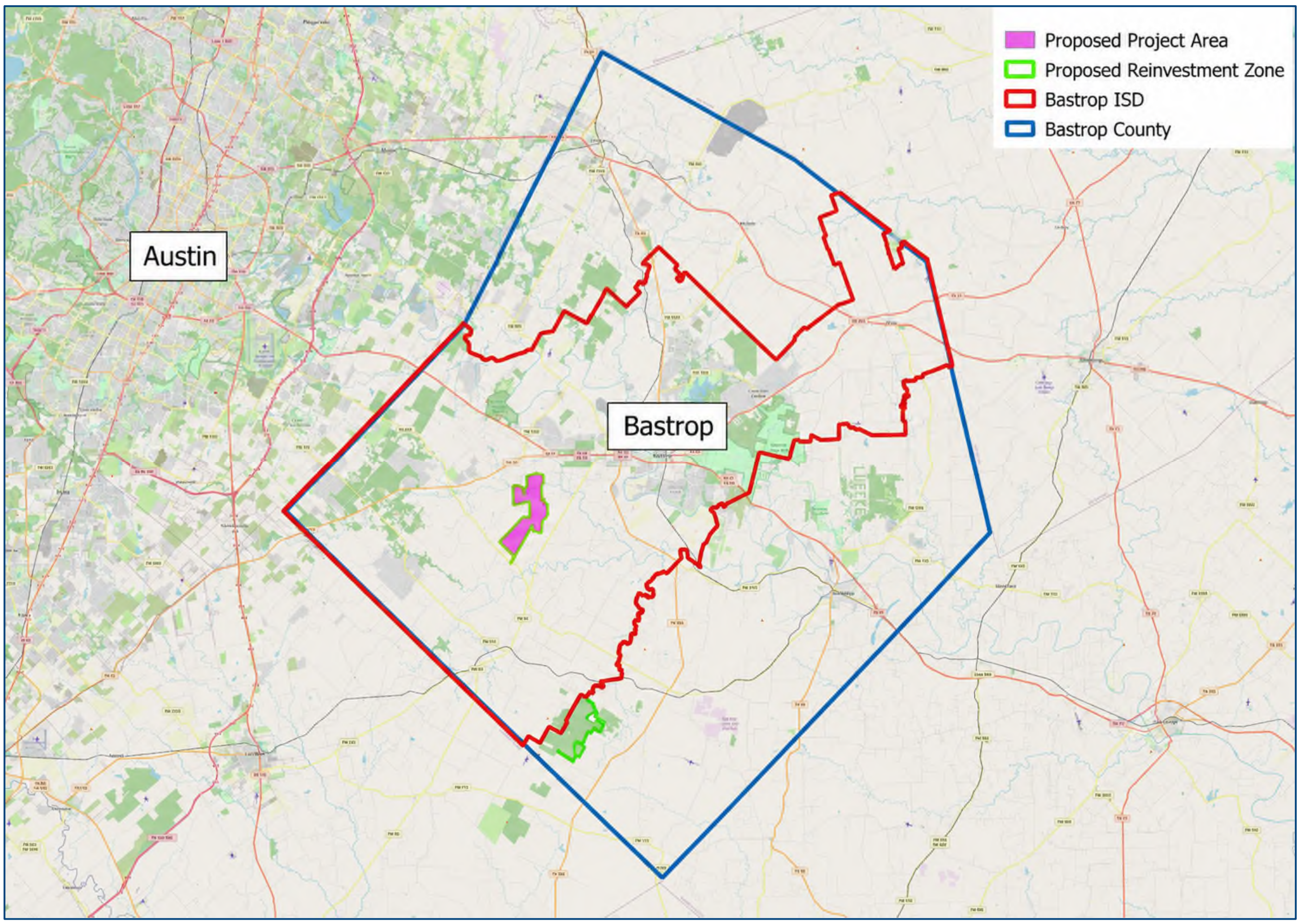

Figure 1: *Proposed Project Location in Bastrop ISD and Bastrop County*

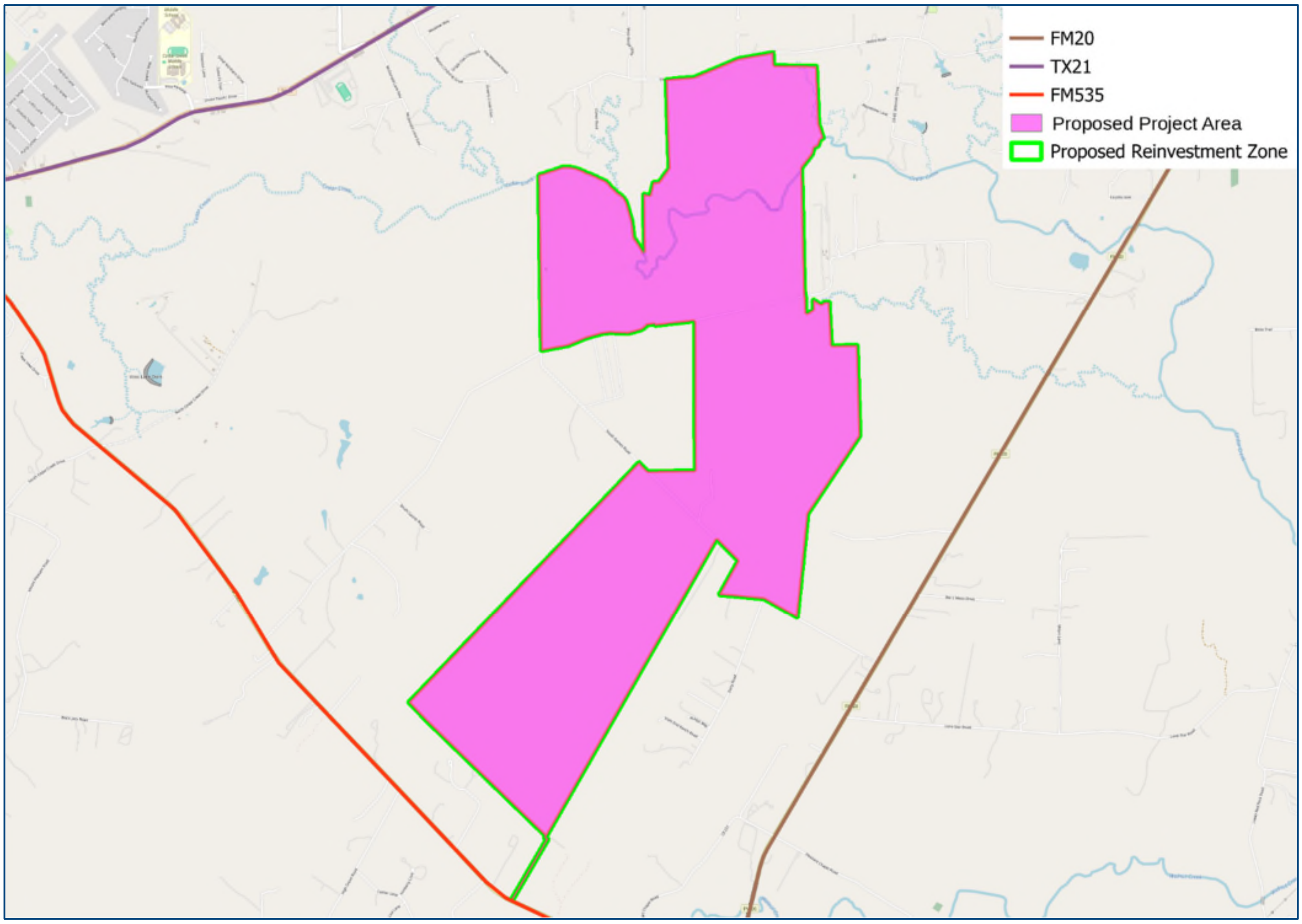

Figure 2: *Proposed Project Boundary and Proposed Reinvestment Zone*

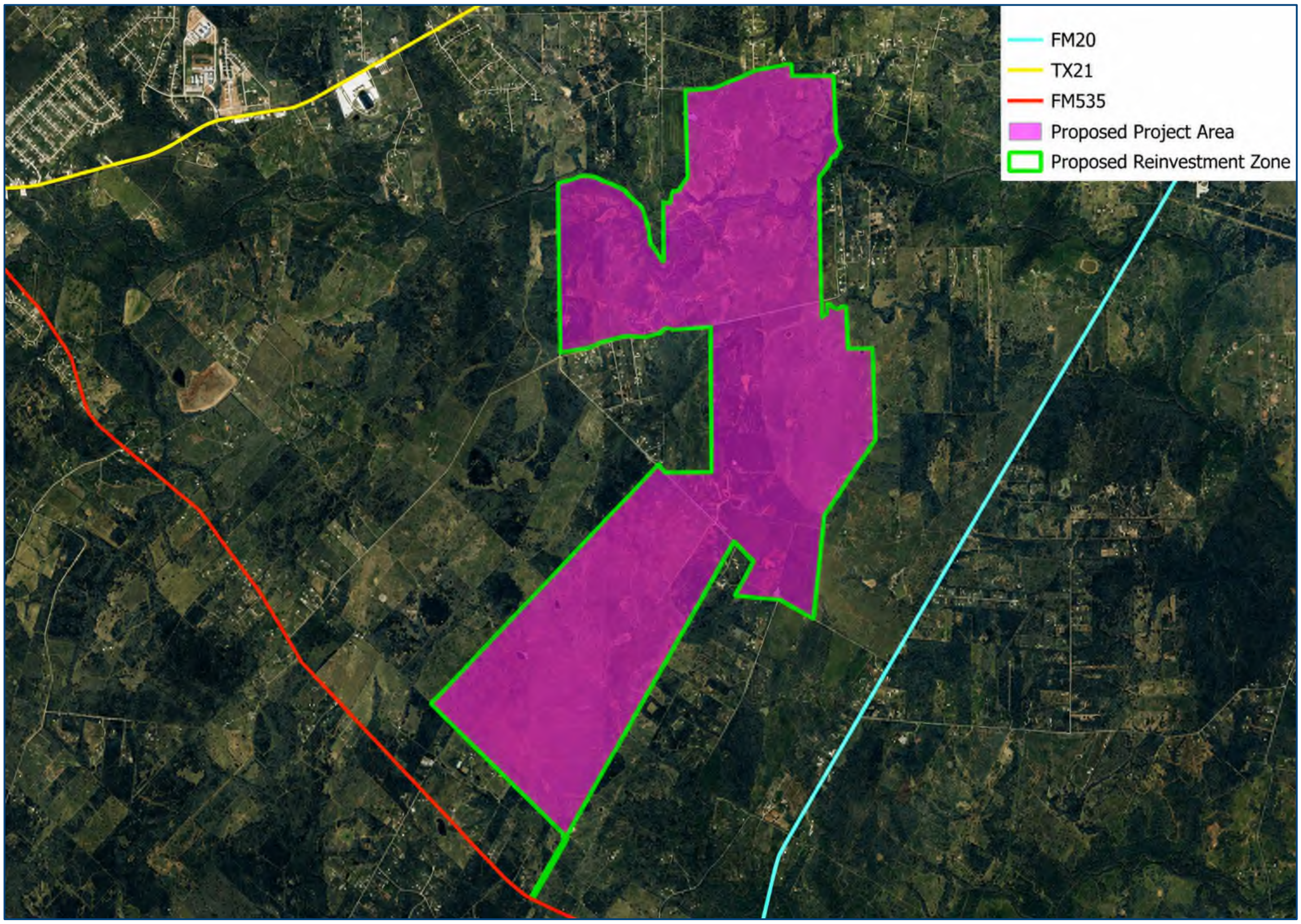

Figure 3: *Proposed Project Boundary and Proposed Reinvestment Zone*

Description of Ineligible Property (Tab 6)

1. Existing Property: In Tab 6, provide a high-resolution map that includes a specific and detailed description of all existing property. This includes buildings and improvements existing as of the application complete date. The description must provide sufficient detail to distinguish existing property from future proposed property.

2. Proposed new property that will not be eligible for this limitation: In Tab 6, provide a high-resolution map that includes a specific and detailed description of all proposed new property within the project boundary that will not become new improvements. The description must provide sufficient information to distinguish existing property from proposed new property that won't be eligible for the limitation.

Application Supplement 1

The proposed Project contemplates the development of new improvements at 382 Earl Callahan Rd, Cedar Creek, TX 78612, further identified by the Parcel IDs listed in Tab 2.

Existing property within the proposed site boundary that is in place as of the application completeness date and is considered ineligible is illustrated in the maps below.

All proposed new improvements would be physically separate and distinct from the existing improvements.

The high-resolution maps provided in Tab 4 clearly delineate the proposed project boundary, distinguish between existing property and proposed new improvements, and confirm that no proposed improvements would be located outside the defined project area.

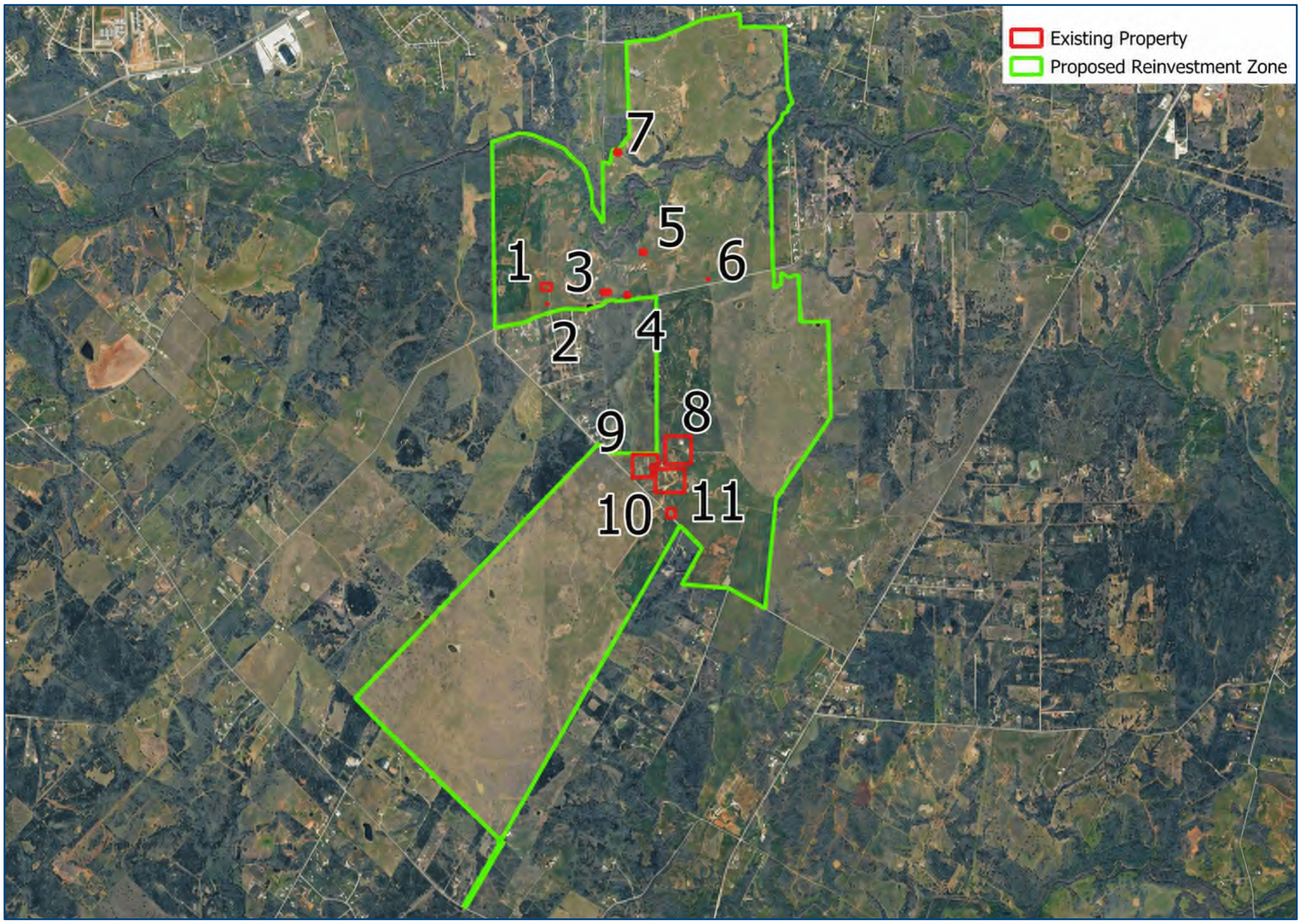

Figure 4: *Proposed Project Boundary – Ineligible Existing Improvements*

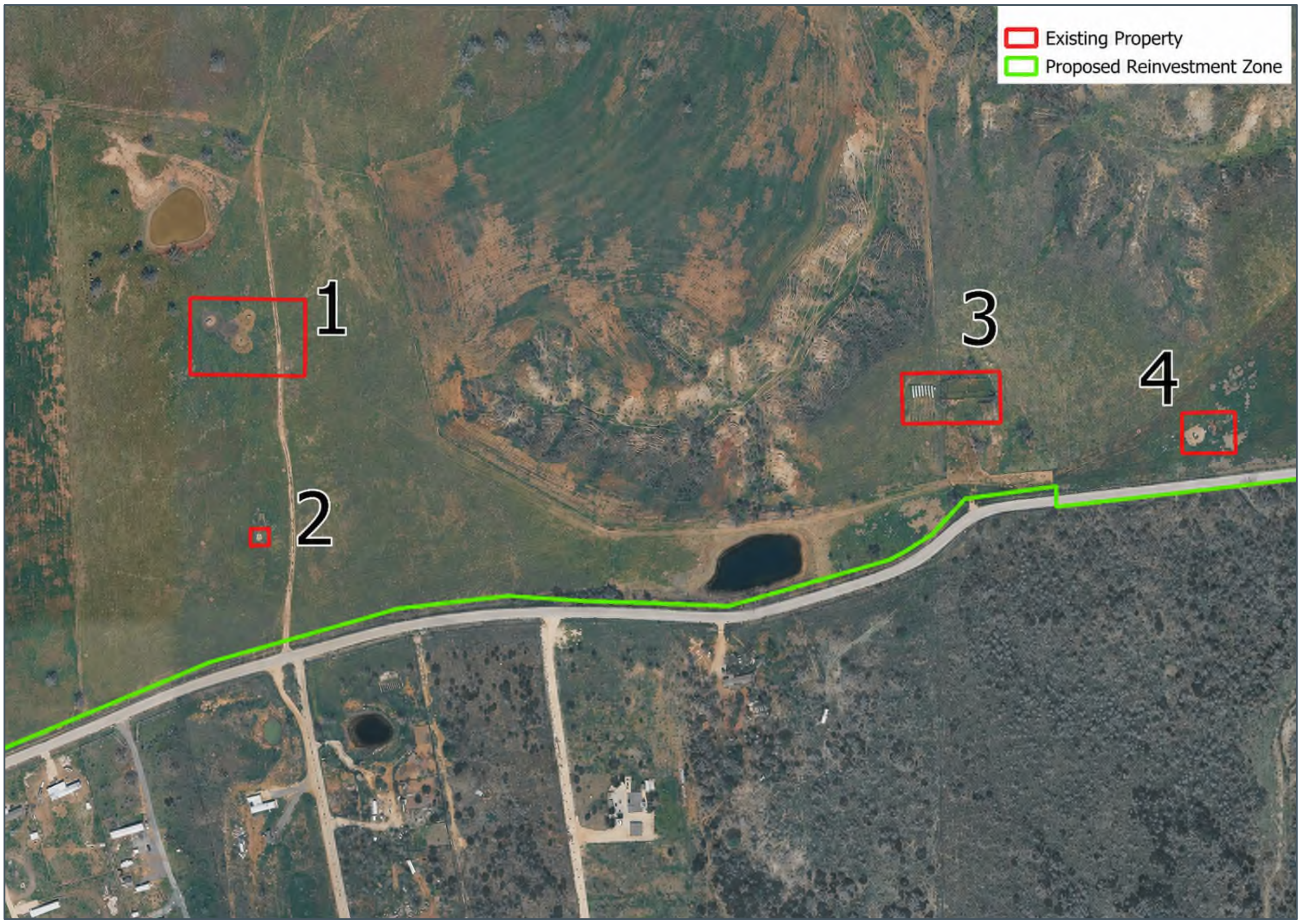

Figure 4(a): *Proposed Project Boundary – Ineligible Existing Improvements*

1) ***Industrial* Improvements** – not owned by Pacifico and would not have any connection with the Project

2) **Industrial Improvements** – not owned by Pacifico and would not have any connection with the Project

3) **Industrial Improvements** – not owned by Pacifico and would not have any connection with the Project

4) **Small Equipment Laydown Yard** – not owned by Pacifico and would not have any connection with the Project

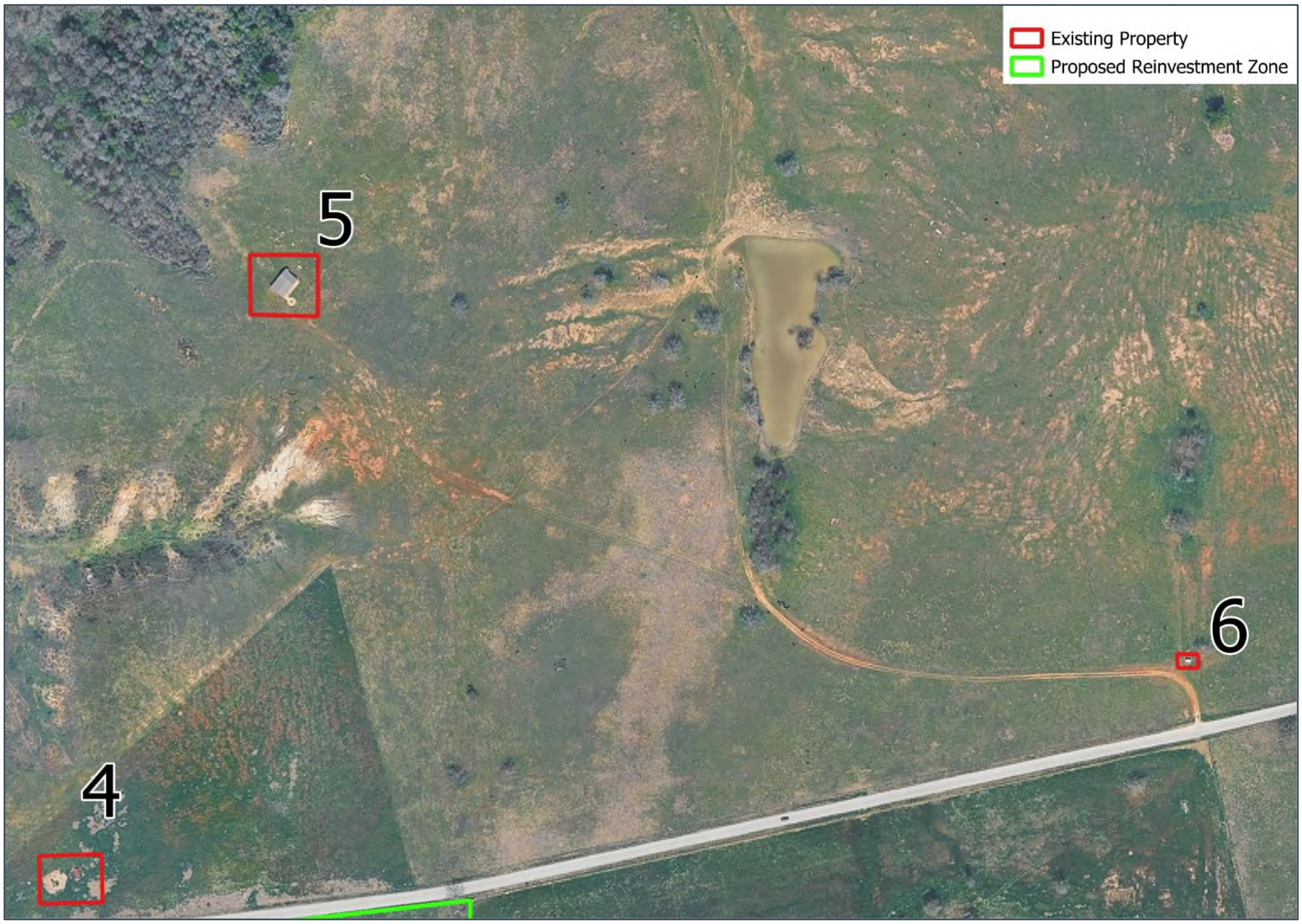

***Figure 4(b)**: Proposed Project Boundary – Ineligible Existing Improvements*

4) **Small Equipment Laydown Yard** – not owned by Pacifico and would not have any connection with the Project

5) **Industrial Improvements** – not owned by Pacifico and would not have any connection with the Project

6) **Industrial Improvements** – not owned by Pacifico and would not have any connection with the Project

Figure 4(c): *Proposed Project Boundary – Ineligible Existing Improvements*

7) **Agricultural Operations** – not owned by Pacifico and would not have any connection with the Project

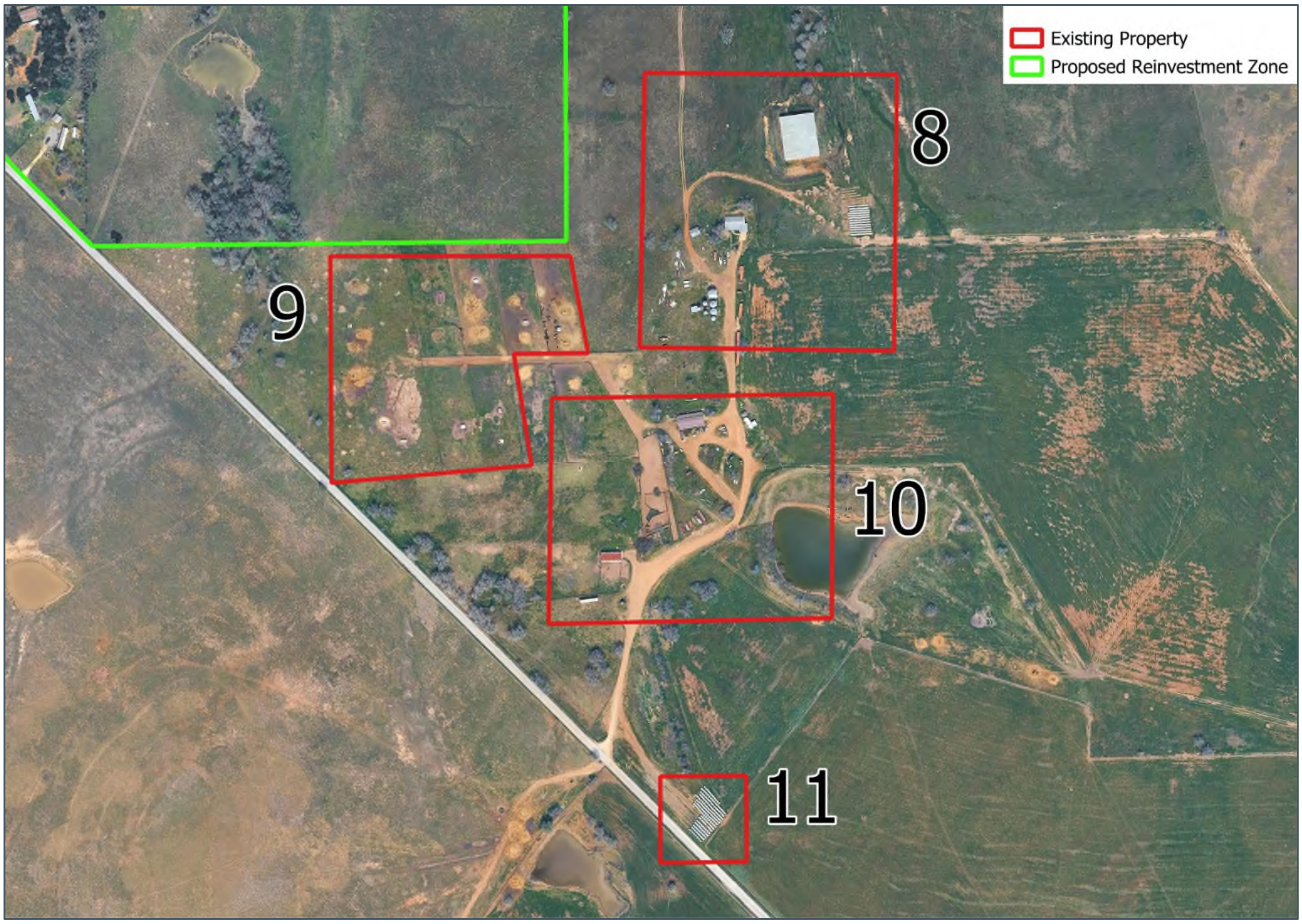

Figure 4(d): Proposed Project Boundary – Ineligible Existing Improvements

8) **Agricultural Operations Facility** – not owned by Pacifico and would not have any connection with the Project

9) **Industrial Improvements** – not owned by Pacifico and would not have any connection with the Project

10) **Agricultural Operations** – not owned by Pacifico and would not have any connection with the Project

11) **Industrial Improvements** – not owned by Pacifico and would not have any connection with the Project

Limitation as a Compelling Factor (Tab 7)

In Tab 7, explain how the limitation is a compelling factor in a competitive site selection process. Provide information regarding potential project sites outside of Texas and include incentive offers, permits obtained or any incentive programs applied to.

Application Supplement 1

Pacifico is actively evaluating the proposed Bastrop County project alongside a broader portfolio of similarly scoped opportunities at alternative sites across the United States. The company applies a disciplined development process in which site selection, feasibility studies, and economic modeling are central to determining where to allocate limited capital resources.

Consistent with Pacifico's established development practices, each site undergoes detailed analysis, including load forecasting and energy profile modeling, grid interconnection feasibility, utility coordination, permitting and regulatory review, environmental considerations, and assessment of fuel supply and transmission availability. These factors, together with projected capital costs, operating performance, and revenue expectations, are evaluated on a comparative basis to determine overall project viability and alignment with internal investment thresholds.

Pacifico maintains an active pipeline of potential projects at various stages of diligence and continuously compares the expected cost-benefit profile of advancing the Bastrop County project in Texas against alternative investment opportunities in other jurisdictions. This comparative analysis includes evaluating the ability of each location to support large-scale generation paired with high-load end users, such as data centers, as well as the broader economic framework, timeline certainty, and regulatory environment necessary to support final investment decision (FID) approval. As part of this process, Pacifico is also advancing evaluation of a site in Ohio, where a proposed data center and associated generation project is subject to a temporary local moratorium that is expected to expire in the near term, at which point the site may re-enter active development consideration.

The financial viability of a project of this scale is highly sensitive to total development costs, including state and local tax obligations. To improve the project's cost profile and position Texas as a competitive location relative to out-of-state alternatives, Pacifico is seeking a limitation on appraised value under Texas Tax Code Chapter 403 (JETI), along with local Chapter 312 support. Based on Pacifico's internal financial analysis, the viability of the Bastrop County site is contingent upon the availability of such economic development incentives. Without them, the projected economics of the Texas site are expected to be less favorable than competing opportunities, and available capital could be allocated to projects in other jurisdictions that better satisfy Pacifico's investment criteria. Accordingly, while the Bastrop County site remains under active consideration, state and local incentives, including those available under the JETI program, are a material factor in Pacifico's site selection decision and will influence whether the project proceeds in Texas.

Additional details regarding specific non-public alternative sites and comparative investment scenarios are provided in the Confidential Supplement and are submitted pursuant to Section 403.621 of the Texas Tax Code due to their commercially sensitive nature.

Muhlenberg, Ohio – Alternative Site

Public meeting records from Muhlenberg Township, Pickaway County, Ohio, reflect that Pacifico has sought zoning change and variance applications for a similarly scoped power generation facility intended to support a proposed data center. Pacifico has been evaluating the potential rezoning of this site for use as a data center and power plant, supported in part by access to an existing natural gas line that traverses the property. Township trustees subsequently enacted a 12-month moratorium on the acceptance and processing of data center applications in February 2026, which has paused further advancement while zoning and regulatory considerations are evaluated. This moratorium is expected to expire in early 2027, at which time the site may be reconsidered as part of Pacifico's broader evaluation of potential development locations. Please see the Confidential Supplement for additional information.

Application Supplement 1

The Ohio site under consideration and the proposed Bastrop site are similar in that both involve the evaluation of large-scale electric generation facilities that are competing for capital allocation within Pacifico's development portfolio. In each case, a potential data center development has been evaluated as a prospective end user for a portion of the facility's electric output; however, any such data center would be separate from the electric generation project and would be owned, developed, financed, and operated by an unrelated third-party entity.

The statement regarding the Ohio site reflects the broader evaluation of potential land uses and power customers within that market area and should not be interpreted to mean that Pacifico is proposing to invest in or develop a data center. Similarly, the proposed Bastrop project consists solely of a natural gas-fired electric generation facility and associated generation assets. In both locations, any potential data center development would be separate from the applicant's project, with the generation facility serving only as a potential supplier of electric power under future commercial arrangements.

Project Cedar Creek

Pacifico Cedar Creek LLC

Jobs, Energy, Technology & Innovation Act (JETI) Application: Economic Benefit Statement Application Supplement 1

Prepared by Kroll Tax Services
THURSDAY, 16 JULY 2026

July 10, 2026

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: Pacifico Cedar Creek 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 Pacifico Cedar Creek LLC, also referred to as "Project Cedar Creek", 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 ~**767 construction jobs** during construction.
- Sec. 403.608(b)(2) – The Project would entail a total of ~**$2.2B** in **capital investment, including**~**$1.1B** in **real property** and ~**$1.2B** in **personal property.**
- Sec. 403.608(b)(3) – The average estimated **valuation of new property** is ~**$1.2B.** This value is calculated by averaging the estimated taxable value of all years 2026 through 2063.
- Sec. 403.608(b)(4) – The Project would create an estimated ad valorem property tax liability of ~**$738M** across all taxing jurisdictions, including the local school district.

- Sec. 403.608(b)(5) – It is estimated that **state tax revenue** would be ~**$172.5M,** directly attributable to the Project's activities. The **total direct state and local tax revenue** is estimated to be ~**$921.5M**.
  - The indirect economic impact of the Project would generate an estimated ~$2.4B in state and local taxes.
  - The total direct and indirect economic impact of the Project would generate an estimated ~$3.3B 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 38 years of this analysis:
  - (A) On average, an estimated ~**1,119 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 ~**$2.4B 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 **$338M 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 ~$29B** as a result of the Project**.**
  - (E) It is estimated that earnings within the State of Texas would increase by ~**$2.8B** as a result of the Project.
  - (F) The total direct and indirect economic impact of the Project would generate an estimated ~**$3.3B in state and local taxes.**

Sincerely,

Tony Schum

Managing Director

Kroll Site Selection and Incentive Advisory

Table of Contents

SECTION 01

Pacifico Cedar Creek 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 38 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 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, an estimated **~767** temporary construction jobs are anticipated. These jobs are not counted as permanent positions but are included in overall economic impact analysis.

Job Creation Schedule						
Calendar Year	Project Year	Net New Job Creation	Total Headcount	Permanent Job Payroll	Construction Payroll	Total Payroll
2026	1	139	139	$0	$9,502,281	$9,502,281
2027	2	628	767	$0	$52,435,439	$52,435,439
2028	3	-84	684	$3,482,050	$45,012,912	$48,494,962
2029	4	-659	25	$3,551,691	$0	$3,551,691
2030	5	0	25	$3,622,725	$0	$3,622,725
2031	6	0	25	$3,695,179	$0	$3,695,179
2032	7	0	25	$3,769,083	$0	$3,769,083
2033	8	0	25	$3,844,465	$0	$3,844,465
2034	9	0	25	$3,921,354	$0	$3,921,354
2035	10	0	25	$3,999,781	$0	$3,999,781
2036	11	0	25	$4,079,777	$0	$4,079,777
2037	12	0	25	$4,161,372	$0	$4,161,372
2038	13	0	25	$4,244,600	$0	$4,244,600
2039	14	0	25	$4,329,492	$0	$4,329,492
2040	15	0	25	$4,416,081	$0	$4,416,081
2041	16	0	25	$4,504,403	$0	$4,504,403
2042	17	0	25	$4,594,491	$0	$4,594,491
2043	18	0	25	$4,686,381	$0	$4,686,381
2044	19	0	25	$4,780,108	$0	$4,780,108
2045	20	0	25	$4,875,711	$0	$4,875,711
2046	21	0	25	$4,973,225	$0	$4,973,225
2047	22	0	25	$5,072,689	$0	$5,072,689
2048	23	0	25	$5,174,143	$0	$5,174,143
2049	24	0	25	$5,277,626	$0	$5,277,626
2050	25	0	25	$5,383,179	$0	$5,383,179
2051	26	0	25	$5,490,842	$0	$5,490,842
2052	27	0	25	$5,600,659	$0	$5,600,659
2053	28	0	25	$5,712,672	$0	$5,712,672
2054	29	0	25	$5,826,926	$0	$5,826,926
2055	30	0	25	$5,943,464	$0	$5,943,464
2056	31	0	25	$6,062,333	$0	$6,062,333
2057	32	0	25	$6,183,580	$0	$6,183,580
2058	33	0	25	$6,307,252	$0	$6,307,252
2059	34	0	25	$6,433,397	$0	$6,433,397
2060	35	0	25	$6,562,065	$0	$6,562,065
2061	36	0	25	$6,693,306	$0	$6,693,306
2062	37	0	25	$6,827,172	$0	$6,827,172
2063	38	0	25	$6,963,715	$0	$6,963,715
Total				**$181,046,986**	**$106,950,632**	**$287,997,619**

(2) Capital Investment

The Company has proposed a capital investment of approximately **$2.2B**. The total real property investment expenditure is an estimated **$1.1B**, with an additional estimated **$1.2B** in personal property expenditures.

Estimated Capital Investment				
Calendar Year	Project Year	Real Property	Personal Property	Total Investment
2026	1	$94,899,655	$165,754,945	**$260,654,600**
2027	2	$523,674,774	$634,156,707	**$1,157,831,481**
2028	3	$449,545,707	$369,177,960	**$818,723,667**
2029-2038	4-13	$0	$0	**$0**
2039-2063	14-38	$0	$0	**$0**
Total		**$1,068,120,136**	**$1,169,089,612**	**$2,237,209,748**

CWIP Years
Incentive Period

SECTION 02

Pacifico Cedar Creek 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-eight 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 ~**$1.2B** 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	2045	20	2045	$1,343,142,315
2027	2	2027	$126,877,726	2046	21	2046	$1,303,175,641
2028	3	2028	$612,295,286	2047	22	2047	$1,261,073,043
2029	4	2029	$1,742,040,657	2048	23	2048	$1,216,765,072
2030	5	2030	$1,728,199,786	2049	24	2049	$1,170,180,352
2031	6	2031	$1,713,108,464	2050	25	2050	$1,121,245,537
2032	7	2032	$1,696,722,209	2051	26	2051	$1,069,885,258
2033	8	2033	$1,678,995,261	2052	27	2052	$1,016,022,069
2034	9	2034	$1,659,880,545	2053	28	2053	$959,576,398
2035	10	2035	$1,639,329,643	2054	29	2054	$900,466,492
2036	11	2036	$1,617,292,753	2055	30	2055	$838,608,359
2037	12	2037	$1,593,718,655	2056	31	2056	$773,915,714
2038	13	2038	$1,568,554,677	2057	32	2057	$706,299,920
2039	14	2039	$1,541,746,651	2058	33	2058	$635,669,928
2040	15	2040	$1,513,238,883	2059	34	2059	$648,383,327
2041	16	2041	$1,482,974,105	2060	35	2060	$661,350,993
2042	17	2042	$1,450,893,441	2061	36	2061	$674,578,013
2043	18	2043	$1,416,936,360	2062	37	2062	$688,069,574
2044	19	2044	$1,381,040,639	2063	38	2063	$701,830,965
				Average Value			$1,154,054,861

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.

(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 ~**$738M** in property taxes through CWIP, the incentive period, and twenty-five following years.

Estimated Property Taxes

Calendar Year	Project Year	Tax Year	Bastrop County	County Road	Emergency Service District #1	Emergency Service District #3	Bastrop I.S.D M&O	Bastrop I.S.D I&S	**Total Property Taxes**
2026*	1	2026	$0	$0	$0	$0	$0	$0	**$0**
2027	2	2027	$444,694	$99,231	$107,694	$126,878	$848,812	$508,780	**$2,136,088**
2028	3	2028	$2,146,034	$478,876	$519,716	$612,295	$4,096,255	$2,455,304	**$10,308,481**
2029	4	2029	$6,105,678	$1,362,450	$1,478,644	$1,742,041	$11,654,252	$6,985,583	**$29,328,648**
2030	5	2030	$6,057,167	$1,351,625	$1,466,896	$1,728,200	$11,561,657	$6,930,081	**$29,095,626**
2031	6	2031	$6,004,274	$1,339,822	$1,454,086	$1,713,108	$11,460,696	$6,869,565	**$28,841,551**
2032	7	2032	$5,946,842	$1,327,006	$1,440,178	$1,696,722	$11,351,072	$6,803,856	**$28,565,676**
2033	8	2033	$5,884,710	$1,313,142	$1,425,131	$1,678,995	$11,232,478	$6,732,771	**$28,267,228**
2034	9	2034	$5,817,715	$1,298,193	$1,408,907	$1,659,881	$11,104,601	$6,656,121	**$27,945,417**
2035	10	2035	$5,745,686	$1,282,120	$1,391,463	$1,639,330	$10,967,115	$6,573,712	**$27,599,426**
2036	11	2036	$5,668,449	$1,264,885	$1,372,758	$1,617,293	$10,819,689	$6,485,344	**$27,228,417**
2037	12	2037	$5,585,825	$1,246,447	$1,352,748	$1,593,719	$10,661,978	$6,390,812	**$26,831,529**
2038	13	2038	$5,497,627	$1,226,767	$1,331,389	$1,568,555	$10,493,631	$6,289,904	**$26,407,873**
2039	14	2039	$5,403,668	$1,205,800	$1,308,635	$1,541,747	$10,314,285	$6,182,404	**$25,956,538**
2040	15	2040	$5,303,751	$1,183,504	$1,284,437	$1,513,239	$10,123,568	$6,068,088	**$25,476,587**
2041	16	2041	$5,197,676	$1,159,834	$1,258,748	$1,482,974	$9,921,097	$5,946,726	**$24,967,055**
2042	17	2042	$5,085,236	$1,134,744	$1,231,518	$1,450,893	$9,706,477	$5,818,083	**$24,426,952**
2043	18	2043	$4,966,220	$1,108,186	$1,202,696	$1,416,936	$9,479,304	$5,681,915	**$23,855,257**
2044	19	2044	$4,840,409	$1,080,112	$1,172,227	$1,381,041	$9,239,162	$5,537,973	**$23,250,924**
2045	20	2045	$4,707,579	$1,050,472	$1,140,059	$1,343,142	$8,985,622	$5,386,001	**$22,612,875**
2046	21	2046	$4,567,500	$1,019,214	$1,106,135	$1,303,176	$8,718,245	$5,225,734	**$21,940,004**
2047	22	2047	$4,419,935	$986,285	$1,070,399	$1,261,073	$8,436,579	$5,056,903	**$21,231,174**
2048	23	2048	$4,264,640	$951,632	$1,032,790	$1,216,765	$8,140,158	$4,879,228	**$20,485,213**
2049	24	2049	$4,101,365	$915,198	$993,249	$1,170,180	$7,828,507	$4,692,423	**$19,700,922**
2050	25	2050	$3,929,853	$876,926	$951,713	$1,121,246	$7,501,133	$4,496,195	**$18,877,066**
2051	26	2051	$3,749,841	$836,757	$908,119	$1,069,885	$7,157,532	$4,290,240	**$18,012,374**
2052	27	2052	$3,561,056	$794,631	$862,400	$1,016,022	$6,797,188	$4,074,248	**$17,105,544**
2053	28	2053	$3,363,219	$750,485	$814,488	$959,576	$6,419,566	$3,847,901	**$16,155,236**
2054	29	2054	$3,156,045	$704,255	$764,316	$900,466	$6,024,121	$3,610,871	**$15,160,074**
2055	30	2055	$2,939,238	$655,876	$711,811	$838,608	$5,610,290	$3,362,820	**$14,118,643**
2056	31	2056	$2,712,497	$605,279	$656,900	$773,916	$5,177,496	$3,103,402	**$13,029,490**
2057	32	2057	$2,475,511	$552,397	$599,507	$706,300	$4,725,146	$2,832,263	**$11,891,124**
2058	33	2058	$2,227,960	$497,157	$539,557	$635,670	$4,252,632	$2,549,036	**$10,702,012**
2059	34	2059	$2,272,519	$507,101	$550,348	$648,383	$4,337,684	$2,600,017	**$10,916,052**
2060	35	2060	$2,317,969	$517,243	$561,355	$661,351	$4,424,438	$2,652,017	**$11,134,373**
2061	36	2061	$2,364,328	$527,587	$572,582	$674,578	$4,512,927	$2,705,058	**$11,357,061**
2062	37	2062	$2,411,615	$538,139	$584,033	$688,070	$4,603,185	$2,759,159	**$11,584,202**
2063	38	2063	$2,459,847	$548,902	$595,714	$701,831	$4,695,249	$2,814,342	**$11,815,886**
Total			**$153,704,182**	**$34,298,280**	**$37,223,347**	**$43,854,085**	**$293,383,827**	**$175,854,880**	**$738,318,599**

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

Pacifico Cedar Creek 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-eight 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 ~**$172.5M**, directly attributable to the Project's activities. Total direct State and local tax revenues associated with the Project would be approximately **$921.5M**.

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	$477,619	$2,062,773	$2,062,773	$2,540,393
2027	2	2027	$2,495,339	$9,629,590	$9,629,590	$14,261,017
2028	3	2028	$2,164,894	$7,848,771	$9,371,271	$21,844,646
2029	4	2029	$156,876	$1,258,450	$4,303,450	$33,788,974
2030	5	2030	$156,968	$1,259,604	$4,304,604	$33,557,199
2031	6	2031	$157,063	$1,260,782	$4,305,782	$33,304,396
2032	7	2032	$157,159	$1,261,983	$4,306,983	$33,029,817
2033	8	2033	$157,257	$1,263,207	$4,308,207	$32,732,692
2034	9	2034	$157,357	$1,264,457	$4,309,457	$32,412,230
2035	10	2035	$157,459	$1,265,731	$4,310,731	$32,067,616
2036	11	2036	$157,563	$1,267,031	$4,312,031	$31,698,011
2037	12	2037	$157,669	$1,268,357	$4,313,357	$31,302,554
2038	13	2038	$157,777	$1,269,710	$4,314,710	$30,880,359
2039	14	2039	$157,887	$1,271,089	$4,316,089	$30,430,515
2040	15	2040	$158,000	$1,272,496	$4,317,496	$29,952,083
2041	16	2041	$158,115	$1,273,931	$4,318,931	$29,444,101
2042	17	2042	$158,232	$1,275,395	$4,320,395	$28,905,579
2043	18	2043	$158,351	$1,276,889	$4,321,889	$28,335,497
2044	19	2044	$158,473	$1,278,412	$4,323,412	$27,732,809
2045	20	2045	$158,597	$1,279,965	$4,324,965	$27,096,438
2046	21	2046	$158,724	$1,281,550	$4,326,550	$26,425,278
2047	22	2047	$158,853	$1,283,166	$4,328,166	$25,718,193
2048	23	2048	$158,985	$1,284,815	$4,329,815	$24,974,013
2049	24	2049	$159,120	$1,286,496	$4,331,496	$24,191,538
2050	25	2050	$159,257	$1,288,212	$4,333,212	$23,369,534
2051	26	2051	$159,397	$1,289,961	$4,334,961	$22,506,732
2052	27	2052	$159,540	$1,291,746	$4,336,746	$21,601,830
2053	28	2053	$159,685	$1,293,566	$4,338,566	$20,653,487
2054	29	2054	$159,834	$1,295,422	$4,340,422	$19,660,330
2055	30	2055	$159,985	$1,297,316	$4,342,316	$18,620,944
2056	31	2056	$160,140	$1,299,248	$4,344,248	$17,533,878
2057	32	2057	$160,297	$1,301,218	$4,346,218	$16,397,640
2058	33	2058	$160,458	$1,303,228	$4,348,228	$15,210,698
2059	34	2059	$160,622	$1,305,278	$4,350,278	$15,426,952
2060	35	2060	$160,789	$1,307,368	$4,352,368	$15,647,531
2061	36	2061	$160,960	$1,309,501	$4,354,501	$15,872,522
2062	37	2062	$161,134	$1,311,676	$4,356,676	$16,102,012
2063	38	2063	$161,312	$1,313,895	$4,358,895	$16,336,093
Total			**$10,697,745**	**$64,452,287**	**$172,549,787**	**$921,566,131**

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 **1,119 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 $2.4B 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 **$338M 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 $29B** as a result of the Project activities.
- It is estimated that the State of Texas would recognize an increase in **earnings of approximately $2.8B** 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 $3.3B**.

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	$298,459	$270,455,340	$9,502,281	$2,838,851
2027	2	2027	0	$1,646,953	$1,214,049,961	$52,435,439	$15,907,970
2028	3	2028	611	$34,670,275	$1,234,404,615	$84,184,242	$56,514,920
2029	4	2029	1197	$66,512,913	$747,220,122	$74,930,251	$100,301,887
2030	5	2030	1197	$66,512,913	$746,987,099	$75,001,285	$100,070,112
2031	6	2031	1197	$66,512,913	$746,733,025	$75,073,740	$99,817,309
2032	7	2032	1197	$66,512,913	$746,457,149	$75,147,643	$99,542,730
2033	8	2033	1197	$66,512,913	$746,158,702	$75,223,025	$99,245,606
2034	9	2034	1197	$66,512,913	$745,836,890	$75,299,914	$98,925,144
2035	10	2035	1197	$66,512,913	$745,490,900	$75,378,341	$98,580,529
2036	11	2036	1197	$66,512,913	$745,119,891	$75,458,337	$98,210,924
2037	12	2037	1197	$66,512,913	$744,723,002	$75,539,932	$97,815,468
2038	13	2038	1197	$66,512,913	$744,299,346	$75,623,160	$97,393,272
2039	14	2039	1197	$66,512,913	$743,848,012	$75,708,052	$96,943,428
2040	15	2040	1197	$66,512,913	$743,368,061	$75,794,642	$96,464,996
2041	16	2041	1197	$66,512,913	$742,858,529	$75,882,963	$95,957,015
2042	17	2042	1197	$66,512,913	$742,318,425	$75,973,051	$95,418,492
2043	18	2043	1197	$66,512,913	$741,746,731	$76,064,941	$94,848,410
2044	19	2044	1197	$66,512,913	$741,142,398	$76,158,669	$94,245,722
2045	20	2045	1197	$66,512,913	$740,504,349	$76,254,271	$93,609,351
2046	21	2046	1197	$66,512,913	$739,831,478	$76,351,785	$92,938,191
2047	22	2047	1197	$66,512,913	$739,122,647	$76,451,250	$92,231,106
2048	23	2048	1197	$66,512,913	$738,376,687	$76,552,703	$91,486,927
2049	24	2049	1197	$66,512,913	$737,592,396	$76,656,186	$90,704,452
2050	25	2050	1197	$66,512,913	$736,768,539	$76,761,739	$89,882,447
2051	26	2051	1197	$66,512,913	$735,903,848	$76,869,402	$89,019,645
2052	27	2052	1197	$66,512,913	$734,997,018	$76,979,219	$88,114,743
2053	28	2053	1197	$66,512,913	$734,046,710	$77,091,232	$87,166,401
2054	29	2054	1197	$66,512,913	$733,051,547	$77,205,486	$86,173,243
2055	30	2055	1197	$66,512,913	$732,010,116	$77,322,024	$85,133,857
2056	31	2056	1197	$66,512,913	$730,920,964	$77,440,894	$84,046,791
2057	32	2057	1197	$66,512,913	$729,782,598	$77,562,140	$82,910,553
2058	33	2058	1197	$66,512,913	$728,593,485	$77,685,812	$81,723,611
2059	34	2059	1197	$66,512,913	$728,807,526	$77,811,957	$81,939,865
2060	35	2060	1197	$66,512,913	$729,025,847	$77,940,625	$82,160,444
2061	36	2061	1197	$66,512,913	$729,248,534	$78,071,866	$82,385,435
2062	37	2062	1197	$66,512,913	$729,475,675	$78,205,732	$82,614,925
2063	38	2063	1197	$66,512,913	$729,707,359	$78,342,276	$82,849,006
Total			**1119**	**$2,364,567,647**	**$28,570,985,519**	**$2,821,936,511**	**$3,286,133,778**

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 **$39M.** Through the years of operations, this figure is estimated to be approximately **$883M.** Total state and local direct and indirect tax revenue over the construction and operations periods is an estimated **$922M.**

Direct vs. Indirect Tax Revenues for State and Local Taxing Jurisdictions During Construction Period			
	Direct Taxes	*Indirect Taxes*	*Total Tax Revenue*
State of Texas	$15,561,644	$5,501,990	**$21,063,634**
Local Districts	$13,567,701	$4,014,721	**$17,582,422**
Total:	**$29,129,345**	**$9,516,711**	**$38,646,055**

Direct vs. Indirect Tax Revenues for State and Local Taxing Jurisdictions During Operating Period			
	Direct Taxes	*Indirect Taxes*	*Total Tax Revenue*
State of Texas	$109,460,430	$42,025,723	**$151,486,153**
Local Districts	$726,104,865	$5,329,058	**$731,433,923**
Total:	**$835,565,295**	**$47,354,781**	**$882,920,076**

Complementary Businesses and Industry Growth Table

Using Lightcast, this table predicts the ripple effect of the applicant's investment on local industries and complimentary businesses. The data suggests that the investment would result in over **$338M** 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*
23	Construction	$272,932,285	80.6%
22	Utilities	$13,946,461	4.1%
21	Mining, Quarrying, and Oil and Gas Extraction	$11,417,608	3.4%
54	Professional, Scientific, and Technical Services	$8,704,390	2.6%
53	Real Estate and Rental and Leasing	$7,562,390	2.2%
31	Manufacturing	$6,056,763	1.8%
48	Transportation and Warehousing	$5,958,498	1.8%
52	Finance and Insurance	$4,526,873	1.3%
72	Accommodation and Food Services	$1,922,010	0.6%
56	Administrative and Support and Waste Management and Remediation Services	$1,743,951	0.5%
44	Retail Trade	$1,537,779	0.5%
51	Information	$625,991	0.2%
90	Government	$594,347	0.2%
81	Other Services (except Public Administration)	$464,612	0.1%
42	Wholesale Trade	$341,787	0.1%
71	Arts, Entertainment, and Recreation	$111,242	0.0%
61	Educational Services	$26,068	0.0%
62	Health Care and Social Assistance	$13,091	0.0%
55	Management of Companies and Enterprises	$5,800	0.0%
11	Agriculture, Forestry, Fishing and Hunting	$421	0.0%
Total:		**$338,492,367**	**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 three-year construction period, we can project that there could be an approximately **$146M 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 **$2.6B 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	$9,502,281	**$9,502,281**
2027	$0	$52,435,439	**$52,435,439**
2028	$3,482,050	$80,702,192	**$84,184,242**
Total:	**$3,482,050**	**$142,639,913**	**$146,121,963**

Direct, Indirect, and Induced Earnings During Operations			
Calendar Year	Direct Operations Earnings	Indirect and Induced Operations Earnings	Total Operations Earnings
2029	$3,551,691	$71,378,560	**$74,930,251**
2030	$3,622,725	$71,378,560	**$75,001,285**
2031	$3,695,179	$71,378,560	**$75,073,740**
2032	$3,769,083	$71,378,560	**$75,147,643**
2033	$3,844,465	$71,378,560	**$75,223,025**
2034	$3,921,354	$71,378,560	**$75,299,914**
2035	$3,999,781	$71,378,560	**$75,378,341**
2036	$4,079,777	$71,378,560	**$75,458,337**
2037	$4,161,372	$71,378,560	**$75,539,932**
2038	$4,244,600	$71,378,560	**$75,623,160**
2039	$4,329,492	$71,378,560	**$75,708,052**
2040	$4,416,081	$71,378,560	**$75,794,642**
2041	$4,504,403	$71,378,560	**$75,882,963**
2042	$4,594,491	$71,378,560	**$75,973,051**
2043	$4,686,381	$71,378,560	**$76,064,941**
2044	$4,780,108	$71,378,560	**$76,158,669**
2045	$4,875,711	$71,378,560	**$76,254,271**
2046	$4,973,225	$71,378,560	**$76,351,785**
2047	$5,072,689	$71,378,560	**$76,451,250**
2048	$5,174,143	$71,378,560	**$76,552,703**
2049	$5,277,626	$71,378,560	**$76,656,186**
2050	$5,383,179	$71,378,560	**$76,761,739**
2051	$5,490,842	$71,378,560	**$76,869,402**
2052	$5,600,659	$71,378,560	**$76,979,219**
2053	$5,712,672	$71,378,560	**$77,091,232**
2054	$5,826,926	$71,378,560	**$77,205,486**
2055	$5,943,464	$71,378,560	**$77,322,024**
2056	$6,062,333	$71,378,560	**$77,440,894**
2057	$6,183,580	$71,378,560	**$77,562,140**
2058	$6,307,252	$71,378,560	**$77,685,812**
2059	$6,433,397	$71,378,560	**$77,811,957**
2060	$6,562,065	$71,378,560	**$77,940,625**
2061	$6,693,306	$71,378,560	**$78,071,866**
2062	$6,827,172	$71,378,560	**$78,205,732**
2063	$6,963,715	$71,378,560	**$78,342,276**
Total:	**$177,564,936**	**$2,498,249,612**	**$2,675,814,549**

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