

MILLS COUNTY TAX ABATEMENT APPLICATION  
FOR  
ECONOMIC DEVELOPMENT INCENTIVES

PROPERTY/PROJECT DESCRIPTION

1. Property Owner

SEE ATTACHED PARCEL LISTING

Mailing Address

Telephone

2. Project Sponsor Blue Heron Solar, LLC, whose parent company is Red River Clean Energy / Mike Luo  
(If different than property owner)

Mailing address 11515 Burnet Rd, Suite 825  
Austin, TX 78758

Telephone (312)883-4898

3. Applicant's Representative Mike Fry

Telephone (469)298-1594

4. Property Address

SEE ATTACHED PARCEL LISTING

Legal Description

SEE ATTACHED PARCEL LISTING

(provide attachment if by metes and bounds)

Map

SEE MAPS ATTACHED

5. Located within: (School or other taxing district)

Mullin Independent School District

6. Description of Project: Blue Heron Solar, LLC will be an up to 147 MWAC solar energy generation facility coupled with a 146 MW (300MWhr) battery energy storage system. The project is to be located in the western part of Mills County and within Mullin ISD.

7. Date(s) projected for occupation of project/initiation of operations:

Construction Start - Q4 2025

Construction Complete - Q2 2027

Operations Commence - Q2 2027

## 8. Employment Impact

- a) How many jobs will be brought to Mills County?  
One (1) permanent full-time job for the operation and maintenance of the facility.
- b) What types of jobs will be created?  
During the Construction phase, will create approximately 250 construction jobs and will provide one (1) permanent full-time job for the operation and maintenance of the facility.
- c) What will the total annual payroll be?  
The annual payroll will be \$240,000, not inclusive of employee benefits.

## 9. Fiscal Impact

- a) How much real and personal property value will be added to the tax rolls?  
\$267,000,000
- b) How much direct sales tax will be generated?  
\$1,568,000
- c) How will this project affect existing business and/or office facilities?  
The project is not anticipating to negatively effecting existing business and/ or offices. Project will use reasonable commercial efforts to maximize use of services from existing businesses to ensure the community benefits from the project.
- d) What infrastructure construction would be required?  
County roads will be repaired and improved to facilitate equipment delivery and construction traffic. Oncor will construct a new transmission switching station on the sites. The project will consist of solar modules, batteries, support structures, power conversion equipment, transformers, etc.
- e) What is the total annual operation budget of this facility projected to be?  
\$972,900

## 10. Community Impact

- a) What effect would the project have on the local housing market that could drive an increase in demand? The EPC contractor will use all reasonable means to leverage local workforce during the construction phase of the project. The mobile workforce will seek for short-term housing in the surrounding areas.
- b) What environmental impact, if any, will be created by the project?  
The project will be responsibly developed, designed, constructed, and operated to ensure minimal environment impact. Procedures will be in place to ensure land will be cleared in a responsible manner and only disrupt parcels needed for construction. The site will also undergo remediation, to clear former Camp Bowie UXO (unexploded ordinance) buried in the ground, further safeguarding the land and providing future use opportunities. A Phase 1 Environmental Study was completed and we expect minimal impact. Certain wetland areas have been identified but the Project will completely avoid those areas.

## 11. Type and value of incentive requested:

The requested nominal rate of the abatement is 50%, since Blue Heron will be paying 100% of the taxable value of the land, which will no longer qualify for an agricultural exemption, the effective rate of the requested tax relief is 34%.

**Blue Heron Solar, LLC**

Projected Nameplate PV Capacity: 147 Megawatts-AC  
 Projected Nameplate Battery Capacity: 146 Megawatts-AC (300 MWhr)

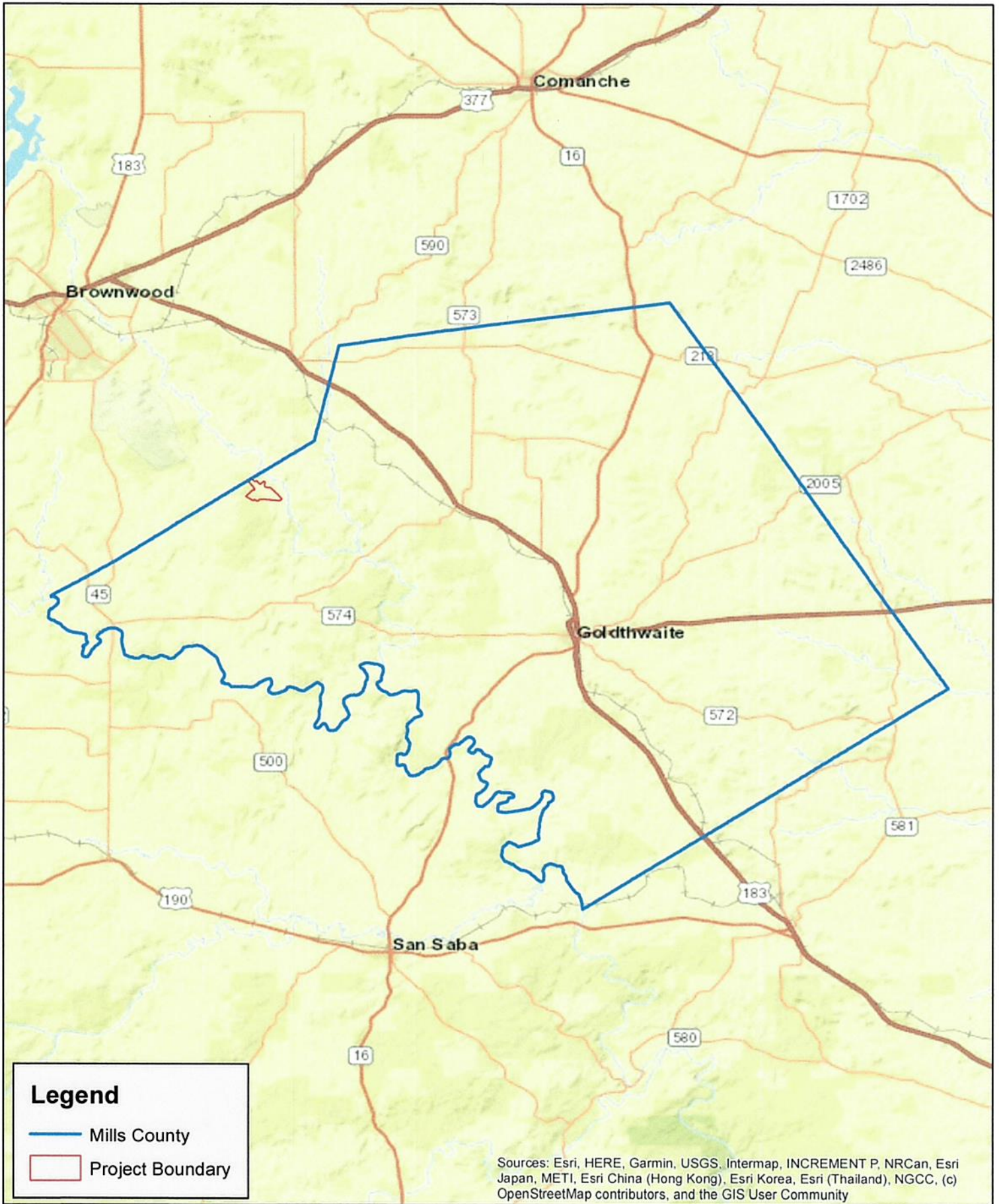
					Without Abatement			With Abatement	Proposed PILOT			
YEAR	PLANT	FACTOR	TAXABLE VALUE	TAX RATE (MILLS CO)	ESTIMATED TAXES	WITHOUT FINANCING	ABATEMENT PERCENTAGE	ESTIMATED TAXES	ESTIMATED PILOTS & TAXES	+ LAND REVENUE	TOTAL REVENUE	EFFECTIVE PERCENTAGE
2028	267,000,000	100.00%	267,000,000	0.6061%	1,618,287	\$0	50%	809,144	517,852	153,613	671,465	
2029	267,000,000	92.00%	245,640,000	0.6061%	1,488,824	\$0	50%	744,412	517,852	155,917	673,769	
2030	267,000,000	84.00%	224,280,000	0.6061%	1,359,361	\$0	50%	679,681	517,852	158,256	676,108	
2031	267,000,000	76.00%	202,920,000	0.6061%	1,229,898	\$0	50%	614,949	517,852	160,630	678,482	
2032	267,000,000	68.00%	181,560,000	0.6061%	1,100,435	\$0	50%	550,218	517,852	163,039	680,891	
2033	267,000,000	60.00%	160,200,000	0.6061%	970,972	\$0	50%	485,486	517,852	165,485	683,337	
2034	267,000,000	52.00%	138,840,000	0.6061%	841,509	\$0	50%	420,755	517,852	167,967	685,819	
2035	267,000,000	44.00%	117,480,000	0.6061%	712,046	\$0	50%	356,023	517,852	170,487	688,339	
2036	267,000,000	36.00%	96,120,000	0.6061%	582,583	\$0	50%	291,292	517,852	173,044	690,896	
2037	267,000,000	28.00%	74,760,000	0.6061%	453,120	\$0	50%	226,560	517,852	175,640	693,492	
2038	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	178,274	501,932	
2039	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	180,948	504,606	
2040	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	183,663	507,320	
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2044	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	194,933	518,590	
2045	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	197,857	521,514	
2046	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	200,825	524,482	
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2055	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	229,621	553,278	
2056	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	233,065	556,723	
2057	267,000,000	20.00%	53,400,000	0.6061%	323,657	\$0		323,657	323,657	236,561	560,219	
Years 1 - 10					\$10,357,037			\$5,178,518	\$5,178,518	\$1,644,079	\$6,822,597	34%
Years 11 - 30					\$6,473,148			\$6,473,148	\$6,473,148	\$4,122,357	\$10,595,505	
Totals:					\$16,830,185			\$11,651,666	\$11,651,666	\$5,766,435	\$17,418,102	

*Blue Heron Solar, LLC*  
*Parcel Listing*

<b>OWNER</b>	<b>PARCEL ID</b>	<b>ACRES</b>	<b>LEGAL DESCRIPTION</b>	<b>ADDRESS</b>
CLAYTON RANCHES LTD	R3122	1777.989	ACRES 1777.989, ROBERT FENNER, ABST-254	390 N CR 531
HARDBERGER GEORGE ROBERT TRUSTEE OF THE	R1461	1588	ACRES 1588.000, MARY BIRD, ABST-13	750 N CR 531
CHILDRESS CHARLES GRADY SR &	R8464	75.880	ACRES 75.880, E D PREWITT, ABST-530	750 N CR 531
CHILDRESS CHARLES GRADY SR &	R8465	154.615	ACRES 154.615, ROBERT D FORSYTHE, ABST-270	750 N CR 531
CHILDRESS CHARLES GRADY SR &	R8463	7.140	ACRES 7.140, G A RENACCO, ABST-572	750 N CR 531
CHILDRESS CHARLES GRADY SR &	R8462	8.260	ACRES 8.260, J C VANN, ABST-697	750 N CR 531

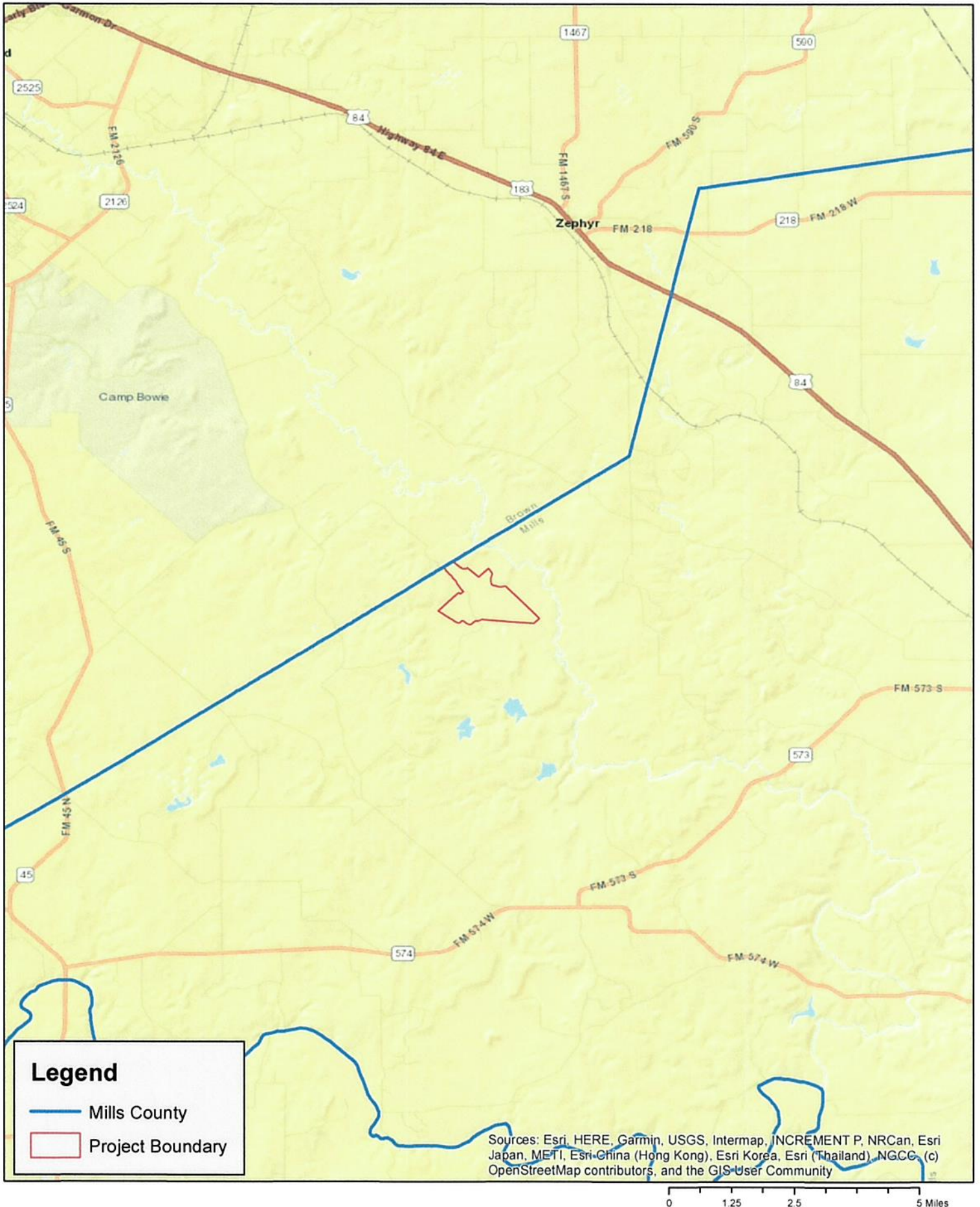


# Blue Heron Solar, LLC

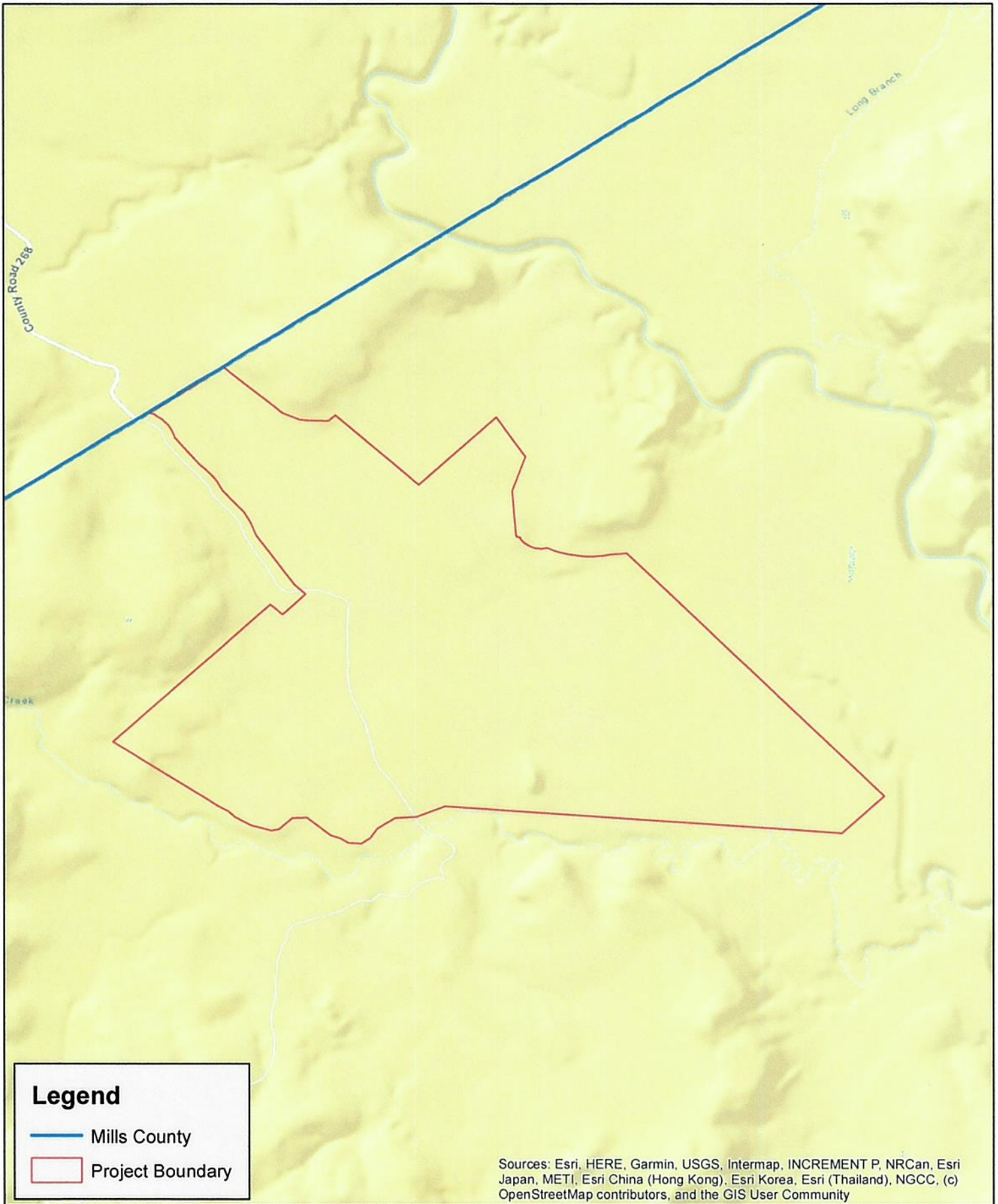




# Blue Heron Solar, LLC



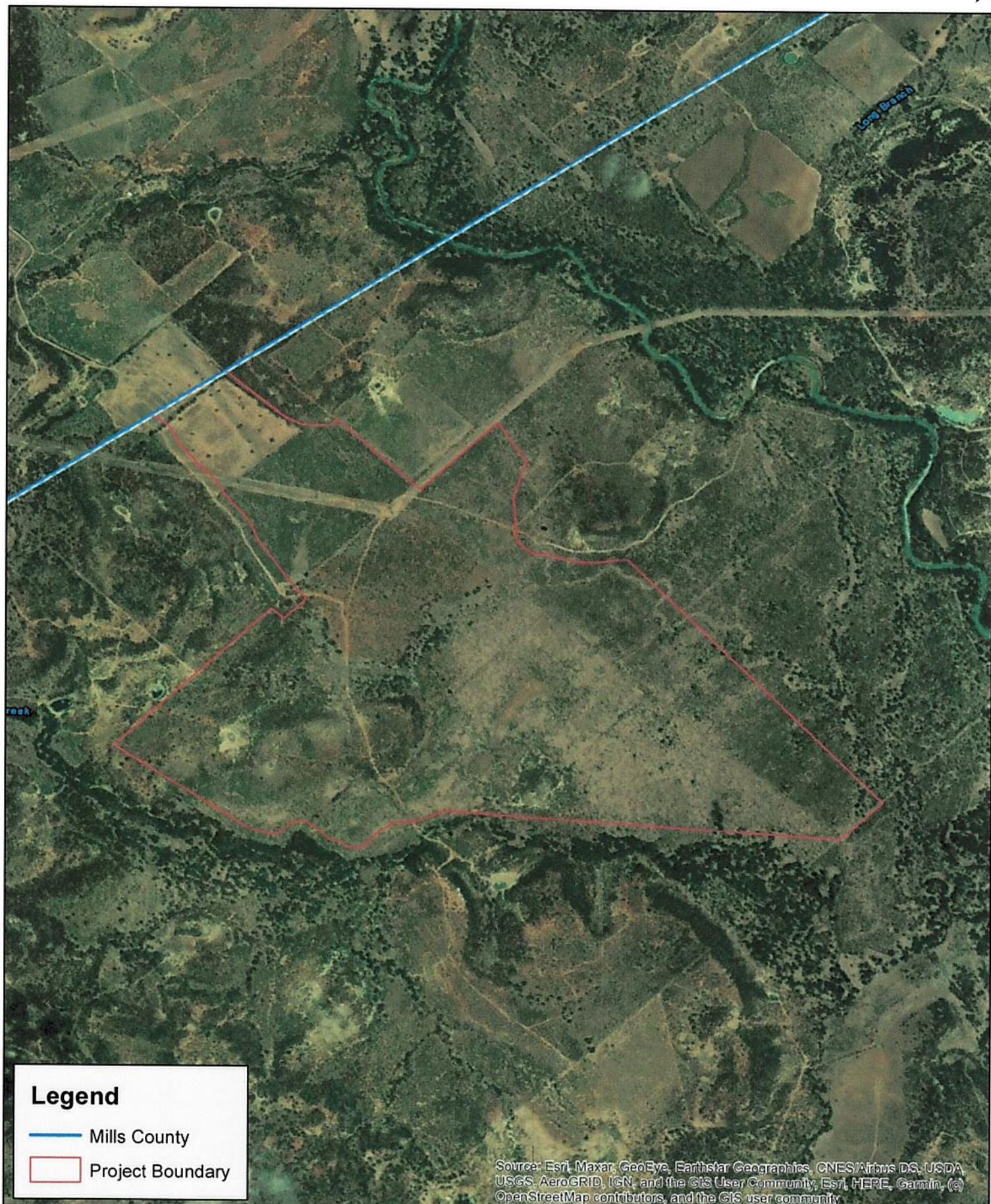
# Blue Heron Solar, LLC



0 0.175 0.35 0.7 Miles



# Blue Heron Solar, LLC



0 0.175 0.35 0.7 Miles





October 24, 2025

The Mills County Commissioners' Court  
PO Box 483  
Goldthwaite, Texas 76844

**Re: Application for Texas Property Tax Code Section 312 Tax Abatement Agreement**

Dear Judge and County Commissioners:

Please find attached an application for a Chapter 312 Tax Abatement Application on behalf of our client, Blue Heron Solar, LLC (whose parent company is Red River Clean Energy). In accordance with Section 312 of the Texas Property Tax Code, we respectfully request that Mills County consider the creation of a reinvestment zone and the approval of a Chapter 312 Tax Abatement Agreement for the Chisme Project.

Note that while the requested nominal rate of the abatement is 50%, since Blue Heron Solar will be paying 100% of the taxable value of the land, which will no longer qualify for an agricultural exemption, the effective rate of the requested tax relief is 34%.

The approval of this agreement would undoubtedly prove beneficial to the economic development of Mills County. In addition to the \$267 million investment, the major economic benefits over the next 30 years are expected to include \$11.6 million of County property taxes and approximately \$20.4 million of school taxes for Mullin ISD, as well as ensuring the ability of Blue Heron Solar, LLC to be located within Mills County, Texas.

Blue Heron Solar, LLC will be an up to 147 MWAC (Megawatts-AC) solar energy generation facility coupled with a 146 MW (300 MWhr) battery energy storage system that, when established, will create approximately 250 jobs during the construction phase and will provide 1 permanent full-time job for the operation and maintenance of the facility. The project is anticipated to be fully operational by 2<sup>nd</sup> quarter 2027.

If you have any questions, please feel free to contact me at 469-298-1594 or [mfry@keatax.com](mailto:mfry@keatax.com). We look forward to working with you.

Sincerely,

A handwritten signature in black ink that reads "Mike Fry". The signature is written in a cursive, flowing style.

Mike Fry  
Senior Director, Energy Services  
K.E. Andrews

**APPLICATION FOR TAX ABATEMENT  
MILLS COUNTY TEXAS**

**APPLICANT:** Blue Heron Solar, LLC  
**Contact Representative:** Mike Luo  
**Address:** 11515 Burnet Rd, Suite 825, Austin, TX 78758  
**Telephone:** 312-883-4898  
**E-mail:** [mluo@redrivercleanenergy.com](mailto:mluo@redrivercleanenergy.com)

**CONSULTANT:** KE Andrews  
**Contact Representative:** Mike Fry  
**Address:** 2424 Ridge Rd Rockwall, TX 75087  
**Telephone:** 469-298-1594  
**E-mail:** [mfry@keatax.com](mailto:mfry@keatax.com)

*(SEE APPLICATION ATTACHED)*



2424 Ridge Road  
Rockwall, TX 75087



469.298.1594



[www.keatax.com](http://www.keatax.com)



**Blue Heron Solar, LLC**  
**312 Application – Mills County**

**Projected Value of Proposed Improvements:**

\$267,000,000

**Projected Timeline:**

- Construction Start – Q4 2025
- Construction Complete – Q2 2027
- Operations Commence – Q2 2027

***Detailed Description of the Project***

Blue Heron Solar, LLC is a 147 MWac (Megawatts-AC) solar energy generation facility coupled with a 146 MWac (300 MWhr) battery energy storage system that will be located in western Mills County within Mullin Independent School District.

***List of Improvements /Personal Property***

It is contemplated that the Project will include but is not limited to the following components:

- |                                     |  |
|-------------------------------------|--|
| • Substation                        | • Interconnection Facilities                       |
| • Transmission Line                 | • Solar Modules & Panels                           |
| • Inverters and Transformers        | • Power Conditioning Equipment                     |
| • Foundations                       | • Combiner Boxes                                   |
| • Roadways, Paving, & Fencing       | • Operation & Maintenance Buildings                |
| • Posts & Racking Equipment         | • DC and AC Collection Wires, Cables and Equipment |
| • Meteorological Towers & Equipment | • SCADA Equipment                                  |
| • Mounting & Tracking Equipment     |  |
| • Battery Energy Storage System     |  |



### ***Certification of No Delinquent Taxes on Applicant's Property***

Blue Heron Solar, LLC does not currently own any property within the proposed Reinvestment Zone.

### ***Terms of Abatement Requested***

It is our request that the terms of the tax abatement agreement between Blue Heron Solar, LLC and Mills County be the equivalent of a 10-year, 50% abatement. Specifically, the abatement requested is to be structured as a 100% abatement coupled with a payment in lieu of taxes (PILOT) of \$517,852 per year.

### ***Payment in Lieu of Taxes Description***

The payment in lieu of taxes (PILOT) that will be provided to Mills County for each of the 10 years for a total of 10 payments will be valued at \$517,852 per year for a total of \$5,178,518 over the 10-year life of the abatement. Please find attached on the last page an exhibit describing the taxes to be collected under the terms of the abatement.

### ***Residual Value***

In accordance with Texas property tax rules, the residual value of the solar energy generation facility within Mills County is expected to be valued at \$53.4 million once fully depreciated. The solar energy generation facility is expected to operate for at least 20 additional years after the abatement period, giving rise to additional estimated County property taxes of approximately \$323,657 per year.

### ***Fees & Expenses***

Blue Heron Solar, LLC agrees to pay a \$1,000 non-refundable application fee and shall reimburse the County its reasonable consulting and attorney fees as may be incurred in preparation and negotiation of the abatement agreement.





***Reinvestment Zone (Parcel Listing)***

OWNER	PARCEL ID	ACRES	LEGAL DESCRIPTION
CLAYTON RANCHES LTD	R3122	1777.989	ACRES 1777.989, ROBERT FENNER, ABST-254
HARDBERGER GEORGE ROBERT TRUSTEE OF THE	R1461	1588	ACRES 1588.000, MARY BIRD, ABST-13
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Rockwall, TX 75087



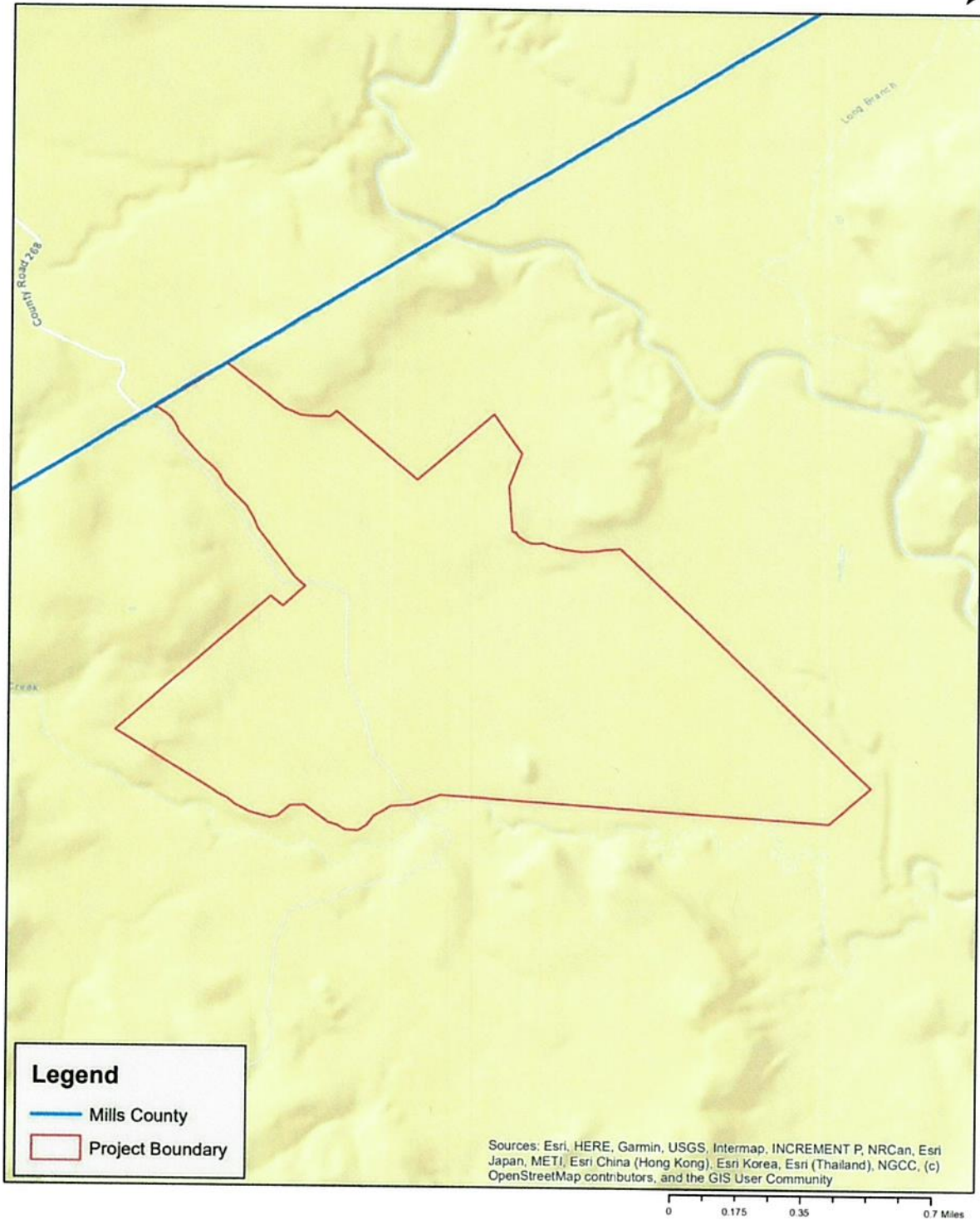
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[www.keatax.com](http://www.keatax.com)

Map of Reinvestment Zone (1 of 3)

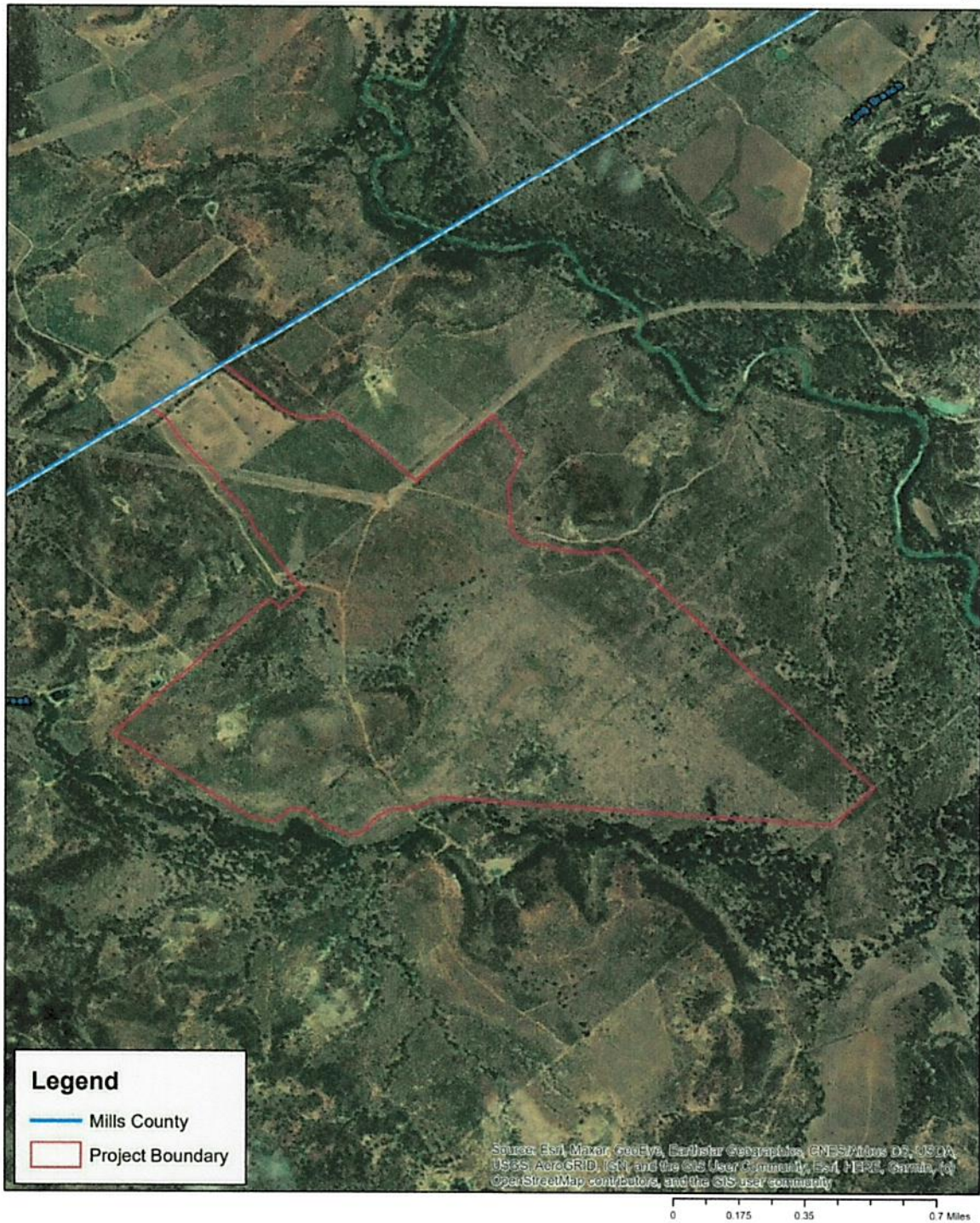
Blue Heron Solar, LLC





Map of Reinvestment Zone (2 of 3)

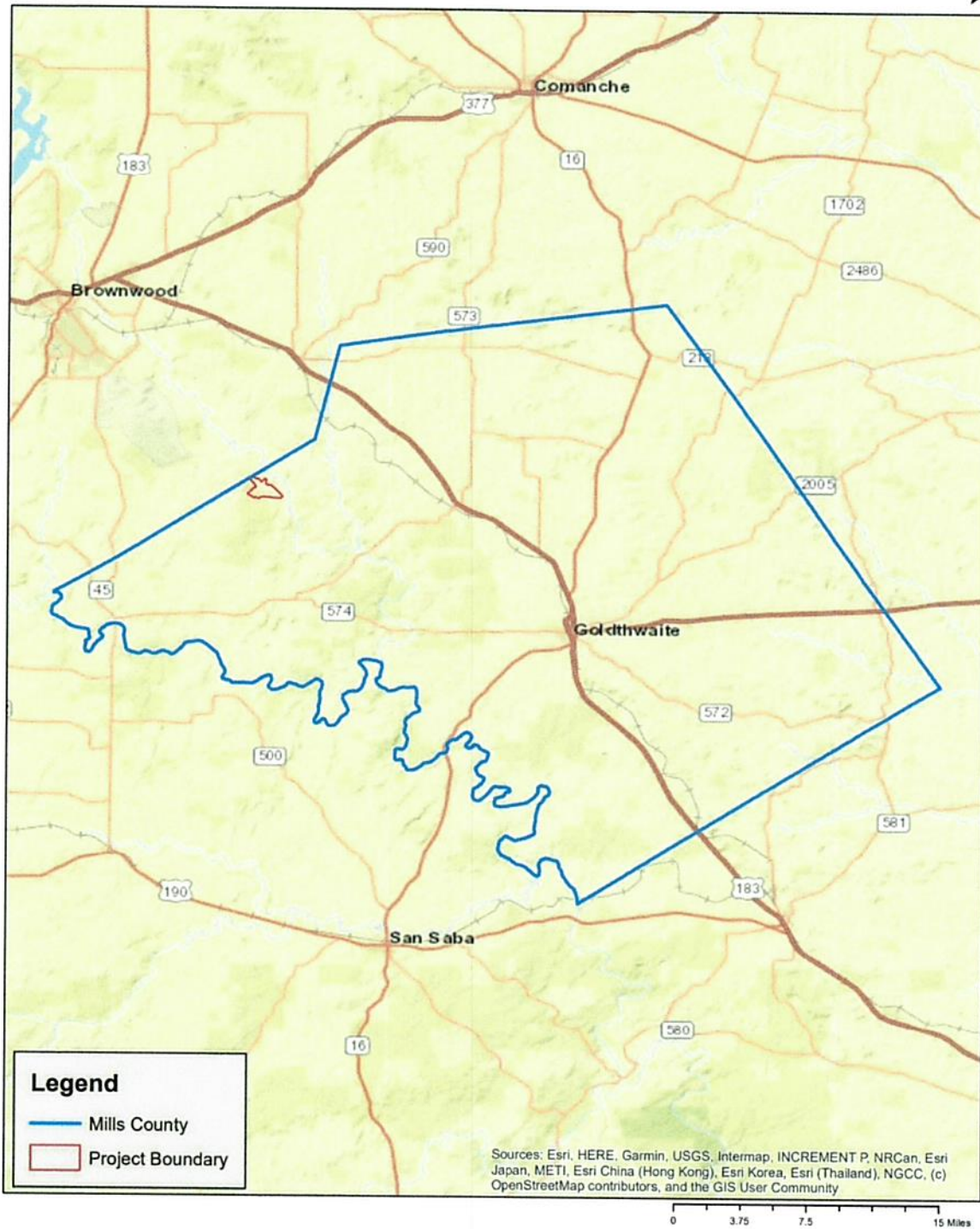
Blue Heron Solar, LLC





Map of Reinvestment Zone (3 of 3)

Blue Heron Solar, LLC



**Mills County - Estimated Ad Valorem Economic Impact**  
**(Abatement Based on Terms of Tax Abatement Guidelines & Criteria Policy)**

Blue Heron Solar, LLC is proposing a ten-year, 100% abatement as shown in the table below.  
 The total "net" abatement is 50% over 10 years resulting in a PILOT payment of \$517,852.

Chisme Project												
Projected Nameplate PV Capacity: 147 Megawatts-AC												
Projected Nameplate Battery Capacity: 146 Megawatts-AC (300 MWhr)												
YEAR	PLANT	FACTOR	TAXABLE VALUE	TAX RATE (MILLS CO)	Without Abatement	WITHOUT FINANCING	ABATEMENT PERCENTAGE	With Abatement	Proposed PILOT	+ LAND REVENUE	TOTAL REVENUE	EFFECTIVE PERCENTAGE
					ESTIMATED TAXES			ESTIMATED TAXES	ESTIMATED PILOTS & TAXES			
2028	267,000,000	100.00%	267,000,000	0.6061%	1,618,287	\$0	50%	809,144	517,852	153,613	671,465	
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