

Shepherd Solar and Energy Storage Open House

December 8th, 2025

Hope Community Center, Simla

5:30-6:30 pm

1. Presentation Summary

- Thank you and welcome
- Introduction to the team.
 - Annaka Egan, Analies Ross-Dyjak, Natalie Aiello and Sara Danti from BayWa r.e. and Wall Kane Consultants.
- Attendees sign in as a requirement to the open house and to share information if they wish to have more information.
- Agenda, brief presentation about the project and breakout session after for questions. Noted we will be writing down questions and feedback and will be sharing them on the website and can be emailed upon request.
 - Shepherd is a 199 MW project solar with 100MW battery component, the size is dependent on the line, not BayWa r.e.
 - Project area is about 1900 acres. Showed map with boundary and where panels are going to go. Noted this is still preliminary, engineering will be working on it. The map also indicates a substation, equipment required for getting the project on the line. The blue box is where the battery storage is going to go.
 - We are utilizing existing infrastructure, we are not related to power pathways. We are interconnecting into tristate, smaller utility. No additional overhead lines.
 - The project is located at County Road 149 and 50, 8 miles from Matheson.
- Other info
 - Working with fire department to work through the requirements for an on-site cistern. Fire provided feedback on high-level specs that are being incorporated into our 30% designs.
 - It will bring significant economic ~\$29M property tax revenue, mostly going to schools, ~\$7M operational tax (things we are buying within the county, like lunches, fences), ~200 local construction jobs for 2 years, ~\$49M local spending over project life.
- Visual Simulations
 - The site has limited visual impact, you can't see much in the visual simulations but that's on purpose, as the project is sited in such a way to limit visual impact. We can go over these 1 on 1 if requested.
- Timeline

- We are currently working through design and technical details of the engineering phase while preparing to submit formal SUR and 1041 permits within the next couple of months.
 - Once permits are secured, we will negotiate a Power Purchase Agreement (PPA) to sell electricity. Target start date of construction is in 2028, with a two-year construction schedule. Project expected to be in service by October 2030 and planned to operate for 40 years, with technicians on-site throughout. Timeline is preliminary and subject to change; adjustments may occur as the project evolves.
 - At the end of the project, all equipment will be removed and land restored to prior use. A decommissioning bond will be in place to guarantee this commitment. Once the project receives the 1041 and SUR permits, we'll determine the decommissioning bond amount.
 - This is the first of two open houses. The next will be held in approximately six months, following permit submission and prior to public hearings.
- Final remarks
- The applicant requests your questions and concerns. Given the early project status, we have some flexibility to address concerns. We also welcome strategies you [participants] are using on items such as dust mitigation and erosion control.

2. Q&A

What happens if the company goes bankrupt in 40 years?

The PPA holds us accountable. A decommissioning bond ensures funds are set aside to remove equipment and restore land. The bond amount is adjusted for inflation and negotiated with the county. Colorado has stringent requirements. Utilities rarely abandon projects because they remain profitable, and our parent company provides financial backing.

Is \$5 million enough for decommissioning decades from now?

The \$5M figure was an example. Actual bond amounts are detailed, inflation-adjusted, and negotiated with the county to ensure adequacy.

Is the project government-subsidized?

No direct subsidies. It's privately developed, selling power at market rates. Competition drives pricing. Tax credits may apply for domestic content, but not subsidies.

How is the land being acquired?

Through confidential lease agreements with landowners. Ownership remains with them.

Will any of the power stay in Elbert County?

Power enters the Tri-State grid and goes to co-ops, including Mountain View. Like water in a pipeline, it's distributed broadly. No guarantee it stays local and there is no possibility for us to influence that, but county benefits come from taxes and jobs. While we'd love to lower the cost for residents, the price of electricity is dictated by the local power utility.

Why should locals bear visual impacts if electricity benefits others?

Community benefits include significant tax revenue, jobs, and local spending. The visual simulations show limited impact due to site selection.

Why are you not putting the panels on a roof or parking lot? Why here?

Large-scale utility projects require flat land near transmission lines. This site is advantageous for solar due to the flat geography of the site and proximity to existing transmission lines. While interventions like parking-lot solar are effective on a small-scale and for individual building consumption, it's logistically and financially extremely difficult to sustain a large project on scattered solar sites as would be needed.

What about nearby competing projects?

Other developers are competing for transmission capacity. This project secured interconnection first, limiting competitors' access.

What about fire risks and insurance liability?

Panels have safety shut-off equipment. Project insurance covers liability for fires caused by project equipment. Panels don't absorb much heat due to special coatings. Fire risk is considered low, but mitigation plans are being developed with fire officials, who we are meeting with. Water will be trucked in, not drawn from wells.

If developed and constructed responsibly, fire hazard remains minimal. However, the project will maintain a 30,000 gallon cistern onsite for fire mitigation. In addition, a thorough emergency response plan will be developed in coordination with Big Sandy Fire Protection District and will include reoccurring training and resources to prepare experts if a fire does arise. Vegetation will also be strictly maintained around site reducing propagation risk.

Will this project increase the temperature of the area?

Although solar panels can warm up like any surface in direct sunlight, they return to ambient temperature at night. Panel spacing and the vegetation below and around the panels help maintain ambient temperatures.

Will panels be made in China?

TBD. The plan is to use U.S.-made panels to qualify for domestic content tax credits. Battery systems will be domestic.

How many other solar projects has the company built?

We own and operate three, with three additional projects nearing construction completion. We have built projects in Illinois, California, Texas, Kentucky, North Carolina, and more.

Are there loopholes in contracts that let you avoid responsibility?

Legal agreements are detailed and county-driven. While contracts always have complexities, Colorado's system is designed to protect communities.

What are the batteries made out of and are they safe?

Lithium-ion. The self-contained system will have no impact on soil, water, or air quality on a day-to-day basis. In the very unlikely case of a battery fire, the emergency response plan, which is approved by local fire authorities in coordination with third party battery experts, will provide guidance for evacuation scenarios and fire suppression. We also have remote shut-off options. The BESS systems are non-occupiable, meaning that people cannot enter and exit the enclosures. Most of the older technology used a “building design” which is no longer the industry standard due to safety concerns.

What is the life expectancy of the BESS? What do you do with the battery cells once they're dead?

Partial replacement after 15 years, then full replacement after 26. We are planning to follow up with our engineering and procurement teams to confirm the BESS replacement schedule.

There are companies in Nevada that specialize in recycling them, and others will certainly pop up as the industry continues to grow.

What happens when the next governor comes in and throws out all renewable energy plans?

While we're unable to predict the future of political decisions, the need for electricity will continue to grow as Colorado's population increases. Energy demand among utilities will continue and existing operational facilities will remain on the grid as they are contractually obligated, in this case though Tri- State Generation and Transmission Association, to provide power into the grid. Future changes in political renewable energy initiatives will likely only impact future projects.

I was not informed about this community meeting.

We put up signs and sent out notices as per County requirements. The radius report we were provided with comes from the County but we can expand for the next community meeting.

Would you have sent out notices even if you were not required?

Yes.

Where are the county commissioners?

They were invited but do not usually attend these meetings and are advised not to attend by their legal counsel.

You are taking ag land out of production. Is there a way to use that land for production still?

There is an option for sheep and honey production. Current technology used in the industry does not allow for ag-machinery to operate below the panels.

Do you reseed? Will the wind take the seeds away?

We reseed immediately after initial grading. We have an operations and maintenance contract and division that takes care of that. We're exploring dust and erosion mitigation options as well.

How can we stay informed?

You can put your contact information down on the sign in sheet and we can send you updates on the project. If you do not want to put your information down or do not use email, you can come talk to us and we will find a way to get you that information. You can also visit our project landing page: <https://us.baywa-re.com/en/projects/local-projects/landing-shepherd>