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Section 1.0

Executive Summary
Appendices

Appendix 1A

Property Owner Information (confidential)

Appendix 1B
Community Benefits Plan

Prairie Song Reliability Project

Antelope Valley and Los Angeles County Community Benefits Agreement Plan

Overview

Prairie Song Reliability Project LLC (Applicant) is committed to advancing California's climate and energy goals while prioritizing meaningful, community-centered engagement. As part of the Prairie Song Reliability Project (PSRP), the Applicant will enter into one or more Community Benefits Agreements (CBA) that outline a multi-year commitment to investments in programs aligned with priorities in Antelope Valley and Los Angeles County. These investments are intended to ensure that the benefits of the State's energy transition are shared with the communities closest to the project's development.

This Plan has been prepared pursuant to California Public Resources Code (PRC) § 25545.10, which provides that the California Energy Commission (CEC) must find that a project seeking certification under the CEC's Opt-In Certification Program has:

> ... *enter[] into one or more legally binding and enforceable agreements with, or that benefit, a coalition of one or more community-based organizations, such as workforce development and training organizations, labor unions, social justice advocates, local governmental entities, California Native American tribes, or other organizations that represent community interests, where there is mutual benefit to the parties to the agreement*.

Topics and terms under the CBA may include, but are not limited to, workforce development, job quality, job access provisions, funding for or providing specific community improvements or amenities, annual contributions to a nonprofit or community-based organization that awards grants to organizations delivering community-based services and amenities, or agreements with California Native American tribes for cultural preservation and revitalization programs, open-space preservation agreements, and other compensatory mitigation programs. *See* PRC § 25545.10.

Los Angeles/Orange County Building & Construction Trades Council – Apprenticeship Readiness Fund

Through its outreach efforts, the Applicant has engaged with a local community-based organization, the Los Angeles/Orange Counties Building and Construction Trades Council (LA/OC BCTC). In accordance with PRC § 25545.10, the Applicant intends to execute a legally binding, multi-year CBA with the LA/OC BCTC Apprenticeship Readiness Fund (ARF) to support workforce development critical to California's clean energy transition and to strengthen pathways into union careers in the skilled trades. As part of this agreement, Women in Non-Traditional Employment

Roles (WINTER) will serve as a designated community beneficiary, receiving support to enhance access and opportunity for women in the building and construction workforce. Through direct support of the ARF, additional programs that serve underrepresented communities, may be added as beneficiaries incrementally over the duration of this CBA

LA/OC BCTC administers a nationally recognized apprenticeship readiness program through the ARF, which provides 120 hours of curriculum training aligned with the Multi-Craft Core Curriculum (MC3). The program prepares participants for successful entry into state-certified union apprenticeship programs through instruction in construction fundamentals, workplace safety, labor history, applied mathematics, and the professional skills required for long-term success in the trades.

WINTER plays a key role in supporting women entering the apprenticeship readiness program by providing targeted recruitment, case management, and a suite of holistic wraparound services. These include life skills training, mentorship, financial literacy, transportation assistance, and post-placement support designed to reduce barriers to entry and improve retention in the trades. WINTER's long-standing partnership with LA/OC BCTC and its focused model of support make it well positioned to deliver community-based outcomes aligned with California's workforce and infrastructure goals.

The Applicant expects to finalize this agreement in or around Q3 2025. This agreement represents one of several CBAs the Applicant intends to advance to ensure the PSRP delivers broad, lasting benefits to its host community.

Community Outreach Approach

As stated above, The agreement with LA/OC BCTC is one of several CBAs the Applicant intends to execute. The Applicant's outreach approach is designed to strengthen local partnerships and ensure community priorities, in line with the project "Pillars of Support", to inform the development of the PSRP project from the ground up.

Engagement efforts will include one-on-one meetings, local listening sessions, community-led focus groups, and a working group comprised of residents and organizations focused on local workforce training, economic development, open space access, and STEM education. Through this process, the Applicant seeks to develop a meaningful understanding of community priorities and identify opportunities for collaboration—particularly in shaping and implementing place-based CBAs

Pillars of Support

a. Local Workforce

The Applicant is exploring opportunities to support local workforce development by partnering with organizations that deliver training and job readiness across the Antelope Valley and more broadly across Los Angeles County. This initiative focuses on strengthening programs that

support historically underrepresented groups, including underserved youth and women, to expand access to high-quality careers in the skilled trades.

b. Grid Resilience

The Applicant is exploring opportunities to improve access to reliable power in communities historically affected by resource adequacy shortfalls and Public Safety Power Shutoff (PSPS) events. This initiative aims to support established organizations working to expand access to distributed energy resources and backup generation that are critical for residents and essential facilities, including hospitals and emergency response infrastructure.

c. Conservation & Land Stewardship

The Applicant is exploring opportunities to support the conservation of open spaces in Los Angeles County, with a focus on the High Desert communities. This initiative aligns with local priorities to protect rural character, reduce wildfire risks, and expand equitable access to parks, trails, and natural landscapes for recreation, health, and ecological benefit.

d. Educational & Workforce Development

The Applicant is exploring opportunities to expand access to energy education and workforce training throughout Los Angeles County, specifically in areas local to the project. This initiative aims to support academic institutions and technical programs that prepare students and working adults for high-quality careers in the region's growing clean energy economy.

e. Township & County-Aligned Investments

The Applicant is exploring opportunities to support broader community development efforts beyond the LA/OC BCTC CBA, in coordination with Township and Los Angeles County representatives. These efforts may include investments in infrastructure, public safety, rural services, or other locally identified priorities. The Applicant is committed to maintaining an open and collaborative dialogue with local officials to ensure that any contributions are responsive to the most pressing needs of the surrounding region.

Anticipated Timeline

Project–specific listening-sessions, focus groups, and working group sessions will begin in July 2025 and continue over several months. This work will occur in parallel with advancement and execution of the CBA with the LA/OC BCTC in or around Q3 2025. Organizations participating in these engagement activities may be considered for inclusion in the Applicant's broader CBA framework. The finalized CBA with LA/OC BCTC will be submitted no later than 45 days after the CEC determines the PSRP Application is complete and/or a mutually acceptable date is approved by the CEC Executive Director.

Appendix 1C
Labor Certification

June 18, 2025

VIA ELECTRONIC MAIL
(Eric.Knight@energy.ca.gov)

Eric Knight, Manager
California Energy Commission
Siting, Transmission & Environmental Protection Division
Siting & Environmental Branch
715 P Street
Sacramento, CA 95814

RE: Prairie Song Reliability Project: AB 205 Labor Certification

Dear Mr. Knight:

In connection with its Application for Certification of the Prairie Song Reliability Project (the "Project"), Prairie Song Reliability Project LLC (the "Applicant") certifies that it will comply with the requirements set forth in Public Resources Code sections 25545.3.3 and 25545.3.5, including that: (1) the Project will meet the requirements of a covered project and (2) a skilled and trained workforce will be used to perform all construction work on the Project.

Specifically, Prairie Song Reliability Project LLC certifies that as to the Project only, and only as consistent with the applicable provisions of Assembly Bill 205 (2022) and the California Labor Code:

1. Prevailing Wages:

    a. The prevailing wage requirement of Public Resources Code section 25545.3.3(b) will be included in all contracts for the performance of all construction work.

    b. All contractors and subcontractors will be required to pay to all construction workers employed in the construction of the project at least the general prevailing rate of per diem wages or the applicable apprentice prevailing rate, as applicable.

    c. All contractors and subcontractors performing construction work on the project will be required to employ apprentices at no less than the ratio required in Labor Code section 1777.5.

    d. Unless otherwise exempted by Public Resources Code section 25545.3.3, all contractors and subcontractors performing construction work will maintain and verify payroll records pursuant to Labor Code section 1776, make those records available for inspection and copying as provided therein, and furnish those payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4.

e. Unless otherwise exempted by Public Resources Code section 25545.3.3, the obligation of the contractors and subcontractors to pay prevailing wages and employ apprentices may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Labor Code section 1741, which may be reviewed pursuant to Labor Code section 1742, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Labor Code section 1771.2. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment will be liable for liquidated damages pursuant to Labor Code section 1742.1.

f. Alternatively, all contractors and subcontractors performing construction work on the project may be subject to a project labor agreement. If the project is subject to a project labor agreement, then sections 1.d and 1.e, above, do not apply. The project labor agreement would include the following:

    i. Provisions requiring payment of prevailing wages to all construction workers employed in the construction of the project and for enforcement of that obligation through an arbitration procedure.

    ii. Targeted hiring provisions, including a targeted hiring plan, on a craft-by-craft basis to address job access for local, disadvantaged, or underrepresented workers, as defined by a relevant local agency.

    iii. Apprenticeship utilization provisions that commit all parties to increasing the share of work performed by state-registered apprentices above the state- mandated minimum ratio required in Labor Code section 1777.5.

    iv. Apprenticeship utilization provisions that commit all parties to hiring and retaining a certain percentage of state-registered apprentices that have completed the Multi-Craft Core pre-apprenticeship training curriculum referenced in Unemployment Insurance Code section 14005(t)

2. Skilled and Trained Workforce:

    a. All contracts for the performance of work will require that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the project.

    b. Every contractor and subcontractor will be required to use a skilled and trained workforce to construct the project.

    c. Unless otherwise exempted by Public Resources Code section 25545.3.5, contractors and subcontractors that fail to use a skilled and trained workforce will be subject to the penalties provided in Public Contract Code section 2603. Penalties for a contractor's or subcontractor's failure to comply with the requirement to use a skilled and trained workforce may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Public Contract Code section 2603. Penalties shall be paid to the State Public Works Enforcement Fund.

    d. Unless otherwise exempted by Public Resources Code section 25545.3.5, records, including copies of monthly reports, that demonstrate compliance with Chapter 2.9 (commencing with section 2600) of Part 1 of Division 2 of the Public Contract Code will be retained while the project or contract is being performed and for three years after completion of the project or contract. 16DO 8me LLC will submit these records immediately upon request by the California Energy Commission ("Commission"). When submitted to the Commission, these records shall be a public record under the California Public Records Act (Part 1 [commencing with section 7920] of Division 10 of Title 1 of the Government Code) and shall be open to public inspection.

    e. Alternatively, all contractors and subcontractors performing work on the project may be subject to a project labor agreement. If the project is subject to a project labor agreement, then sections 2.c and 2.d, above, do not apply. The project labor agreement would include the following:

        i. Provisions requiring compliance with the skilled and trained workforce requirement and for enforcement of that obligation through an arbitration procedure.

        ii. Targeted hiring provisions, including a targeted hiring plan, on a craft-by-craft basis to address job access for local, disadvantaged, or underrepresented workers, as defined by a local agency.

iii. Apprenticeship utilization provisions that commit all parties to increasing the share of work performed by state-registered apprentices above the state- mandated minimum ratio required in Labor Code section 1777.5.

iv. Apprenticeship utilization provisions that commit all parties to hiring and retaining a certain percentage of state-registered apprentices that have completed the Multi-Craft Core pre-apprenticeship training curriculum referenced in Unemployment Insurance Code section 14005(t).

Prairie Song Reliability Project LLC looks forward to working with the Commission regarding its Application for Certification of the Prairie Song Reliability Project.

Sincerely,

Sam Littlefield
Chief Development Officer
Prairie Song Reliability Project LLC
slittlefield@covalinfra.com

Appendix C_Labor Certification

Final Audit Report 2025-05-27

Created:	2025-05-27
By:	Garrett Lehman (GLehman@aypa.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAANQJCZYIjkNGv6wwiG4NH6TnkfkoOOf53

"Appendix C_Labor Certification" History

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Signature Date: 2025-05-27 - 9:47:04 PM GMT - Time Source: server

Agreement completed.
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Appendix 1D
Attestation Letter

COVAL

June 18, 2025

Mr. Drew Bohan
Executive
Director
California Energy Commission
1516 9th Street
Sacramento, CA 95814-5512

Dear Mr. Bohan:

In accordance with the provisions of Title 20, California Code of Regulations and Assembly Bill 205, Prairie Song Reliability Project LLC, a Delaware limited liability company (Applicant) hereby submits this Opt-In Application, seeking authority to construct, own, and operate the Prairie Song Reliability Project, a 1,150-megawatt, 9,200-megawatt-hour battery energy storage system. The project will be located in unincorporated Los Angeles, California.

As an officer of Prairie Song Reliability Project LLC, I hereby attest, under penalty of perjury, that the contents of this application are truthful and accurate to the best of my knowledge and belief.

Sincerely,

Prairie Song Reliability Project LLC,
a Delaware limited liability company

Sam Littlefield

Chief Development Officer

Appendix 1E
Net Benefits Analysis

Memorandum

To: Erin Phillips, Project Manager Dudek

From: Economic & Planning Systems, Inc.

Subject: Prairie Song Reliability Project Net Economic Benefits Analysis
EPS #244007; Dudek Job Number: 15657.14

Date: June 16, 2025

Prairie Song Reliability Project LLC (Applicant) is proposing to construct and operate the Prairie Song Reliability Project (Project). The Project The Project will consist of an up to 1,150-megawatt (MW) containerized battery energy storage system (BESS) facility utilizing lithium-iron phosphate cells, or similar technology, operations and maintenance (O&M) buildings, a Project substation, a 500-kilovolt (kV) overhead generation interconnection (gen-tie) transmission line, and interconnection facilities within the existing Southern California Edison (SCE) owned and operated Vincent Substation. The Project has 258 acres under site control for both the BESS and Substation (~71ac.) and the potential Generation Tie line routes. This includes land owned by Southern California Edison (SCE) and required construction by SCE to connect the Project to the grid.

The Applicant has retained Economic & Planning Systems, Inc. (EPS) to provide a Net Benefits Analysis of the Project for Los Angeles County (County). This analysis builds off the Socioeconomic Impact Analysis for the Project (CEC Analysis and Technical Memorandum) completed by EPS as required by the California Energy Commission (CEC) Opt-In Certification Program.

This memorandum is intended to meet the required parts for the Overall Net Positive Economic Benefits to the Local Government section as indicated in Cal. Code Regs., tit. 20, § 1877(f). These specific economic benefits are further outlined in Cal. Code Regs., tit. 20 § 1879(a)(7) and Pub. Resources Code § 25545.9. EPS will address these components as applicable to the Project and will conduct this technical analysis consistent with its understanding of the CEC's definition of "net economic benefits", recognizing a formal definition has not been adopted by the CEC or provided by statute.

This memorandum is divided into two parts: Overview of Approach and Net Impacts of the Project. More information on the methodology used for the economic and fiscal

analysis can be found in **Appendix A** and in the EPS technical memorandum (Appendix 3.10A) referenced above.

Overview of Approach

Pursuant to the California Code of Regulations title 20, section 1877(f), CEC Opt-In Applications must include preliminary information demonstrating an overall net positive economic benefit to the local government that would have had permitting authority over the proposed site and related facility. For the Project, the local permitting authority would have been Los Angeles County. The net positive economic benefit analysis entails a comparison of the positive economic benefits and the potential negative economic impacts of the Project on the local government. The determination of overall net positive economic impacts of the Project to Los Angeles County is drawn from the parameters as established by Cal. Code Regs., Tit. 20 § 1879(a)(7) and Pub. Resources Code § 25545.9.

Public Resources Code section 25545.9 provides that economic benefits may include, but are not limited to, any of the following:

- Employment growth;
- Housing development;
- Infrastructure and environmental improvements;
- Assistance to public schools and education;
- Assistance to public safety agencies and departments; and
- Property taxes and sales and use tax revenues.

While there are no formal guidelines for evaluating negative economic impacts within the Opt-In Application process, EPS developed its approach based on prior discussions with CEC staff and a review of published CEC letters.[1] This approach includes evaluating potential opportunity costs, estimated County service provision costs, and other energy-specific considerations. The resulting net economic benefit estimate reflects the total projected positive economic effects of the Project, offset by any identified negative impacts.

[1] Reviewed published include: CEC Docket, TN#: 256338; CEC Docket, TN#: 259469; CEC Docket, TN#: 259038; CEC Docket, TN#: 260568.

Overall Net Positive Impacts of the Project

Positive Impacts of the Project

EPS addresses each of the economic benefits detailed in Cal. Code Regs., Tit. 20 § 1879(a)(7) and Pub. Resources Code § 25545.9 as they relate the Project. This includes the following components:

(a) Employment growth and other economic metrics;
(b) Housing development;
(c) Infrastructure and environmental improvements;
(d) Assistance to public schools and education;
(e) Assistance to public safety agencies and departments;
(f) Property taxes and sales and use tax revenue.

The methodology used to estimate the Project's positive economic and fiscal benefits is detailed in **Appendix A** and in the CEC Analysis and Technical Memorandum (Appendix 3.10A) referenced above. EPS relied on data provided by the Applicant to develop these benefit estimates. In cases where quantifiable benefits could not be calculated due to the preliminary nature of the Project or ongoing negotiations, EPS identified and described potential benefits qualitatively, incorporating information provided by the Applicant.

Employment growth and other economic metrics

The Project is expected to generate 543 total jobs, approximately $60.8 million in total labor income, and approximately $145.1 million in total output during a two-year construction in Los Angeles County. Of the 543 total jobs during construction, 303 represent direct full-time equivalent (FTE) positions with an average compensation of $141,000 over the two-year construction period. These jobs will include laborers, operators, electricians, and other skilled workers. Direct economic output will total an estimated $90.8 million. The indirect and induced impacts from the construction phase are estimated to generate an additional 240 full-time and part-time jobs with an average compensation of $75,400. Indirect and induced output totals an estimated $54.2 million.

Project operations will generate 49 total jobs, approximately $5.7 million in total labor income, and approximately $14.4 million in total economic output. Of the 49 jobs associated with Project operations, the Applicant anticipates 20 FTEs will be required to directly manage the Project's ongoing operations with an average compensation of $181,500. The indirect and induced impacts of Project operations are estimated to generate an additional 29 full-time and part-time jobs with an average compensation of $70,500. Indirect and induced output totals an estimated $5.5 million.

Table 1 Employment Growth in Los Angeles County

Phase and Type of Impact	Employment	Labor Income	Output
Construction			
Direct[1]	303	$42,732,000	$90,818,000
Indirect	73	$6,549,000	$20,514,000
Induced	167	$11,544,000	$33,733,000
Total	***543***	***$60,825,000***	***$145,065,000***
Annual Operations			
Direct[2]	20	$3,630,000	$8,907,000
Indirect	13	$954,000	$2,395,000
Induced	16	$1,077,000	$3,148,000
Total	***49***	***$5,661,000***	***$14,450,000***

[1] Direct employment figures are based on estimated FTEs provided by Prairie Song Reliability Project LLC, and direct compensation is sourced from Southern California Contractors Association, Inc. and from the Department of Industrial Relations Wage Determinations.

[2] Direct operations employment and their corresponding compensation is provided by Prairie Song Reliability Project LLC.

Source: IMPLAN 2023; Prairie Song Reliability Project LLC; Economic & Planning Systems, Inc.

Conclusion: The Project will generate positive economic growth in the County through 543 total temporary jobs, approximately $60.8 million in total labor income, and approximately $145.1 million in total output during the construction phase. Additionally, the Project will generate 49 total jobs, approximately $5.7 million in total labor income, and approximately $14.4 million in total economic output annually from Project operations.

Housing development

There is no anticipated housing development as a result of either Project construction or operations. The Applicant expects to source labor within a 75-mile radius of the Project site, encompassing all of Los Angeles County. Furthermore, any temporary population increase associated with Project construction is expected to be accommodated by existing temporary housing resources, including an estimated 94,133 available multifamily units, hotel/motel accommodations, and mobile homes in Los Angeles County (see the CEC Socioeconomic Section for additional detail on population and housing impacts). If operations workers permanently relocate to the Project area, it will result in a negligible increase in population, given the small number of projected operations employees.

Conclusion: The Project will have no impact on housing development.

Infrastructure and environmental improvements.

The Project can play an integral part in the County's energy infrastructure modernization and transformation efforts, representing broader environmental improvements. The Project maximizes the potential of renewable energy sources like wind or solar and supports the State of California's Greenhouse Gas (GHG) Reduction goals for electricity production (Senate Bill 100 (2018)). Further, it offers grid resilience and energy security; can charge and discharge from the grid which can include renewables, fossil-fuel generated electricity, and hybrid renewable-fossil systems as the energy sector transitions to a low carbon future; and can increase the ability of the grid to serve peak demand through stored energy to meet demand. The exact economic effects of these improvements—which would result in improved grid resiliency, reduced risk of blackouts, additional local supply to meet demand increases, etc.—are not readily quantifiable at present.

Conclusion: Although it is not possible to quantify the economic impacts of infrastructure and environmental improvements to the County, the Project is expected to help improve economic efficiency through grid resilience and energy security while helping the State meet its GHG reduction goals.

Assistance to public schools and education.

There are currently no formal agreements between the Applicant and public schools or other educational facilities. The Applicant does plan to fund education in some capacity in the County, and such discussions between the Applicant and public schools are in progress. While the monetary value of this assistance is not yet final, contributions to public education are an important element of the Applicant's investment in the local community. Additionally, the Applicant will pay $8,500 in school impact fees to the Acton-Agua Dulce Unified School District.

Conclusion: The Applicant will pay $8,500 in school impact fees to the Acton-Agua Dulce Unified School District, which is a positive economic benefit. Further, the Applicant intends to fund education in some capacity in the County and plans to begin discussions with representatives of local schools regarding this community benefit.

Assistance to public safety agencies and departments.

The Applicant will work with the Los Angeles County Fire Department with respect to fire safety. The Project has produced standard reports and models meeting the provisions of the Draft Los Angeles County Fire BESS Ordinance and has completed a Fire Water Safety Code Analysis[2] showing that the Project exceeds minimum recommendations Fire Water Supply (see Appendix 3.17A Firefighting Water Supply Analysis). The Applicant

[2] The following codes, standards, and reference materials were reviewed as part of the analysis: 2022 California Building Code (CBC); 2022 California Fire Code (CFC); 2023 Los Angeles County Fire Code (LACFC); NFPA 22, Standard for Water Tanks for Private Fire Protection, 2018 Edition (NFPA 22); NFPA 24, Standard for the Installation of Private Fire Service Mains and their Appurtenances, 2022 Edition (NFPA 24); NFPA 1142, Water Supplies for Suburban and Rural Fire Fighting, 2022 Edition (NFPA 1142); Factory Mutual Data Sheet 5-4, Transformers, Interim Revision October 2024 (FMDS 5-4)

will prepare an emergency response plan, and an outline of the plan will be submitted as part of the CEC Application. Additionally, the Applicant expects to assist in the funding of emergency response plans, including regular and fire safety training, in relation to the Project. The total monetary value of the Applicant's investment in safety protocol, including implementation of these plans and regular fire and safety training is not yet final.

Conclusion: The Applicant expects to assist in the funding of emergency response plans and regular fire and safety training; however, the value of this investment is not yet finalized.

Property taxes and sales and use tax revenues

The Project will generate about $376 million in public revenue with $154.9 million accruing to Los Angeles County (2025-dollar terms) as detailed below in **Table 2**. The Project is expected to generate a total of $127.6 million in sales and use tax revenues from the construction and operation phases, of which the County will receive about $69.1 million. The majority of the sales and use tax revenues will occur in the construction phase ($61.1 million) and is the result of the Applicant's intention to record the job site as the location of use for its direct taxable purchases (materials and fixtures). More information on this breakdown can be found in Appendix 3.10A.

Table 3 below provides a breakdown of the property tax revenue allocations within Los Angeles County. The Project is also expected to generate an annual average of about $6.2 million in property taxes, summing to about $248.4 million over the Project's lifetime. Based on current tax allocation factors from the Los Angeles County Auditor-Controller Office:

- 29 percent of the aggregate property tax revenues will flow to the County General Fund, for a total of $73.1 million over the life of the Project.
- An additional $12.6 million (over the Project's lifetime) will accrue to other County funds and Special Districts.
- To avoid overstating the Project's fiscal impact to the County, only these portions (totaling $85.7 million) are included in the "**Net tax revenues**" section below.

However, other County-serving entities also receive a share of the property tax revenue. Notably, Los Angeles County Fire receives 17.4%, equivalent to $43.2 million over the Project's lifetime. When combining allocations to the County General Fund, other County funds and Special Districts, and Los Angeles County Fire, the total benefit to Los Angeles County entities is projected at $129.0 million over the Project's life.

The allocation to other recipients of the property tax revenue includes:

- 2.6 percent to Antelope Valley Community College ($6.4 million over lifetime),
- 22.0 percent to local school districts ($54.7 million over lifetime),
- Approximately 0.4 percent to other school related funds ($1.0 million lifetime), and

- 2.5 percent to other agencies ($6.1 million lifetime).

The remainder primarily accrues to the estimated post-Educational Revenue Augmentation Fund (ERAF) share which represents 20.6 percent of the aggregate property tax revenue ($51.1 million over lifetime). For more information on how property tax revenue was calculated, see the EPS Technical memorandum (Appendix 3.10A).

Table 2 Property and Sales and Use Tax Revenues

Total Revenues	One-Time[1]	Ongoing Revenues		Combined Total[3]
		Annual Avg.	Project Lifecyle[2]	
General Property Tax[4]	**$0**	***$6,209,000***	**$248,351,000**	**$248,351,000**
County Share[5]	$0	*$2,144,000*	$85,777,000	$85,777,000
Sales and Use Taxes[6]	**$97,880,000**	***$1,190,000***	***$29,754,000***	**$127,634,000**
County Share[7]	$61,129,000	$319,000	$7,966,000	$69,095,000
Total Revenue	**$97,880,000**	**$7,399,000**	**$278,105,000**	**$375,985,000**
Total County Share	$61,129,000	$2,463,000	$93,743,000	$154,872,000

Note: values shown are rounded to nearest thousand. Values may not sum due to rounding.

[1] One-time revenues generated prior to and during the construction period.

[2] Sales and use taxes for Ongoing Revenues is calculated over a 25 year period while the property tax is calculated over a 40 year period.

[3] Combined Total includes One Time plus cumulative Ongoing Revenues.

[4] Represents total property tax revenues over the life of the project, regardless of recipient agency. Annual value represents average over project lifetime. Full more details, see **Table A-6** in the Technical Memorandum (Appendix 3.10A).

[5] The property tax County share includes revenues to the Los Angeles County General Fund and other County or special district funds that provide services to the County.

[6] Includes potential one-time sales tax on construction material & fixture purchases (see **Table A-2** in the Technical Memorandum, Appendix 3.10A) and estimate operational expenses over the lifetime of the BESS facility (see **Table A-4** in the Technical Memorandum, Appendix 3.10A).

[7] The sales and use taxes County Share includes revenues to the Los Angeles County General Fund, Measure H, Measure R, Measure M, Measure A, and Measure C.

Source: Prairie Song Reliability Project LLC; Economic & Planning Systems, Inc.

Table 3 Summary of Assessed Value and Property Tax Estimation

Item	Tax Rate	Annual Average	Total
Net New Assessed Value of Land[1]			$8,958,229
Project Capital Expenditure			$1,919,232,460
New Net Assessed Value of Property[2]			$1,928,190,689
Countywide General Property Tax	1.0%	$6,208,774	$248,350,961
Allocation[3]			
Los Angeles County General Fund	29.5%	$1,828,490	$73,139,603
Los Angeles County Other Revenues	5.1%	$315,944	$12,637,744
Los Angeles County Fire	17.4%	$1,081,128	$43,245,104
Antelope Valley Community College	2.6%	$160,737	$6,429,474
Acton-Agua Dulce Unified School District	22.0%	$1,366,815	$54,672,613
Other School	0.4%	$25,033	$1,001,338
Other Agencies	2.5%	$153,151	$6,126,051
Educational Revenue Augmentation Fund (ERAF)	20.6%	$1,277,476	$51,099,034
Total	**100.0%**	**$6,208,774**	**$248,350,961**

[1] Net New Assessed Value of Project site land is based on the purchase price of Project land from Prairie Song Reliability Project LLC
[2] This figure is used for a depreciation calculation. Battery storage unit is depreciated as a single unit per per Reproduction Cost New Less Depreciation (RCNLD) at 12 year life to a minimum percent good. Depreciation rate set through the BOE Assessors' Handbook Section 581, Equipment and Fixtures Index, Percent Good and Valuation Factors, Table 04: Machinery and Equipment Percent Good Factors.

[3] Allocations are derived from the LA County Auditor-Controller's office. See the Technical Memorandum for more information (Appendix 3.10A)

Source: Los Angeles County Auditor-Controller; California State Board of Equalization; Prairie Song Reliability Project LLC; Economic & Planning Systems, Inc.

Conclusion: The Project is estimated to generate positive tax revenues for the County, totaling about $154.9 million, inclusive of both construction and operational phases.

Negative Impacts of the Project

One of the most important and complex parts of a net economic benefit analysis is specifying the categories of potential negative effects on the permitting authority and assessing the impacts of those effects. A typical net benefit analysis may include modeling approaches—such as the incorporation of "negative events" in IMPLAN—that capture broader economic impacts beyond a project's gross benefits. However, because BESS facilities do not directly replace existing energy sources in a one-to-one manner, such comparisons may not be appropriate. Instead, EPS evaluates potential negative

impacts using the following elements, which were identified in consultation with CEC staff in previous projects:

(a) The opportunity costs of investment in the proposed Project;
(b) The projected costs of Los Angeles County providing services to the Project;
(c) Local economic development losses associated with the displacement of an existing energy source; or
(d) Potential increases or decreases in electricity rates or fuel prices resulting from Project investments in new energy storage infrastructure.

Opportunity Cost of Investment in the Proposed Project

To help distinguish and estimate potential negative effects that would need to be subtracted from the gross benefits generated by the Project, this analysis includes several potential forms of opportunity costs, including:

(a) The loss of any existing site uses;
(b) Potential alternative uses of the site;
(c) Alternative investments in County; and
(d) Delays to other construction projects due to Project employment.

Loss of Exiting Site Use

One potential negative impact of new development is the displacement of existing land uses and the associated loss of economic activity or tax revenue. The Project site consists mostly of undeveloped land. Three (3) parcels contain single-family residences (3056-019-026, 3056-027-031, 3056-015-008), totaling three total housing units. Of these, only one unit (located on parcel 3056-019-026) will be demolished as part of the Project. The other two housing units may remain intact. Moreover, there is no commercial or income-generating activity currently taking place on the Project site. As such, the baseline of jobs and economic activity on the Project site is effectively zero.

The current site does pay property taxes on its current assessed value. As described below in "**Projected cost of the County providing services**", the net economic benefits associated from property taxes focus on the net increase in assessed value and property taxes over current conditions rather than just on the gross property taxes generated by the Project.

Conclusion: There are no opportunity costs or negative economic effects associated with the displacement of existing uses of the site.

Alternative Use of the Site

Another potential opportunity cost involves the possibility of alternative development at the site if the Project does not proceed. In evaluating opportunity costs, it is standard practice to consider realistic site uses that align with current zoning and could reasonably be expected to occur based on market demand and other economic conditions. If viable

alternative uses had been proposed, their potential economic benefits could be compared to those of the Project to assess any differential in economic value.

The site contains multiple parcels and is currently zoned for either "Heavy Agriculture" and "Light Agriculture". It is the Applicant's and EPS's understanding that there have been no other development proposed for this site area that conform to current zoning parameters or any other use in the past ten years.

Given the lack of development interest in the Project site over the past decade, EPS concludes that if the Project does not proceed, the most likely scenario is a continuation of current uses, i.e., no new development. Therefore, there is no "opportunity cost" associated with a potential alternative new use of the site in the foreseeable future

Moreover, the Project site is uniquely situated for a BESS facility. The site location was primarily selected for its ability to deliver its large capacity to the LA Basin load pocket without the need for large upgrades to the transmission system. Multiple years of engineering studies by the California Independent System Operator (CAISO) in conjunction with the regional electricity distributor determined the site location was optimal. Secondary factors that contributed to site selection were zoning, minimal environmental and cultural impacts, and available and relatively flat land. Therefore, not only is there no opportunity cost associated with another potential site use, but there is likely an opportunity cost associated with not locating a BESS facility on the site.

Conclusion: There is no opportunity cost or negative economic effects associated with an alternative new use of the site.

Alternative Investments in the County by the Applicant

Prairie Song Reliability Project LLC, along with its parent company, Coval, is currently pursuing investment in energy storage projects within the region. If the Project does not proceed, the Applicant will not invest otherwise in this local area. Without a permit for this Project, it is unlikely the Applicant will allocate additional resources to pursue similar projects under comparable permitting conditions. This Project represents the first in what could become a broader portfolio of BESS developments by the Applicant in the greater region. The Project's value lies in several key areas: providing local energy capacity during peak demand periods; helping to avoid brownouts and blackouts; enhancing grid stability and resilience; facilitating greater integration of solar and wind energy; and supporting the State's GHG reduction and climate goals. These objectives align with Senate Bill 100 (2018), which mandates that 100 percent of electricity retail sales be supplied by renewable and zero-carbon resources by 2045.

Conclusion: There is no local opportunity cost or negative economic effects associated with potential alternative Applicant investments. Conversely, an unsuccessful permit stymies both the ability of the Applicant to provide investments in the County and enabling the State to meet its GHG and climate change mitigation goals.

Labor Requirements

As described previously, the Project will directly generate the need for 303 FTEs during the construction phase and 20 FTEs during annual operations. While this is a positive economic metric, there is a question as to whether this need for labor might result in other development projects being delayed due to existing labor shortages. A delay to another project could result in a negative, temporal economic impact that could then be evaluated.

As part of the response to the question of availability of skilled workers (see application response to Appendix B (g)(7)(A)(iv)), EPS established that there are a total of 296,944 construction workers in occupations needed for the Project currently residing in Los Angeles County. Based on an overall average County unemployment rate of 5.7 percent, there would be about 16,909 construction workers available for employment for the Project's construction. In addition, a letter from the Los Angeles/Orange Counties Building and Construction Trades Council notes that there are over 160,000 skilled tradespeople and approximately 23,000 apprentices available for dispatch to construction jobs and specifically references the proposed Project (see Appendix 3.10B).

There are an estimated 49,275 workers that fit the occupational needs for Project operations in the County. Applying the average County unemployment rate to this number indicates 2,809 available workers to fill Project operations jobs. Given the scale of workforce availability and the number of workers required (303 FTEs during construction and 20F FTEs for annual Project operations), the development of the Project is not expected to create a labor shortage and is not expected to delay any other projects. As a result, there is no labor-related "opportunity cost" to the local economy from this project.

Conclusion: There are no local opportunity cost or negative economic effects associated with Project employment.

Projected cost to the County providing services to the Project

The EPS Technical memorandum (Appendix 3.10A) provides estimates of new property and sales and use tax revenues expected to accrue to the County. In evaluating net economic benefits, it is important to account for any offsetting costs to the County, including those related to ongoing service provision; potential capital improvement needs; and ensuring any existing tax revenues generated by the site at present are netted out to arrive at a net economic benefit estimate.

New ongoing County public services costs

In terms of the ongoing provision of public services to the Project provided by the County, the Applicant expects such costs to be minimal. For example, no new public streets will be built and require maintenance, and no new water or sewer services will be required. The Applicant also expects post-construction traffic management and road maintenance to be minimal. The Applicant recognizes that, while minimal, Project

operation might periodically require public safety or public work services and contribute to the need for road maintenance services. An estimate of the cost of providing such services is difficult to calculate due to the limited level of services required. As described below, for illustrative purposes, EPS has used a common methodology for estimating the cost of incremental public service demands to develop estimates of the potential annual cost of providing these services to the site.

A standard method for public services cost estimation for new development projects is to multiply the estimated current average per capita cost of providing the relevant public services (based on the Count's current budget and service population) by the estimated increase in ongoing workers and/or residents associated with a site. This method allows for an estimate of the potential incremental impact of new projects on the County's service provision costs. This method specifically presumes that the service demands of the new project can be sized based on the number of ongoing workers and/or residents tied to the site. This methodology is not ideal for all project types but is used to provide an illustrative calculation of ongoing annual County public service costs for the Project in lieu of just noting that the public service cost impacts are expected to be minimal.

Key data and conclusions from the calculations shown in **Table 4** include:

- The County currently spends approximately $10 billion annually from its General Fund on public protection services and $585.3 million annually on public ways and facilities.
- The Count's current service population (measured as total residents plus total workers) is approximately 10.9 million.
- Applying a 75 percent variable cost assumption to both public protection and public ways and facilities expenditures (recognizing that a portion of department costs are fixed and do not increase linearly with new residents or workers), the estimated annual cost of providing police and public works/ utilities services per service population is $732.
- Applying this to the proposed project, which has an estimated ongoing annual employment of 20 FTE workers, the estimated new cost to the County of providing ongoing services to the site under this illustrative approach is approximately $35,750 annually.

Table 4 General Fund Expenditure Estimates

Item	Current City Demographics	2023/2024 Adopted Budget	Percent Variable[1]	Variable Annual Expenditure	Per service Population Estimate	Project Data[2]
Service Population[3]						
Residents	9,848,406					0
Employment	1,034,551					49
Total	10,882,957					49
Impacted General Fund Expenditures[4]						
Public Protection		$10,040,684,000	75%	$7,530,513,000	$692	$33,781
Public Ways and Facilities		$585,307,000	75%	$438,980,250	$40	$1,969
Total Impacted Expenditures		**$10,625,991,000**		**$7,969,493,250**	**$732**	**$35,750**

[1] EPS assumption; reflects percentage of costs that are service population-dependent, as opposed to fixed costs.
[2] Estimated number of annual operation workers are based on data provided by Prairie Song Reliability Project LLC and IMPLAN 2023. Employment total includes full-time and part-jobs from direct, indirect, and induced employment.
[3] Total residents based 2023 ACS Five-Year estimates, table DP05. Total employment based on data from U.S. Census of Primary Jobs (OntheMap 2022).
[4] General fund expenditures are sourced from the Los Anageles County Annual Comprehensive Fiscal Report (2024 FY)

Source: OntheMap LEHD; U.S. Census; IMPLAN 2023; County of Los Angeles, California Annual Comprehensive Financial Report for the Fiscal Year Ending June 30, 2023; Prairie Song Reliability Project LLC; Economic & Planning Systems, Inc.

Conclusion: The need for public protection and public ways and facilities services generated by the Project on an ongoing basis are estimated to cost the County $35,750 annually.

New County capital improvement costs

It is important to consider the cost of any one-time County investment in improvements that might be required due to the Project; for example, wear-and-tear on roads due to Project site construction. The Applicant has indicated they will fund all required County improvements supporting the Project (e.g. access roads) and will design emergency access to the Project site. As a result, no new capital improvement costs are expected to be borne by the County.

Conclusion: Capital improvement costs required to directly support Project construction and operations will be financed by the Applicant. There are no new projected costs to the County related to capital improvements associated with the Project.

Existing site tax revenue generation and net tax benefits

In generating property tax estimates from Project operations, EPS uses a net revenue approach. To estimate net new property taxes, the current assessed value of the entire Project site ($4.75 million) is deducted from the future estimated assessed value of the site, including land acquisition costs and capital costs ($1.932 billion). This results in a newly assessed net value of $1.928 billion. Property tax rates are applied to this net

increase in assessed value to determine the incremental new property taxes generated by the Project, as shown in **Table 2.**

Conclusion: The Project will not result in tax revenue loss relative to the current use of the Project site.

Local Economic Development Losses Associated with the Displacement of an Existing Energy Source

CEC staff have noted that to the extent a new energy project is expected to displace an existing energy source (e.g. a new renewable energy source displacing a fossil fuel energy source), the net economic benefit analysis should account for the positive benefits of the new energy source while also deducting out the negative effects of the lost local economic activity associated with the displacement of the preexisting energy source.

As proposed, the Project will not directly displace any existing energy sources. First, there is an increasing need for new energy generation and storage capacity to support ongoing load growth. BESS projects provide critical grid support but do not directly replace energy production from other sources. Second, like other BESS facilities, the Project is expected to be additive to the existing electrical grid, enhancing the performance and integration of both renewable and non-renewable energy resources.

Conclusion: The Project will not result in the displacement of other energy sources, and therefore there are no associated negative economic impacts to assess.

Potential increases or decreases in electricity rates or fuel prices resulting from Project investments in new energy storage infrastructure

The Project is expected to contribute to a reduction in electricity rates or at least to mitigating the current trajectory of steadily rising rates. The Project will charge when energy prices are low and release energy back to the grid when demand is high. By releasing stored energy during peak hours, the Project reduces the need to generate energy from other sources, such as natural gas-fired power plants and imported electricity from other states. This added competition in the energy market can help keep prices lower.

As energy demand continues to grow, new sources of electricity must be added to maintain reliable and affordable service. If demand outpaces supply, prices will rise, especially during peak times when electricity is at its most expensive. If “dispatchable supply” (supply available on short notice, traditionally provided by natural gas plants) is insufficient, then prices spike. BESS facilities like the Project are uniquely capable of delivering peak supply instantaneously, which is likely to have a mitigating impact on price increases. The complexity of the electricity market and pricing means it is not possible to precisely quantify the effect of the Project on electricity prices. The Project will have no impact on fuel prices as it is not relevant to the technology.

Conclusion: It is not possible to quantify the precise effect of the Project on electricity prices. However, the Project is generally expected to exert downward pressure on electricity prices while having no effect on fuel prices.

Net Impacts Summary

This section compares the Project's positive and negative economic impacts on Los Angeles County. The quantifiable elements from the previous sections are summarized below. To the extent other construction projects were proposed for the site or would be displaced by the proposed Project, the potential employment impacts and level of sales and use tax associated with those projects could be estimated and deducted out of the employment gains and new sales and use tax generation from the Project. However, as described in the prior section, there are no plans for other projects at the site and no expectation that this BESS facility will displace or prevent other projects in the County from moving forward.

Net economic benefits

As the Project has no negative economic effects and no related opportunity costs, the net positive economic benefits are equal to the gross positive benefits. In other words, it is reasonable to classify the following as net new economic benefits to the County:

- **Net Construction-related Economic Benefits**: 543 total temporary jobs, $60.8 million in total labor income, and $145.1 million in total output during the construction phase
- **Net Ongoing Operations Economic Benefits**: 49 total ongoing annual jobs, $5.7 million in total annual labor income, and $14.4 million in total annual economic output annually over the Project's lifetime (40 years).

Net tax revenues

While there is no direct opportunity costs associated with the Project, there is an estimated cost of the County providing services in relation to the Project. The estimated tax revenues and associated service costs are summarized below. Additionally, property taxes generated over the Project's lifetime are calculated as net new revenues to the County, accounting for the site's existing property tax generation.

Positive impacts:

- **Ongoing Taxes/ Revenues to County**: The Project is estimated to generate $2.14 million annually in *net new* property taxes to the County, inclusive of the County General Fund and Special Districts in the County. Annual operational tax revenue from sales and use taxes average $319,000. Over the 40-year lifetime, the Project will generate $93.74 million for the County in ongoing tax revenue.
- **Sale and Use Taxes from Construction:** One-time sales and uses taxes from Project construction generates $61.13 million for the County.

- **Combined Tax Revenues**: Altogether, the Project is estimated to generate net positive tax revenues for the County, totaling about $154.87 million, inclusive of both construction and operations phases.

Negative impacts:

- **Operational costs to the County**: Local services required by the Project from the County on an ongoing basis are estimated to cost $35,750 annually. Over 40 years, the costs for the County to provide these services will total $1.43 million.

Net Impacts

- **Net Construction-Related New Taxes/ Revenues to County**: The County is estimated to receive $61.13 million in net new sales and use taxes during Project construction.
- **Net Ongoing Taxes/ Revenues to County:** The County is estimated to receive $2.46 million annually in net new property taxes and operations sales and use taxes generated by the Project, and expend $35,750 annually in providing public services to the Project, resulting in net ongoing revenues of approximately $2.42 million annually (or $92.31 million in total over project lifetime).

Summary

The Project will generate positive economic growth in Los Angeles County during both the construction and operational phases. The Project also produces a combined $154.3 million in net tax revenue to the County from construction activity and ongoing operations. Further, there are additional benefits associated with the Project that are described in this analysis but not quantified. These include infrastructure and environmental improvements such as enhanced grid resilience, potential reductions in electricity rates, and helping meet State GHG reduction goals by augmenting renewable energy sources. The Project is also expected to provide financial assistance to public schools and to public safety agencies and departments through ongoing collaboration between the Applicant and local entities.

Appendix A

Technical Distinctions and Use of IMPLAN

This Appendix provides additional context and specificity on the methodologies used for estimating different types of economic benefit as well as the ways in which the IMPLAN input-output model is used in the analysis.

As noted in the CEC data request, California Code of Regulations title 20, section 1877(f) states that "… the net positive benefits identified in an Opt-In Application may include, but are not limited to: (a) employment growth, (b) housing development, (c) infrastructure and environmental improvements, (d) assistance to public schools and education, (e) assistance to public safety agencies and departments, and (f) property taxes and sales and use tax revenues".

These benefit categories represent different forms of economic benefit. For example, employment growth (a) and other measures such as worker compensation and economic output represent measures of changes in economic activity within the local jurisdiction. In contrast, components (d), (e), and (f) are measures of direct payments to local jurisdictions/ government agencies. As a result, EPS uses different technical approaches for the calculations of different types of economic benefit.

These benefit categories represent different forms of economic benefit. For example, employment growth (a) and other measures such as worker compensation and economic output represent measures of changes in economic activity with the local jurisdiction. In contrast, components (d), (e), and (f) for example are measures of direct payments to local jurisdictions/ government agencies. As a result, EPS uses different technical approaches to the calculations of different types of economic benefit.

Consistent with and recognizing a concern of the possibility of over-stating the economic impacts of construction projects where a significant portion of the cost is the purchase of, for example, batteries from outside of the local jurisdiction, EPS has significantly downsized the portion of the overall project capital cost that is considered local economic activity (specifically, of the $1.92 billion in total capital expenditures, only $88.8 million is assumed to be localized output that is tied to new local jobs and employee compensation). This is a conservative approach to estimating economic impacts compared to many economic analyses.

Impacts on Local Economic Activity

To determine impacts on local economic activity (including employment growth), EPS used project data provided by the Applicant on one-time construction costs and ongoing activities and employment to estimate gross employment growth. In addition to helping establish the direct Project effects based on specific Applicant information, EPS used

IMPLAN to provide estimates of "multiplier" effects (IMPLAN's indirect and induced effects) of the direct Project economic activity on other businesses in the County.

Impacts on Local Government Revenues

To estimate the impacts on local government revenues— such as new property taxes and sales and use taxes accruing to the County— EPS has combined Project data with the specific tax formulae that apply in the local jurisdiction. While IMPLAN does provide some estimates of taxes, including federal, State, and local taxes, we find the direct calculation of tax revenues provides a more accurate picture of tax revenues when the focus is on revenues accruing to the local jurisdiction. While it is possible to run the estimates of net new taxes through IMPLAN to determine potential additional/ multiplier economic activity benefits from these revenues, EPS has selected to take a more conservative approach by only reporting the direct tax revenues.