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Section 3.10

Socioeconomics

Appendices

Appendix 3.10A

Socioeconomics Report



Memorandum

To: Erin Phillips, Project Manager Dudek

From: Economic & Planning Systems, Inc.

Subject: Prairie Song Reliability Project Economic and Public Revenue Impact Study
EPS #244007; Dudek Job Number: 13594.09

Date: June 16, 2025

Prairie Song Reliability Project LLC (Applicant) is proposing to construct and operate the Prairie Song Reliability Project (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 estimate the potential economic and public revenue impacts of the Project for Los Angeles County (County). This memorandum is divided into five parts, including Summary of Key Findings, Project Background, an explanation of the Economic Impact Analysis Methodology, Economic Impact Analysis and Results, and Public Revenue Impact Analysis and Results. Appendix A contains additional tables pertaining to the analysis.

Summary of Key Findings

- The Project is expected to generate 543 total jobs during construction over a period of two-years and 49 total jobs during annual operations. As shown in Table 1, in aggregate (i.e., direct, indirect, and induced effects combined), Project construction over approximately two years is estimated to generate \$60.8 million in employee compensation and about \$145.1 million in total economic output in the County. Annual Project operations will provide about \$5.7 million in employee compensation and \$14.5 million in economic output each year during its approximate 40-year lifetime. Cumulatively over the***

40-year operational period, Project operations will produce approximately \$226.5 million in employee compensation and \$578 million in economic output activity in the County.

Table 1 Total Economic Impacts in Los Angeles County

Project Phase ¹	Employment ^{2,3}	Labor Income	Economic Output
Construction	543	\$60,825,000	\$145,064,000
Operations (Annual)	49	\$5,662,000	\$14,450,000
Operations (Lifetime) ⁴	-	\$226,480,000	\$578,000,000

Note: Labor income and economic output are rounded to nearest thousand and employment rounded to the nearest whole number; numbers may not sum due to rounding.

[1] All values shown represent combined Direct, Indirect, and Induced effects in the County.

[2] See **Tables 3 and 4** for breakdown between direct, indirect, and induced employment totals.

[3] Employment figure represents full-time and part-time jobs.

[4] Employment excluded for operations lifetime.

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

- Overall, the Project will generate about \$376 million in public revenue during the construction phase with \$154.9 million accruing to Los Angeles County (2025-dollar terms).** 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 Project is also expected to generate an annual average of about \$6.2 million each year in property taxes, summing to about \$248.4 million over the Project's lifetime. Under current tax allocation factors, of this lifetime total, about \$85.8 million would accrue to the County General Fund or Special Districts providing services in the County.

Table 2 Summary of Tax Revenue Generation (County, State, and Other Agencies)

Total Revenues	One-Time ¹	Ongoing Revenues		Combined Total ³
		Annual Avg.	Project Lifecycle ²	
General Property Tax⁴	\$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 Taxes⁶	\$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**.

[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**) and estimated operational expenses over the lifetime of the BESS facility (see **Table A-4**).

[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.

Project Background

The Prairie Song Reliability Project is a proposed up to 1,150-megawatt battery energy storage system in unincorporated Los Angeles County, with an anticipated capital cost in excess of \$1.9 billion. For the purposes of this analysis, the Project is split into two distinct phases: construction and ongoing operations. The construction phase is anticipated to last 2 months with direct on-site employment totaling 303 full-time equivalent (FTE) positions. The Applicant has indicated the intent to compensate employees with prevailing wage rates, which are used in this analysis.

The operations phase is expected to have a timeline of 40 years. For a project of this scale, the Applicant anticipates the employment of 20 FTEs annually throughout the Project's lifetime. These jobs represent direct project jobs; additional jobs such as indirect and induced employment are described further below.

Economic Impact Analysis Methodology

This analysis uses an Input-Output (I/O) modeling framework to quantify the Project's one-time and ongoing contributions to countywide output, employment, and labor income. The I/O modeling framework is premised on the concept that industries in a geographic region are interdependent in the sense that they purchase output from and supply input to other industries. This regional economic analysis relies on IMPLAN (Impact Analysis for Planning) software, an I/O model that draws on data collected by the IMPLAN Group, LLC, from several state and federal sources, including the Bureau of Economic Analysis, the Bureau of Labor Statistics, and the Census Bureau. The model is used widely for estimating economic impacts across a wide array of industries and economic settings. For this specific analysis, IMPLAN from the 2023 data year is utilized and shown in 2025 dollars. The geography of analysis is Los Angeles County.

Regional economic impact analysis, and I/O models in particular, provide a means to estimate total effects stemming from a particular industry or activity, and yield estimates of the number and types of jobs created, the wages associated with those jobs, and the total economic output or "final sales" generated within various industries. I/O models rely on economic "multipliers" that mathematically represent the relationship between the initial change in one sector of the economy and the effect of that change on other interdependent industry sectors, corresponding changes in demand for inputs to those interdependent sectors, and so on. These effects are commonly described as "direct," "indirect," or "induced" and are generally defined as follows:

- The **direct effect** is the initial change in economic activity in a specific industry or sector. For example, economic activities (business revenues, jobs, employee earnings) occurring at the Project site would represent the direct impact on the County economy.
- The **indirect effect** results from industry-to-industry transactions required to support the direct activity. This effect is a measure of the change in the output of suppliers linked to the industry that is being evaluated. For example, the construction of the new battery energy storage project will cause an increase in sales of construction materials, engineering services, and other goods from “business-to-business” suppliers in the County and elsewhere. While the Project will create indirect effects in the State overall, for this analysis only indirect effects within the County are estimated.
- The **induced effect** consists of impacts from employee spending in the regional economy. Specifically, the employees of directly and indirectly affected businesses generate this effect by purchasing goods and services in the County economy (e.g., food, clothing, automobiles, health care, etc.). As with the indirect effects, there will be additional induced effects felt in the state above and beyond the countywide effects estimated in this analysis.
- The **total impact** is the sum of the direct, indirect, and induced effects. The total impact measures the overall impact of an activity as it “ripples” through the economy.

This report measures economic significance using common economic metrics, including employment, labor income, output, and value added, as defined below.

- **Full-Time Equivalents (FTE)** represent the total number of work hours, excluding overtime and holidays, worked by employees divided by the number of compensable hours in a full-time schedule. For example, if an employer considered 40 hours to be a full-time workweek through an entire year, an employee working 40-hour workweeks would be equivalent to one FTE while an employee that worked 20 hours weekly through the entire year would have an FTE of 0.5.
- **Employment** estimates the total number of jobs, both full-time and part-time, created as a result of Project construction and operations.
- **Labor Income** represents payments to labor in the form of both income and fringe benefits (e.g., health, retirement) for both wage & salary positions and proprietors.
- **Value Added** represents an alternative and smaller metric of economic activity than economic output. Similar to the concept and definition of Gross Domestic Product (GDP) often used to report national levels of economic activity, value added counts only the additional economic value added at a particular site or area, excluding the value of any intermediate inputs purchased. As a result, value added equals economic output (described above) minus the value of intermediate inputs. A successful project will cover employee compensation, proprietor income and profit, and tax payments with its value added.

- **Economic Output** represents a measure of economic activity, calculated as production value or final sales value. This measure indicates the total value of the economic activity including the value of intermediate inputs (i.e., the goods and services used in the production of final products that are not sold in final-demand markets).

Notes on Input-Output Modeling

There are two important caveats relevant to the interpretation of IMPLAN model estimates derived in this report.

First, the input-output methodology assumes that demand for goods and services by industries or households directly relates to the increase in income and that an increase in demand results in a proportional increase in local supply and employment. This assumes fixed linear relationships between input (resource) use and output and between income and consumption. This assumption allows for economic modeling and best estimates of economic impacts, recognizing that, in reality, responses to final demand changes may not occur in direct linear proportions.

Second, I/O models assume that local suppliers have sufficient capacity to respond to changes in final demand by increasing their output and hiring additional workers without shifting any production resources (inputs) from other competing needs. This assumption may not hold in areas with tight labor or capital markets since suppliers may find it difficult to obtain these labor or material inputs or other resources necessary to expand production. While the County's current unemployment rate of approximately 5.7 percent¹ is low, the large size of the County's labor force suggests that there should be sufficient labor available to support the Project without affecting other businesses. Furthermore, it is important to note that I/O modeling does not delineate the origin of labor and whether or not the employees supported by projects would reside within the County or region of interest. The Applicant expects to source construction labor within a 75-mile radius of the Project site, encompassing all of Los Angeles County. 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).

¹ Los Angeles County unemployment rate in December 2025 per the California Employment Development Department

Economic Impact Analysis and Results

EPS has estimated the economic impacts during the construction phase and operations phase of the Project as summarized in this section with results presented for Los Angeles County. All monetary estimates are in constant 2025 dollars.

Los Angeles County Impacts

As shown in **Table 3**, in the County, the construction phase is estimated to result in a total labor income of about \$60.8 million and an economic output of \$145.1 million. In **Table 4** the operations phase is shown to result in \$5.7 million in annual labor income in the County, summing to \$226.5 million over 40 years of operation. The Project's estimated Countywide economic output totals \$14.5 million annually, totaling \$578 million when considered over the Project's 40-year lifetime.

Table 3 Construction Phase Economic Indicators of the Project in Los Angeles County

Type of Impact	Employment ^{1,2}	Labor Income	Value Added	Economic Output
<u>Construction Phase</u>				
Direct Impacts	303	\$42,732,000	\$61,629,000	\$90,818,000
Indirect and Induced Impacts	240	\$18,093,000	\$33,887,000	\$54,246,000
Total Impacts	543	\$60,825,000	\$95,516,000	\$145,064,000

Note: Labor income and economic output are rounded to nearest thousand and employment rounded to the nearest whole number; numbers may not sum due to rounding.

[1] Direct employment values represent estimated full-time equivalents (FTEs) and indirect and induced employment is inclusive of part-time and full-time jobs. Employment include both wage & salary and proprietor employees.

[2] 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.

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

Table 4 Operations Phase Economic Indicators of the Project in Los Angeles County

Type of Impact	Employment ^{1,2}	Labor Income	Value Added	Economic Output
<u>Operations Phase (Annual)</u>				
Direct Impacts	20	\$3,630,000	\$5,891,000	\$8,907,000
Indirect and Induced Impacts	29	\$2,032,000	\$3,496,000	\$5,543,000
Total Impacts	49	\$5,662,000	\$9,387,000	\$14,450,000
<u>Operations Phase (Lifetime)³</u>				
Direct Impacts	-	\$145,200,000	\$235,640,000	\$356,280,000
Indirect and Induced Impacts	-	\$81,280,000	\$139,840,000	\$221,720,000
Total Impacts	-	\$226,480,000	\$375,480,000	\$578,000,000

Note: Labor income and economic output are rounded to nearest thousand and employment rounded to the nearest whole number; numbers may not sum due to rounding.

[1] Direct employment values represent estimated full-time equivalents (FTEs) and indirect and induced employment is inclusive of part-time and full-time jobs. Employment include both wage & salary and proprietor employees.

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

[3] Multiplies annual impacts by the 40-year project lifetime. Excludes employment numbers.

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

Direct Economic Impacts

Direct Economic Impacts during the Construction Phase

Table 3 summarizes the Project's estimated construction phase direct impacts on employment, labor income, and economic output in the County. As previously stated, onsite construction activities will support employment for a total of 303 FTE positions over the 26-month construction period, as provided by the Applicant. These jobs will include laborers, operators, electricians, and other skilled workers. Average annual income per position totals about \$141,000 including benefits. Labor income is based on prevailing wage rates for the noted positions above in the County per the Southern California Contractors Association, Inc. and from the Department of Industrial Relations Wage Determinations.

Direct Economic Impacts during the Operations Phase

Table 4 displays the estimated direct impacts to the County during the Project's operation phase. Project operations will involve daily operations, preventive maintenance activities and periodic corrective maintenance activities. The Applicant anticipates that an annual average of 20 FTEs will be required to manage the Project's ongoing operations, each earning about \$182,000 in annual compensation including benefits. Direct employment and labor income estimates are provided by the Applicant.

Economic Impacts from Multiplier Effects

Based on the Project's direct spending on labor as well as required materials and services, additional rounds of spending will occur in the unincorporated County. This section focuses on effects specific to Los Angeles County. It does not review the significant additional effects that will be felt in the State above and beyond those felt locally. Businesses in the supply chain (providing materials, equipment, and services) will respond to meet the Project's demand and constitute the Project's "indirect" effects. Employees' spending on goods and services for their households —groceries, housing, healthcare, education, etc.—are also expected in the County and constitute the Project's "induced" effects. In both cases, additional rounds of spending are captured in the impact estimates, such as, for example, the spending of an equipment rental company owner on maintenance services for their equipment and on groceries for their family. Together, the indirect and induced effects are known as multiplier effects.

Indirect Economic Impact

For both the construction and operations phases, estimated local spending is based on cost estimates for goods and services that are anticipated to be sourced from vendors locally via Los Angeles County-specific industry multiplier effects obtained from IMPLAN modeling. Exemplary purchases would include industrial supplies, business and professional services, labor and materials for periodic improvements (e.g., access road maintenance and weed abatement), and similar costs of doing business, and providers of these goods and services are expected to be available in the County and most convenient and cost-effective to serve the Project.

Induced Economic Impact

Induced impacts are based on the conversion of estimated labor incomes into household spending, or the "third round" of economic activity created by the direct impacts and subsequent indirect impacts. Employees of the Project and employees at local businesses indirectly affected by the Project will spend their wages on a variety of goods and services. For example, if an employee at the Project spends her wages on food for her family, part of that spending goes to the retail worker who sells the food, part goes to the trucker who delivers the food, part goes to the farmer who grows the food, and part goes to various intermediaries (processors, wholesalers, transportation companies, etc.). Thus,

in aggregate, the spending associated with direct and indirect employees' purchases creates demand for other businesses and helps to support other jobs in the County economy. Using IMPLAN outputs specific to the relevant geographies, EPS estimated the additional economic impacts that would be generated through the Project's induced effects in the rest of the County.

Table 3 shows the indirect and induced impacts in Los Angeles County on employment, labor income, and economic output during the construction phase of the Project, with the operations phase equivalent shown in **Table 4**. The indirect and induced effects from the construction phase are estimated to generate a total of 240 full-time and part-time jobs, \$18.1 million in labor income, and approximately \$54.2 million in economic output over two years in the County. During the operations phase, the indirect and induced impacts of the Project are estimated to annually generate 29 full-time and part-time jobs, \$2.0 million in labor income, and \$5.5 million in economic output. Over the lifetime of the Project, indirect and induced operational impacts are projected to result in a total of \$81.3 million in labor income and \$221.7 million in economic output.

Public Revenue Impact Analysis and Results

Public-Sector Revenues—Summary Overview

This Analysis estimates tax revenues resulting from the Project that will flow to the County resulting from Project construction and ongoing operations. This Analysis focuses on major sources of tax revenue only, including property tax and sales tax revenues as displayed previously in **Table 2**. One-time revenues are expected to generate about \$97.9 million in total revenue (County, State, and other agencies) with \$61.1 million of that total accruing to the County. Over the lifetime of Project operations (40-years), the Project is estimated to generate \$278.1 million in total revenue with \$93.8 million accruing to the County (in 2025 dollars). Altogether, total revenue from the Project will generate \$376.0 million with \$154.9 million accruing directly to Los Angeles County (in 2025 dollars).

Detailed Analysis Findings and Assumptions

One-Time Revenues Generated by Project Construction

Sales Tax

The total estimated taxable sales generated as a result of Project development is calculated in **Appendix Table A-1**. Direct taxable sales are based on the Project's projected taxable purchases, which include materials and fixtures but exclude costs for labor and overhead. The Applicant will ask Project suppliers and contractors to establish a billing and delivery address at the job site in unincorporated Los Angeles County for sales

tax payment on all purchases of equipment and materials for the Project's construction. Without such a job site sub-permit (established with the California Department of Tax and Fee Administration) for the job site, only those purchases made at locations in Los Angeles County would generate any sales and use taxes for the County, and only purchases made at locations in unincorporated Los Angeles County would result in the County receiving the "local" share of the sales tax rate as well as the County share. Per direction from the Applicant, EPS has assumed that all such purchases will have the necessary billing and delivery address established and as such the sales tax revenue estimate reflects a situation wherein Los Angeles County accrues the majority of sales and use tax revenues applicable to Project construction costs.²

The taxable base of the Project is an estimated \$1.75 billion. About \$1.73 billion of this total is assumed to be purchased in unincorporated Los Angeles County, per the establishment of the job site address. Most of these sales are generated by the Applicant while about \$469,000 is generated by SCE.³ Again, regardless of whether the component materials are purchased in the County, in the State but in a different county, or internationally, the establishment of a job site address would result in these sales being taxed at the point of use (i.e., at the Project site in unincorporated Los Angeles County) and therefore the total 5.56 percent sales and use tax rate is estimated to accrue to the County (See **Appendix Table A-2** for the sales tax breakdown) .

The other \$19.1 million of the total \$1.75 billion in taxable items are assumed to be purchased in incorporated Los Angeles County jurisdictions. This \$19.1 million reflects capital costs where contracts from the Applicant are under \$5 million or are costs generated from SCE-related capital purchases. Construction purchases by SCE are not included within the job site address and therefore are subject to the standard 6.0 percent state sales tax. Only a portion of these capital costs are estimated to occur in unincorporated Los Angeles County, noted above. Capital purchases in incorporated Los Angeles County jurisdictions will still generate sales tax revenue for Los Angeles County, minus the local share.

As shown in **Appendix Table A-2**, the Project is estimated to generate a grand total of \$97.9 million in sales tax revenue, with \$61.1 million accruing to the County, \$191,000 to incorporated Los Angeles County jurisdictions, and the remaining \$36.6 million to the State.

² The job site sub-permit allows a portion of capital purchases to be made locally, increasing the share of sales tax revenue captured in unincorporated Los Angeles County compared to a scenario without the permit. Capital purchases under the permit are assumed to be greater or equal to \$5 million.

³ SCE capital costs are not part of the job site sub-permit. Consequently, about 4.3 percent of SCE's total sales are estimated to occur in unincorporated Los Angeles County. The remaining 95.7 percent of capital purchases are estimated to occur in other Los Angeles County jurisdictions.

Ongoing Annual Revenues Generated by Project Operations

Sales Tax

The total estimated taxable sales generated as a result of Project operations, and the resulting sales tax revenue, is calculated in **Appendix Table A-3**. Direct taxable sales are based on the Project's projected taxable purchases over a 25-year period of Project operations, which include materials and fixtures but exclude costs for labor and overhead. All figures are represented in 2025 dollars. Operational costs for maintenance are ineligible for the job-site sub-permit. As such, the full share of the State sales tax (6.0 percent) applies to equipment purchases.

The taxable base for purchases totals an estimated \$313.2 million. Of the total, \$13.6 million is estimated to occur in unincorporated Los Angeles County while \$299.6 million is estimated to occur in incorporated Los Angeles County jurisdictions. As detailed in **Appendix Table A-3**, the Project is estimated to generate a total of \$29.8 million in sales tax revenue, with \$8.0 million accruing to the County, \$3.0 million to incorporate Los Angeles County jurisdictions, and \$18.8 million to the State.

Property Tax Revenues

The most appropriate valuation methodology for determining the assessed value of an energy project is the cost approach as it can be based on more readily available data. The cost approach arrives at a value by summing the cost of the land and the construction cost of the improvements.

Appendix Table A-4 and **Table A-5** estimate the assessed value of the Project over the 40 years of its anticipated lifetime and the net new property tax revenues that will be generated by the Project. The Applicant provided an initial net new total Project taxable valuation of about \$1.93 billion based on the Project's capital cost estimates and land purchase prices. EPS adjusted the Project's taxable value through time to account for depreciation. The battery storage unit is depreciated as a single unit per Reproduction Cost New Less Depreciation (RCNLD) at a 12-year life to a minimum percent good.⁴

This depreciated assessed value will be taxed at the County's general property tax rate of one percent, resulting in \$19.3 million in total property tax collected in the first year of operations, gradually falling to \$3.9 million by Year 13. Cumulatively, this results in aggregate estimated property tax payment of \$248.4 million over the Project's lifetime, or an annual average of \$6.2 million (in 2025 dollars). This amount is distributed among a range of different taxing entities. This analysis uses tax allocation factors for the 08-196 Tax Rate Area (TRA) in Los Angeles County for property tax estimates, though a portion of the project site falls under a different TRA (08-925). Given the minimal differences

⁴ 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.

between the two TRA's allocations, any variations in distributions to taxing entities are expected to be minimal.

Based on current tax allocation factors from the Los Angeles County Auditor-Controller Office for the TRA noted above, 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. Other recipients include 17.4 percent allocated to Los Angeles County Fire (\$43.2 million lifetime), 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), about 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).

Voter-approved debt service for Los Angeles County is not included in the above figures, given uncertainty about when particular debt obligations will retire and if and when other voter-approved debt services may be approved over the Project lifetime. However, based on the 2024-2025 TRA allocation factors for TRA 08-196, the total debt service over the lifetime of the Project could generate an annual average of \$945,000, or about \$37.8 million over the lifetime of the Project (see **Appendix Table A-5**).

Appendix A

Table A-1
Construction-Related Taxable Sales Estimate
Prairie Song Reliability Project EPS # 244027

Taxable Sales	Unincorporated Los Angeles County		Incorporated Los Angeles County Jurisdictions		Total Estimated Amount ³	
	Countywide		Countywide			
	Taxable Share ¹	Dollar Amount	Taxable Share ²	Dollar Amount		
Prairie Song Reliability Project LLC Construction Phase Direct Purchases (One-Time)						
Major Equipment Procurement ⁴ (Batteries, Step-Up Substation Eq.)	100.0%	\$1,565,244,017	0.0%	\$0	\$1,565,244,017	
Other Major Equipment ⁴ (Inverters, Switchyard Equipment, etc.)	100.0%	\$166,779,087	0.0%	\$0	\$166,779,087	
Other Taxable Items ⁵ (Civil Works, Materials, etc.)	4.3%	\$398,231	95.7%	\$8,771,359	\$9,169,589	
Subtotal Construction-Related Taxable Sales	99.5%	\$1,732,421,334	0.5%	\$8,771,359	\$1,741,192,693	
SCE (Edison) Construction Phase Direct Purchases (One-Time)						
Other Taxable Items ⁵ (Civil Works, Materials, etc.)	4.3%	\$468,896	95.7%	\$10,327,821	\$10,796,717	
Subtotal Construction-Related Taxable Sales	4.3%	\$468,896	95.7%	\$10,327,821	\$10,796,717	
Total Construction-Related Taxable Sales	98.9%	\$1,732,890,230	1.1%	\$19,099,179	\$1,751,989,409	

[1] The Countywide Taxable Share represents the percentage of taxable items estimated to be purchased within unincorporated Los Angeles County. When not utilizing the job site sub-permit, the taxable sales in unincorporated County is an estimated 4.3 percent based on CDTFA data.

[2] The Countywide Taxable Share represents the percentage of taxable items estimated to be purchased within incorporated Los Angeles County. When not utilizing the job site sub-permit, the taxable sales within incorporated County is an estimated 95.7 percent based on CDTFA data.

[3] Total capital costs are sourced from Prairie Song Reliability Project LLC. These are planning level estimates excluding labor.

[4] Taxable sales amounts for major equipment procurement assume local sales tax capture on energy storage materials pursuant to Prairie Song Reliability Project LLC establishing a job-site sub-permit with the CDTFA. All taxable sales on contracts greater than or equal to \$5 million are therefore routed directly to the jurisdiction within which the job site is located. Contractors or subcontractors part of construction are assumed to be registered as retailers, not consumers, of materials.

[5] Other Taxable Items (civil works, materials, etc.) are expected to be sourced within both unincorporated Los Angeles County and incorporated Los Angeles County jurisdictions. These contracts or sub-contracts are less than \$5 million.

Source: Prairie Song Reliability Project LLC; CDTFA 2022; Economic & Planning Systems, Inc.

Table A-2
Construction-Related Sales Tax Revenue Estimate
Prairie Song Reliability Project EPS # 244027

Taxable Sales Category	Unincorporated Los Angeles County	Incorporated Los Angeles County Jurisdictions	Total
Direct Taxable Sales¹			
Prairie Song Reliability Project LLC Construction Phase	\$1,732,421,334	\$8,771,359	\$1,741,192,693
SCE Construction Phase	\$468,896	\$10,327,821	\$10,796,717
Sales and Use Tax Revenue²			
<u>Prairie Song Reliability Project LLC Construction</u>	<u>Rate</u>	<u>Recipient</u>	
State Share ³	2.06%	State	\$35,731,190
Local Jurisdiction General Fund Share ⁴	1.00%	Local	\$17,324,213
Local County Transportation	0.25%	County	\$4,331,053
Los Angeles County Measure H Homelessness	0.25%	County	\$4,331,053
Los Angeles County Metro Transportation Authority/Measure R	0.50%	County	\$8,662,107
Los Angeles County Traffic Improvement Plan/Measure M	0.50%	County	\$8,662,107
Los Angeles County Transportation Commission/Measure A	0.50%	County	\$8,662,107
Los Angeles County Transportation Commission/Measure C	0.50%	County	\$8,662,107
Subtotal Direct Sales Tax Revenue	5.56%		\$96,365,937
Revenue Accruing to Los Angeles County⁵	\$60,634,747	\$219,284	\$60,854,031
<u>SCE Construction</u>			
State Share ⁵	6.00%	State	\$28,134
Local Jurisdiction General Fund Share ⁴	1.00%	Local	\$4,689
Local County Transportation	0.25%	County	\$1,172
Los Angeles County Measure H Homelessness	0.25%	County	\$1,172
Los Angeles County Metro Transportation Authority/Measure R	0.50%	County	\$2,344
Los Angeles County Traffic Improvement Plan/Measure M	0.50%	County	\$2,344
Los Angeles County Transportation Commission/Measure A	0.50%	County	\$2,344
Los Angeles County Transportation Commission/Measure C	0.50%	County	\$2,344
Subtotal Direct Sales Tax Revenue	9.50%		\$44,545
Revenue Accruing to Los Angeles County⁶	\$16,411	\$258,196	\$274,607
<u>Total Revenue by Jurisdiction</u>			
State Share			\$36,559,902
Incorporated Local Jurisdictions Share (Cities in Los Angeles County)			\$190,992
Los Angeles County Share			\$61,128,638
All Revenue Total			\$97,879,532

[1] See Table A-1 for how these values are derived.

[2] District Names and tax rates per California Department of Tax and Fee Administration Publication CDTFA-105 REV. 35 (1-25).

[3] The standard 6.0% of sales tax charged by the State that flows to non-local (State-level) funds is reduced by 3.9375% (the portion that typically goes to the State General Fund) per Assembly Bill 398 partial sales and use tax exemption. Prairie Song Reliability Project LLC has indicated their intent to utilize this exemption. As shown, this exemption does not reduce the amount of sales tax revenues that accrue locally.

[4] Local jurisdictions' share of General Fund revenue is allocated based on the purchase location of the BESS facility equipment. If purchased in unincorporated Los Angeles County (or if the job site address is in unincorporated Los Angeles County), the local share of sales tax revenue is directed to the County. If purchased in an incorporated jurisdiction, the local share of sales tax revenue is allocated to that specific jurisdiction.

[5] The standard 6.0% of sales tax charged by the State is charged to SCE capital costs because it is assumed SCE is not utilizing the job site sub-permit.

[6] Revenues accruing to Los Angeles County does not total the estimated sales tax revenue from each column. Total revenues accruing to the County include all revenues under Unincorporated Los Angeles County where the Recipient is labeled as Local or County, and all revenues under Incorporated Los Angeles County Jurisdictions where the Recipient is labeled as County.

Table A-3
Annual Operation-Related Taxable Sales and Sales Tax Revenue Estimate
Prairie Song Reliability Project EPS # 244027

Taxable Sales Category	Unincorporated Los Angeles County		Incorporated Los Angeles County Jurisdictions		Total
	Countywide Taxable Share ¹	Dollar Amount	Countywide Taxable Share ²	Dollar Amount	
<u>Direct Taxable Sales</u>					
Project Lifecycle Operations Spending on Taxable Items ³	4.3%	\$13,602,309	95.7%	\$299,602,122	\$313,204,431
<hr/>					
Sales and Use Tax					
	Tax				
<u>Direct Sales Tax Revenue⁴</u>	<u>Rate</u>	<u>Recipient</u>			
State Share ⁵	6.00%	State	\$816,139	\$17,976,127	\$18,792,266
Local Jurisdiction General Fund Share	1.00%	Local	\$136,023	\$2,996,021	\$3,132,044
Local County Transportation	0.25%	County	\$34,006	\$749,005	\$783,011
Los Angeles County Measure H Homelessness	0.25%	County	\$34,006	\$749,005	\$783,011
Los Angeles County Metro Transportation Authority/Measure R	0.50%	County	\$68,012	\$1,498,011	\$1,566,022
Los Angeles County Traffic Improvement Plan/Measure M	0.50%	County	\$68,012	\$1,498,011	\$1,566,022
Los Angeles County Transportation Commission/Measure A	0.50%	County	\$68,012	\$1,498,011	\$1,566,022
Los Angeles County Transportation Commission/Measure C	0.50%	County	\$68,012	\$1,498,011	\$1,566,022
Total Direct Sales Tax Revenue	9.50%		\$1,292,219	\$28,462,202	\$29,754,421
<hr/>					
Annual Revenue Accruing to Los Angeles County⁶			\$476,081	\$7,490,053	\$7,966,134
<hr/>					
<u>Total Revenue by Jurisdiction</u>					
State Share					\$18,792,266
Incorporated Local Jurisdictions Share (Cities in Los Angeles County)					\$2,996,021
Los Angeles County Share					<u>\$7,966,134</u>
All Revenue Total					\$29,754,421

[1] The Countywide Taxable Share represents the percentage of taxable items estimated to be purchased within unincorporated Los Angeles County. The taxable sales in unincorporated County is an estimated 4.3 percent based on CDFTA data.

[2] The Countywide Taxable Share represents the percentage of taxable items estimated to be purchased within incorporated Los Angeles County. The taxable sales incorporated County is an estimated 95.7 percent based on CDFTA data.

[3] Total operational costs are sourced from Prairie Song Reliability Project LLC. These are planning level estimates excluding labor. EPS estimated the equipment-to-labor ratio for operational costs based on previous BESS public revenue modeling experience. Operational costs are inclusive of the first 25 years of Project operations

[4] District Names and tax rates per California Department of Tax and Fee Administration Publication CDTFA-105 REV. 35 (1-25).

[5] Assumes the standard 6.0% of sales tax charged by the State that flows to non-local (State-level) funds.

[6] Revenues accruing to Los Angeles County does not total the estimated sales tax revenue from each column. Total revenues accruing to the County include all revenues under Unincorporated Los Angeles County where the Recipient is labeled as Local or County, and all revenues under Incorporated Los Angeles County Jurisdictions where the Recipient is labeled as County.

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

Table A-4
Summary of Assessed Value and Property Tax Estimation
Prairie Song Reliability Project EPS # 244027

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
<u>Allocation³</u>			
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
<u>Educational Revenue Augmentation Fund (ERAF)</u>	<u>20.6%</u>	<u>\$1,277,476</u>	<u>\$51,099,034</u>
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 shown in **Table A-5**. 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] See **Table A-5** footnotes for details on allocation entities represented in this table (e.g. LA County Other Revenues, Other Revenues).

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

Table A-5
Assessed Value and Property Tax Estimation for TRA 08916 (Part 1 of 3)
Prairie Song Reliability Project EPS # 244027

Item	Tax Rates	Annual Average	Total	1	2	3	4	5	6	7	8	9	10
Cost-Basis Method													
Prairie Song Reliability Project Valuation ¹			1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689	1,928,190,689
Less: Depreciation ²			1,542,552,551	-	(134,973,348)	(269,946,696)	(424,201,952)	(559,175,300)	(713,430,555)	(848,403,903)	(983,377,251)	(1,118,350,599)	(1,234,042,041)
Battery Depreciated Value				1,928,190,689	1,793,217,340	1,658,243,992	1,503,988,737	1,369,015,389	1,214,760,134	1,079,786,786	944,813,437	809,840,089	694,148,648
Countywide General Property Tax	1.00%	6,208,774	248,350,961	19,281,907	17,932,173	16,582,440	15,039,887	13,690,154	12,147,601	10,797,868	9,448,134	8,098,401	6,941,486
Base One Percent Allocation^{3,4}													
Los Angeles County General Fund	29.5%	1,828,490	73,139,603	5,678,541	5,281,043	4,883,545	4,429,262	4,031,764	3,577,481	3,179,983	2,782,485	2,384,987	2,044,275
Los Angeles County Other Agencies ⁵	5.1%	315,944	12,637,744	981,191	912,508	843,825	765,329	696,646	618,151	549,467	480,784	412,100	353,229
Los Angeles County Fire ⁶	17.4%	1,081,128	43,245,104	3,357,539	3,122,511	2,887,484	2,618,881	2,383,853	2,115,250	1,880,222	1,645,194	1,410,166	1,208,714
Antelope Valley Community College	2.6%	160,737	6,429,474	499,183	464,240	429,297	389,363	354,420	314,485	279,542	244,600	209,657	179,706
Acton-Agua Dulce Unified School District ⁷	22.0%	1,366,815	54,672,613	4,244,768	3,947,634	3,650,501	3,310,919	3,013,785	2,674,204	2,377,070	2,079,936	1,782,803	1,528,116
Other School ⁸	0.4%	25,033	1,001,338	77,744	72,302	66,860	60,640	55,198	48,978	43,536	38,094	32,652	27,988
Other Agencies ⁹	2.5%	153,151	6,126,051	475,625	442,331	409,038	370,988	337,694	299,644	266,350	233,056	199,763	171,225
Educational Revenue Augmentation Fund (ERAF)	20.6%	1,277,476	51,099,034	3,967,316	3,689,604	3,411,892	3,094,507	2,816,795	2,499,409	2,221,697	1,943,985	1,666,273	1,428,234
Total Base One Percent	100.0%	6,208,774	248,350,961	19,281,907	17,932,173	16,582,440	15,039,887	13,690,154	12,147,601	10,797,868	9,448,134	8,098,401	6,941,486
Voter Approved Debt Service¹⁰													
Community College District	4.3%	269,150	10,766,014	835,871	777,360	718,849	651,979	593,468	526,599	468,088	409,577	351,066	300,913
Special Water District	7.0%	437,656	17,506,259	1,359,182	1,264,039	1,168,896	1,060,162	965,019	856,284	761,142	665,999	570,856	489,305
Unified Schools	3.8%	237,957	9,518,299	738,998	687,268	635,539	576,419	524,689	465,569	413,839	362,109	310,379	266,039
Total Bond Debt Service	15.2%	944,764	37,790,572	2,934,051	2,728,667	2,523,284	2,288,560	2,083,176	1,848,452	1,643,068	1,437,685	1,232,301	1,056,258
Overall Total	115.22%	7,153,538	286,141,533	22,215,958	20,660,841	19,105,723	17,328,447	15,773,330	13,996,053	12,440,936	10,885,819	9,330,702	7,997,745

[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] Battery storage unit is depreciated as a single unit per 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] Represents the percentage allocation of the 1% ad valorem property tax for Tax Rate Area (TRA) 08-916, where the project is located. This TRA is part of unincorporated Los Angeles County and the AB8 apportionment for the TRA is based on 2024-2025 factors and reflects pre-annexation values.

[4] A portion of the Project site falls under a different TRA (08-925). This analysis uses just TRA 08-196 for property tax allocations. Given only slight variations between both TRA's allocations, any variations in allocation to taxing entities are expected to be minimal.

[5] LA County Other Agencies includes revenue for the following for LA County: Accumulated Capital Outlay, County Library, Los Angeles County Flood Control District Improvement District Maintenance, Los Angeles County Flood Control Maintenance, and Waterworks District #37 Acton Maintenance.

[6] Los Angeles Fire includes Consolidated Fire Protection District of Los Angeles County and Los Angeles County Fire - Forestry and Fire Warden.

[7] Acton-Agua Dulce Unified School District includes revenue for Acton-Agua Dulce Unified School District, Co.Sch.Serv.FD.-Actpm-Agua Dulce, and Dev CTR Hdcpd Minor Acton-Agua.

[8] Other School includes revenue for Count School Services, and the Children's Institute Tuition Fund.

[9] Other Agencies include revenue for Road District #5, Antelope Valley Cemetery District, Antelope Valley Resource Conservation District, and Antelope Valley East Kern Water Agency.

[10] Voter approved debt service is based on 2024-2025 TRA allocation factors. These factors are subject to change pending County review. This analysis assumes the debt-service is over the entire 40-year BESS lifecycle. These factors are subject to change as certain debt obligations are retired and others are approved.

Table A-5
Assessed Value and Property Tax Estimation for TRA 08916 (Part 2 of 3)
Prairie Song Reliability Project EPS # 244027

[illegible]

Table A-5
Assessed Value and Property Tax Estimation for TRA 08916 (Part 3 of 3)
Prairie Song Reliability Project EPS # 244027

[illegible]

Appendix 3.10B

Letter from the LA/OC Building and
Construction Trades Council



Los Angeles / Orange Counties Building and Construction Trades Council

Affiliated with the Building & Construction Trades Dept., AFL-CIO

1626 Beverly Boulevard
Los Angeles, CA 90026-5784
Phone (213) 483-4222
(714) 827-6791
Fax (213) 483-4419



May 20th, 2025

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

Re: Affirming the Strength and Readiness of California's Skilled Workforce

Dear Mr. Knight:

On behalf of the Los Angeles/Orange County Building and Construction Trades Council and the over 160,000 skilled tradespeople we proudly represent across Los Angeles and Orange counties, we stand in strong support of the Prairie Song Reliability Project and affirm the unmatched strength and readiness of our Union workforce to build it.

The LA/OC Building Trades Council is the leading advocate for construction workers in the region, representing 48 affiliated unions committed to advancing fair wages, jobsite safety, and the highest construction standards. Our members, including electricians, operating engineers, ironworkers, laborers, and many others—play a vital role in building and maintaining California's critical infrastructure. We have long supported projects and policies that create high-road, family-sustaining jobs while helping the State meet its clean energy and climate goals.

Los Angeles and Orange counties are home to one of the most highly trained and job-ready construction workforces in the country. Our joint labor-management apprenticeship programs are nationally recognized for producing top-tier talent across every craft, with strong local participation and pathways for historically underrepresented communities. We have approximately 23,000 apprentices in our two-county jurisdiction, and that is more apprentices than any other state in the country. About one fourth of those 23,000, graduate into becoming journey level professionals each year. As California's energy infrastructure needs expand, we are more than ready to meet that challenge with a skilled labor force prepared to build safely, efficiently, and at scale.

The Prairie Song Reliability Project is exactly the kind of job-rich, forward-looking investment that California needs. With over thousands of union tradespeople currently available for dispatch, there is no shortage of skilled labor. These are the men and women who are ready today to build this project—trained, experienced, and proud to put their skills to work delivering the infrastructure that will power California's continued leadership in the clean energy economy.

Sincerely,

Ernesto Medrano
Executive Secretary