



November 26, 2025

VIA E-MAIL AND CERTIFIED MAIL

Nueces County Tax Assessor-Collector

P.O. Box 2810
Corpus Christi, TX 78403-2810
dmorin@nuecescad.net

Emergency Services District #2

337 Yorktown Blvd.
Corpus Christi, TX 78418
dscott@ncesd2.org
wbeseda@ncesd2.org
dmorin@nuecescad.net

Hospital District

555 N. Carancahua Street
Corpus Christi, TX 78401
melissa.quintanilla@nchdcc.org
dmorin@nuecescad.net

Del Mar College

101 Baldwin Blvd.
Corpus Christi, TX 78404-3897
ariverajr@delmar.edu

Farm to Market Road

P.O. Box 2810
Corpus Christi, TX 78403-2810
dmorin@nuecescad.net

Flour Bluff Independent School District

2505 Waldron Road
Corpus Christi, TX 78418
csteinbruck@flourbluffschoools.net
tomasmolina@flourbluffschoools.net

Re: Response Deadline re: Barney Davis Power Plant Tax Exemption Settlement Agreement Proposal

Ladies and Gentlemen:

This letter serves as CPS Energy's final communication regarding execution of the above-referenced agreement, which is that certain Tax Exemption Settlement Agreement (the "***Tax Exemption***")

Settlement Agreement”), proposed to be by and among the City of Corpus Christi, Texas (the “**City**”), Nueces County, Texas (“**Nueces County**”), Emergency Services District #2 (the “**ESD**”), the Hospital District (the “**District**”), Del Mar College (the “**College**”), Farm to Market Road (“**FMR**”), Flour Bluff Independent School District (“**Flour Bluff ISD**”), which are collectively referred to herein as the “**Taxing Authorities**,” and the City of San Antonio, Texas (“**COSA**”), acting by and through the City Public Service Board of San Antonio, Texas (so acting, “**CPS Energy**”), substantially in the form enclosed with this letter.

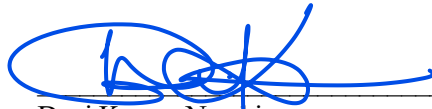
By delivering this letter, we (a) provide you with the enclosed form of the Tax Exemption Settlement Agreement, which CPS Energy is proposing as a substantively final form of the agreement; and (b) notify you that CPS Energy’s proposal to enter into a Tax Exemption Settlement Agreement, substantially in the form enclosed as **Exhibit A**, with all the Taxing Authorities expires at 5:00 PM Central Time on January 31, 2026 (the “**Expiration Date**”).

To signify your acceptance of the proposal, please confirm by writing me at sdkumar-namb@cpsenergy.com no later than December 31, 2025, to ensure timely execution by January 31, 2026.

Please note that, notwithstanding anything to the contrary herein, this letter is not intended to create or constitute any legally binding obligation between or among COSA, CPS Energy and the Taxing Authorities. Further, none of COSA, CPS Energy or the Taxing Authorities will have any liability or duties to any other party with respect to the subject matter set forth in the Tax Exemption Settlement Agreement until a final, definitive Tax Exemption Settlement Agreement is executed and delivered by and among the parties.

Should you have any further questions about the matters set forth in this letter, please contact us at (210) 353-2069.

Sincerely,



Devi Kumar-Nambiar
Vice President & Deputy General Counsel
CPS Energy

Enclosure

cc: City of Corpus Christi
P.O. Box 9257
Corpus Christi, TX 78469-9257
josephb@corpuschristitx.gov
lisaa@corpuschristitx.gov

EXHIBIT A
TAX EXEMPTION SETTLEMENT AGREEMENT

This Tax Exemption Settlement Agreement (this “**Agreement**”), dated as of _____, is entered into by and among the City of Corpus Christi, Texas (the “**City**”), Nueces County, Texas (“**Nueces County**”), Emergency Services District #2 (the “**ESD**”), the Hospital District (the “**District**”), Del Mar College (the “**College**”), Farm to Market Road (“**FMR**”), Flour Bluff Independent School District (“**Flour Bluff ISD**”), which are collectively referred to herein as the “**Taxing Authorities**,” and the City of San Antonio, Texas (“**COSA**”), acting by and through the City Public Service Board of San Antonio, Texas (so acting, “**CPS Energy**”).

WITNESSETH:

WHEREAS, CPS Energy owns the principal assets which make up the 933 MW Barney Davis Power Plant (including all transmission lines, pipelines, ancillary and associated facilities and equipment now or hereafter related thereto or used in connection therewith and located on the Plant Site referred to below, the “**Plant**”) located at 4301 Waldron Road on the real property described on Exhibit A hereto (the “**Plant Site**”), which is within the City, Nueces County, and the Nueces County Appraisal District (the “**Appraisal District**”), and an interconnect power transmission line (the “**Interconnect**”, and collectively with the Plant, the Plant Site, the real property on which the Interconnect is located, and all past, present, and future improvements, additions, building structures, fixtures and tangible personal property located in, on or under such real property or the Plant Site, the “**Subject Property**”) located on the fee strips or easements described in Exhibit A hereto and, in whole or in part, within such Taxing Authorities and the Appraisal District;

WHEREAS, prior to being acquired by CPS Energy, the Subject Property was subject to ad valorem taxes imposed by the Taxing Authorities; property of CPS Energy that is used for public purpose is exempt from ad valorem taxes imposed or to be imposed by the Taxing Authorities; and the Taxing Authorities will lose substantial amount of annual ad valorem tax revenue due to the Subject Property becoming exempt from ad valorem taxes; and

WHEREAS, the parties hereto are willing and desire to settle on the amounts of certain payments to be made by CPS Energy in lieu of the annual ad valorem taxes the Taxing Authorities would have otherwise received with respect to the Subject Property had it not been acquired by CPS Energy;

NOW, THEREFORE, in consideration of the mutual covenants and releases of the parties herein contained, the parties hereto agree and bind themselves as follows:

1. **Settlement.** This Agreement is made for the sole purpose of settling on certain payment amounts and terminating any and all claims, rulings, adjudications, assessments, levies, or other determinations made or that may be made by or on behalf of the Taxing Authorities or any of them, or any successor governmental authority to any of them, under current law that the Subject Property or any part thereof is not or will not be exempt from ad valorem taxes or that they are entitled to impose ad valorem taxes thereon or that CPS Energy or COSA is liable for the payment of any such taxes in respect of any “tax year” (as defined in Section 1.04(13) of the Texas Tax Code) from and including tax year 2024 through and including the tax year coinciding with the last year of the term of this Agreement (any such tax year being referred to herein as a “**tax year**”), and prior to the transfer of the title to the Subject Property or such part, as applicable, to a person or entity which does not hold the same for the sole benefit for CPS Energy or COSA (herein referred to as the “**Exemption Period**”), whether or not the Plant is actually producing energy or power and regardless to whom or how any energy or power produced by the Plant may be sold (herein referred to collectively as the “**Claims**”).

Each of the Taxing Authorities acknowledges and agrees that the respective sums to be paid by CPS Energy to the Taxing Authorities in accordance with this Agreement in settlement of the Claims could be substantially greater than the sums that they might recover should they seek to tax the Subject Property in each year during the term of this Agreement and should the Subject Property be determined to be fully exempt from ad valorem taxes. CPS Energy acknowledges and agrees that the respective sums to be paid by CPS Energy to the Taxing Authorities in accordance with this Agreement in settlement of the Claims could be substantially less than the sums that the Taxing Authorities might recover should they seek to tax the Subject Property in each year during the term of this Agreement and should the Subject Property be determined to be fully subject to ad valorem taxes. Each of the parties hereto acknowledges and agrees that the sums agreed to be paid by CPS Energy to the Taxing Authorities pursuant to this Agreement represent a fair compromise and settlement of any Claims, and that this Agreement is in the best interest of the parties and their respective residents, customers, taxpayers, and ratepayers.

Notwithstanding anything in this Agreement to the contrary, with respect to tax year 2024, (a) the Subject Property became exempt from ad valorem taxes effective immediately on and including the date on which CPS Energy indirectly acquired all of the ownership interests in and to the prior owner of the Subject Property, Barney Davis, LLC, a Delaware limited liability company (the “**Operating Entity**”), such date being May 1, 2024 (the “**Closing Date**”), and (b) Section 26.11 of the Texas Tax Code shall apply with respect to tax year 2024, and a prorated portion of the ad valorem taxes imposed on the Subject Property for the tax year 2024 shall be (i) payable by or on behalf of the Operating Entity to the Taxing Authorities for the period from January 1, 2024, through and including the day before the Closing Date, and (ii) calculated by the Taxing Authorities in the manner provided in Section 26.11 of the Texas Tax Code.

2. **Release of Claims.** By the execution of this Agreement and in consideration of the payments and other obligations of CPS Energy hereunder, each of the Taxing Authorities hereby releases in full, and covenants not to sue, CPS Energy or COSA from or for any and all Claims that it may bring during the Exemption Period or, in respect of the exemption of the Subject Property, from ad valorem taxes, or the liability of COSA or CPS Energy for ad valorem taxes in respect of the Subject Property for any tax year or years during the Exemption Period, and agrees that it is and shall be completely barred from making any Claim during the Exemption Period or a claim denying the exemption of the Subject Property from ad valorem taxes, or asserting liability of COSA or CPS Energy for ad valorem taxes in respect of the Subject Property, during the Exemption Period, whether or not such Claim or claims could have been asserted, or are unknown or known, to the extent the Claims or claims arise during the Exemption Period. For the avoidance of doubt, if title to a portion, but less than all, of the Subject Property is transferred to a person or entity which does not hold the same for the sole benefit of CPS Energy, then such portion of the Subject Property shall no longer be held during the Exemption Period, and the release and agreement contained in *Section 2* hereof shall not be effective for such portion for the remainder of the tax year in which such transfer occurs or any subsequent tax year.

3. **Consideration for Releases.** In consideration for the releases and other agreements made by the Taxing Authorities in *Section 2* hereof and the acknowledgement made by the Appraisal District at the end of this Agreement, only with respect to each calendar year set forth on *Exhibit B* hereto, CPS Energy shall pay to each Taxing Authority the sum specified opposite its name in *Exhibit B* hereto. Except for the payments in respect of the 2024 tax year, which will be made by March 31, 2026, such payments set forth on *Exhibit B* will be made by March 31 of the year following each tax year listed on *Exhibit B*. Notwithstanding the foregoing or anything to the contrary in this Agreement, if CPS Energy transfers the title to all of the Subject Property to a person or entity which does not hold the same for the sole benefit for CPS Energy or COSA, or the Exemption Period otherwise terminates, within one of the tax years set forth on *Exhibit B* hereto, CPS Energy’s subsequent payment obligations under this *Section 3* shall terminate such that (a) CPS Energy’s payment obligation to each Taxing Authority with respect to the tax year in

which the transfer occurs will be prorated by multiplying the total payment amount due to such Taxing Authority (as set forth on *Exhibit B*) by a fraction, the numerator of which is the number of days in the applicable tax year prior to and including the date on which the transfer occurs, and the denominator of which is the total number of days in the applicable tax year (any such payment, a “**Prorated Payment**”); and (b) CPS Energy shall not be obligated to make any payments listed for any tax year on *Exhibit B* subsequent to the year in which the transfer occurs. For illustrative purposes only, if CPS Energy transfers title to all of the Subject Property in the 2026 tax year, CPS Energy will be obligated to make a Prorated Payment to each Taxing Authority for the 2026 tax year, in accordance with this *Section 3*, but will not be obligated to make any payments for the 2027 tax year.

4. **Credit for Payments.** If, notwithstanding the release made in *Section 2* hereof, CPS Energy or COSA nevertheless becomes subject to ad valorem taxes imposed by any Taxing Authority in respect of the Subject Property or any part thereof for any tax year during the term of this Agreement, whether due to action or inaction by any party hereto or any other cause (other than a cause described in the immediately succeeding sentence), then (subject to the next to last sentence of this *Section 4*) such Taxing Authority shall credit against ad valorem taxes on the Subject Property or such part, as applicable, due in such or any succeeding tax year (in favor of CPS Energy and its successors and assigns) the sums paid to it by CPS Energy pursuant to *Section 3* hereof in respect of the Subject Property or such part, as applicable, as a prepayment of such taxes, until such credit is fully exhausted. In the event that, in any tax year to and including tax year 2035, CPS Energy shall transfer ownership of the real property comprising the Subject Property, or any part thereof, to any person or entity which is not exempt from ad valorem taxation by any Taxing Authority due to a change in law or regulation, or a judicial decision, opinion of the Attorney General of Texas, or other legal action, that in any case was not requested or advocated by such or any other Taxing Authority or Appraisal District, then (subject to the next to last sentence of this *Section 4*) each Taxing Authority shall credit against ad valorem taxes on the Subject Property or such part, as applicable, in such tax year and each subsequent tax year (in favor of CPS Energy and its successors and assigns) the payment made by CPS Energy to such Taxing Authority pursuant to *Section 3* hereof in respect of the Subject Property or such part, as applicable, up to an amount in the aggregate for such and all subsequent tax years combined equal to the product of such amount and a fraction, the numerator of which is equal to the number of such subsequent tax years to and including tax year 2035 and the denominator of which is 15. For purposes of the foregoing, the amount of the payment made by CPS Energy to the Taxing Authority pursuant to *Section 3* hereof in respect of any part of the Subject Property shall be determined by multiplying such payment by a fraction, the numerator of which is the total market value of such part of the Subject Property and the denominator of which is the total market value of all of the Subject Property, including such part and all other parts, if any, that have therefore become subject to ad valorem tax or transferred, in each case as of January 1 of the tax year in which such part becomes subject to taxation or is transferred. For the avoidance of doubt, if the Appraisal District, the Chief Appraiser or Appraisal Review Board of the Appraisal District, any Taxing Authority, or any court, arbitrator, tribunal, commission, board, agency, or other judicial, administrative or regulatory body or authority of competent jurisdiction shall take any action which causes the Subject Property or any part thereof to become subject to ad valorem taxation in any tax year, then each Taxing Authority shall be obligated to permit the applicable credit required by this *Section 4*, as determined by the nature of the action resulting in taxation of the Subject Property or such part, and CPS Energy and COSA shall have the unilateral right to give effect to such credit should any such Taxing Authority fail to do so for any reason whatsoever or no reason. Nothing in this Agreement shall require any Taxing Authority to rebate or otherwise reimburse to CPS Energy or its successors and assigns any payment made by CPS Energy to it pursuant to *Section 3* hereof, but rather each Taxing Authority shall be required merely to accept such payment as prepayment of and credit against any future tax liability of CPS Energy and its successors and assigns in respect of the Subject Property as and to the extent herein provided. It is expressly acknowledged and agreed by the parties hereto that CPS Energy and COSA shall have the unilateral right to give effect to this *Section 4* should any Taxing Authority fail to do so any reason whatsoever or no reason.

5. **Remedies for Default.** No right or remedy herein conferred upon any party hereto is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or hereafter existing at law or in equity or otherwise. Assertion or employment of any right or remedy hereunder or otherwise shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

No delay or omission by any party hereto to exercise any right or remedy accruing upon a default herein shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given hereunder or by law to any party hereto may be exercised from time to time, and as often as may be deemed expedient, by such party.

Each party hereto shall be responsible for the fees and expenses of its counsel in connection with the claims and the negotiation, preparation, authorization, execution and delivery of this Agreement.

6. **Notices.** Unless otherwise specifically provided herein, any request, demand, authorization, direction, notice, consent, waiver, or other document by or from any party hereto provided or permitted by this Agreement to be made upon, given or furnished to, or filed with any other party hereto shall be sufficient for every purpose hereunder if made, given, furnished, or filed in writing to or with such party via mail, first-class postage prepaid, to and received by such party to which it is addressed at the address to the attention stated for such party in *Exhibit C* hereto, or if given to such party by telecopy to the number stated for such party in *Exhibit C* hereto, receipt confirmed, or at such other address or attention or to such other number furnished in writing to the other parties hereto by such party.

7. **Severability.** In case any provision in this Agreement or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby.

8. **Construction.** This Agreement reflects the combined efforts of the parties and their attorneys and shall not be construed against any party on account of the preparation hereof by such party or its attorneys. The Section and subsection headings herein are for convenience only and shall not affect the construction or terms hereof.

9. **Benefits of this Agreement; Binding Effect.** Nothing in this Agreement, express or implied, shall give to any person or entity, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim under this Agreement, and it is not the intention of any party hereto to confer third-party beneficiary rights upon any other person or entity, including, without limitation, any taxpayer or customer thereof. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

10. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas and the federal laws of the United States of America.

11. **Limited Obligations.** The Taxing Authorities acknowledge and agree that, in accordance with applicable law, (a) the obligations of CPS Energy under this Agreement are payable solely from and to the extent of revenues of its gas and electric utility systems, (b) the obligations of CPS Energy hereunder shall never constitute a pledge of COSA's taxing powers or be payable from funds raised or to be raised by taxation, and (c) recovery of any claims arising out of the failure of CPS Energy to observe or perform any of duty or obligation imposed upon it hereby, or the breach of any representation made by it herein, shall be limited solely to the revenues CPS Energy's gas and electric utility systems.

12. **Venue of Actions.** Any action at law, suit in equity, or other judicial proceeding for the enforcement of this Agreement or any provision hereof shall be instituted only in the state district courts sitting in the County of Bexar, Texas.

13. **Entire Agreement.** This Agreement embodies the entire agreement of the parties in respect of the subject matter hereof. There are no promises, terms, conditions, or obligations of the parties in respect of the subject matter hereof except for those contained in this Agreement. This Agreement supersedes all previous communications, representations, and agreements, either verbal or written, between or among the parties in respect of the subject matter hereof. Each party acknowledges and represents that no representation or opinion of fact or law was made by or on behalf of any other party hereto to induce it, and it relied on no such representation or opinion in determining, to enter into this Agreement.

14. **Amendments.** This Agreement may be amended, supplemented, or modified only by a written instrument duly executed by or on behalf of each party hereto that is affected by such amendment, supplement, or modification.

15. **Term.** The term of this Agreement shall commence on the date hereof and shall terminate on December 31, 2035.

16. **Due Authorization.** Each party hereto acknowledges, has officially found, determined, and declared, and represents to the other parties hereto that its governing body has duly authorized the execution, delivery, and performance of this Agreement, and that the meeting of its governing body at which this Agreement was so authorized was open to the public, and public notice of the time, place and subject matter of the public business to be considered at such meeting, including authorization of this Agreement, was given, all as required by Chapter 551, Texas Government Code, as amended.

17. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[The remainder of this page is intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CITY OF CORPUS CHRISTI, TEXAS

By:.....
Name:
Title:

Attest:

COUNTY OF NUECES, TEXAS

By:.....
Name:
Title:

.....
County Clerk

EMERGENCY SERVICES DISTRICT #2

By:.....
Name:
Title:

HOSPITAL DISTRICT

By:.....
Name:
Title:

DEL MAR COLLEGE

By:.....
Name:
Title:

FARM TO MARKET ROAD

By:.....
Name:
Title:

**FLOUR BLUFF INDEPENDENT SCHOOL
DISTRICT**

By:.....
Name:
Title:

CITY OF SAN ANTONIO, TEXAS, acting by
and through the City Public Service Board of
San Antonio, Texas

By:.....
Name:
Title:

ACKNOWLEDGEMENT

The undersigned, the Chief Appraiser and Appraisal Review Board of the Nueces County Appraisal District, at the request of the Taxing Authorities named in the foregoing Agreement, in consideration of the undertakings by CPS Energy in such Agreement, and for the benefit of CPS Energy, hereby confirm and acknowledge the following: (a) based on the representations made to the Appraisal District by CPS Energy in its letter dated _____, and the documents enclosed with such letter, the Subject Property referred to in such Agreement is exempt from ad valorem taxes for the 2024 tax year, except as described in the last paragraph of Section 1 of such Agreement; and (b) so long as CPS Energy retains ownership of such Subject Property, such Subject Property is used for one or more of the public purposes described in such letter, and Texas law is not amended to provide otherwise, the law provides that such Subject Property would remain exempt, and neither the Appraisal District nor the Appraisal Review Board would be legally authorized to include such Subject Property on the tax rolls of any such Taxing Authority, in any future tax year. Nothing in this Acknowledgement shall prevent the Appraisal Review Board from performing its quasi-judicial duty to impartially hear and determine a challenge, protest, or motion concerning the Subject Property based upon the evidence presented at a hearing on such challenge, protest, or motion.

Dated this _____ 2025.

**APPRAISAL REVIEW BOARD, NUECES
COUNTY APPRAISAL DISTRICT**

By:.....
Chairman

.....
Chief Appraiser, Nueces County Appraisal
District

EXHIBIT A

DESCRIPTIONS OF SITES OF SUBJECT PROPERTY

(Legal Description)

TRACT 1:

BEING a 1,990.508 acre or 86,706,611 square feet tract of land lying in the “Rincon de Corpus Christi” Grant to Ramon de Ynojosa, Abstract 411 Nueces County, Texas, same being a portion of Lot 1, Block 1, of the Barney M. Davis Subdivision recorded in volume 37, page 86, Map Records, Nueces County, Texas, same being the remaining portion of a called 1,990.795 acre tract of land described as “Barney M. Davis Power Station” recorded in document number 2004032947, Official Public Records, Nueces County, Texas, and more particularly described as follows:

BEGINNING at a found “X” in a brass plate in concrete, for the west corner of the aforementioned Barney M. Davis tract, an interior angle corner of a tract of land described in deed to “King Ranch” recorded in volume 217, page 316, Deed Records, Nueces County, Texas, the west corner of the aforementioned Lot 1, and the west of the herein described 1,990.508 acre tract;

THENCE along a northwest line of the aforementioned Barney M. Davis tract, same being an east line of the aforementioned “King Ranch” tract, N28°33'37”E at a distance of 2,000.22 feet passing a found “X” in a brass plate in concrete, continuing for a total distance of 2,708.90 feet to a 3/4" iron rod found in the southeast shoreline of Cayo Del Oso Bay, for the western most northwest corner of said Barney M. Davis tract, an exterior angle corner of said “King Ranch” tract, the western most northwest corner of said Lot 1, and the western most northwest corner of the herein described 1,990.508 acre tract, from which a found “X” in a brass plate in concrete bears S28°18'01”W a distance of 7.11 feet;

THENCE along the southeast shoreline of the aforementioned Cayo Del Oso Bay, same being a north line of the aforementioned Barney M. Davis tract the following ten (10) courses:

N88°33'21”E a distance of 218.28 feet to a 3/4" iron rod found;

S76°15'14”E a distance of 580.71 feet to a 3/4" iron rod found;

S80°44'00”E a distance of 156.76 feet to a unmonumented point;

N85°22'18”E a distance of 261.90 feet to a unmonumented point;

N67°28'59”E a distance of 266.27 feet to a 3/4" iron rod found;

N75°35'36”E a distance of 325.52 feet to a 3/4" iron rod found;

N44°35'34”E a distance of 355.28 feet to a 3/4" iron rod found;

N70°46'38”E a distance of 759.93 feet to a 3/4" iron rod found;

N57°52'36”E a distance of 106.52 feet to a 3/4" iron rod found;

N30°34'06"E a distance of 109.73 feet to a 3/4" iron rod found for the north corner of the aforementioned Barney M. Davis tract, an angle corner of Lot 31 of section 38 of the Flour Bluff & Encinal Farm and Garden Tracts Subdivision as recorded in volume A, page 43, Map Records, Nueces County, Texas, and the north corner of the herein described 1,990.508 acre tract;

THENCE leaving the southeast shoreline of the aforementioned Cayo Del Oso Bay, along the southwest line of the aforementioned section 38, same being a northeast line of the aforementioned Barney M. Davis tract, S61°25'52"E at a distance of 1,321.73 feet passing a 1/2" iron rod found for the common line of lots 29 and 30 of said section 38, continuing at a distance of 1,981.60 feet passing a 1/2" iron rod found for the common line of lots 29 & 28 of said section 38, continuing at a distance of 4,621.93 feet passing a 1/2" iron rod found for the common line of Lot 25 of said section 38 and Lot 32 of section 51, of the aforementioned Flour Bluff & Encinal Farm and Garden Tracts subdivision, continuing at a distance of 7,921.93 feet passing a 5/8" iron rod found for the common line of lots 28 & 27 of said section 51, continuing at a distance of 8,582.28 feet passing a 3/4" iron pipe found for the common line of Lot 27 of said section 51, and Lot 5, block 1, of the Trail Blazer Addition, recorded in volume 69, page 134, Map Records, Nueces County, Texas, continuing for a total distance of 9,853.43 feet to a 1/2" iron rod set with plastic cap stamped "CDS/Muery S.A. TX" for an interior angle corner of said Barney M. Davis Tract, the south corner of said Trail Blazer Addition, an angle corner of the aforementioned Lot 1, of the Barney M. Davis Subdivision, and an exterior angle corner of the herein described 1,990.508 acre tract;

THENCE leaving a north line of the aforementioned Lot 1 of the Barney M. Davis Subdivision, and a north line of the aforementioned Flour Bluff & Encinal Farm and Garden Tracts subdivision, along a southeast line of the aforementioned Trail Blazer Addition, and a northeast line of the aforementioned Barney M. Davis tract, N28°34'07"E a distance of 250.00 feet to a 1/2" iron rod set with plastic cap stamped "CDS/Muery S.A. TX" for an exterior angle corner of said Barney M. Davis tract, and an exterior angle corner of the herein described 1,990.508 acre tract;

THENCE along a northeast line of the aforementioned Barney M. Davis tract, S61°25'53"E at a distance of 17.09 feet passing a 5/8" iron rod found for an angle corner of the aforementioned Trail Blazer Addition, continuing for a total distance of 45.00 feet to a unmonumented point in the centerline of Waldron Road (variable width right-of-way), same being a common line of sections 38 & 51 of the Flour Bluff & Encinal Farm and Garden Tracts subdivision, for an exterior angle corner of the said Barney M. Davis tract, an exterior angle corner of said Trail Blazer Addition, and an angle corner of a called 55.363 acre tract of land described in deed to Lundquist Family Real Estate, LLC et al, recorded in document number 2021023284, Official Public Records, Nueces County, Texas, and an exterior angle corner of the herein described 1,990.508 acre tract;

THENCE along the centerline of the aforementioned Waldon Road, same being a northeast line of the aforementioned Barney M. Davis tract, the aforementioned common line of sections 38 and 51 of the Flour Bluff & Encinal Farm and Garden Tracts subdivision, and a northwest line of the aforementioned 55.363 acre tract, S28°34'07"W a distance of 250.00 feet to a 1/2" iron rod set with plastic cap stamped "CDS/Muery S.A. TX" in a north line of the aforementioned Lot 1 of the Barney M. Davis Subdivision, for an interior angle corner of said Barney M. Davis tract, the south corner of said section 38, the west corner of said 51, the west corner of said 55.363 acre tract, and an interior angle corner of the herein described 1,990.508 acre tract;

THENCE leaving the centerline of the aforementioned Waldron Road, along a north line of the aforementioned Lot 1 of the Barney M. Davis Subdivision, same being a north line of the aforementioned Barney M. Davis tract, a southwest line of the aforementioned section 52 of the Flour Bluff & Encinal Farm and Garden Tracts subdivision, and a south line of the aforementioned 55.363 acre tract, S61°25'52"E a distance of 5,858.18 feet to a 1/2" iron rod found with plastic cap stamped "CDS/Muery S.A. TX" in the

west shoreline of the Laguna Madre Bay, for the northeast corner of said Barney M. Davis tract, the northeast corner of said Lot 1 of the Barney M. Davis Subdivision, the southeast corner of the Laguna Madre Cove, recorded in volume 20, page 49, Map Records, Nueces County, Texas, and the northeast corner of the herein described 1,990.508 acre tract;

THENCE along the west shoreline of the aforementioned Laguna Madre Cove the following twenty-seven (27) courses:

S14°24'45"W a distance of 671.13 feet to a unmonumented point;

S26°32'33"W a distance of 265.93 feet to a unmonumented point;

S14°30'11"W a distance of 596.94 feet to a unmonumented point;

S13°45'10"E a distance of 316.42 feet to a unmonumented point;

S02°04'42"E a distance of 221.07 feet to a unmonumented point;

S10°59'21"W a distance of 64.71 feet to a unmonumented point;

S20°12'27"W a distance of 201.45 feet to a unmonumented point;

S12°36'17"W a distance of 206.66 feet to a unmonumented point;

S12°18'03"E a distance of 178.45 feet to a unmonumented point;

S03°54'05"E a distance of 437.22 feet to a unmonumented point;

S08°34'24"W a distance of 68.55 feet to a unmonumented point;

S02°29'42"W a distance of 128.87 feet to a unmonumented point;

S07°06'50"E a distance of 257.88 feet to a unmonumented point;

S01°13'14"E a distance of 85.52 feet to a unmonumented point;

S14°23'47"E a distance of 64.49 feet to a unmonumented point;

S26°46'39"E a distance of 283.50 feet to a unmonumented point;

S22°25'59"E a distance of 236.54 feet to a unmonumented point;

S18°15'40"E a distance of 117.78 feet to a unmonumented point;

S23°28'17"E a distance of 215.69 feet to a unmonumented point;

S41°04'50"E a distance of 200.42 feet to a unmonumented point;

S36°14'03"E a distance of 147.63 feet to a unmonumented point;

S47°33'00"E a distance of 234.91 feet to a unmonumented point;

S54°02'00"E a distance of 888.57 feet to a unmonumented point;

S53°03'30"E a distance of 259.09 feet to a unmonumented point;

S36°22'49"E a distance of 110.08 feet to a unmonumented point;

S15°30'38"E a distance of 337.21 feet to a unmonumented point;

S02°08'11"W a distance of 167.97 feet to a unmonumented point, for the southeast corner of the aforementioned Barney M. Davis tract, the southeast corner of the aforementioned Lot 1 of the Barney M. Davis Subdivision, an angle corner of the aforementioned "King Ranch" tract, and the southeast corner of the herein described 1,990.508 acre tract;

THENCE leaving the shoreline of the aforementioned Laguna Madre Cove, along the south line of the aforementioned Barney M. Davis tract, the south line of the aforementioned Lot 1 of the Barney M. Davis Subdivision, and a north line of the aforementioned "King Ranch" tract, N61°25'52"W at a distance of 290.00 feet passing a 1/2" iron rod set with plastic cap stamped "CDS/Muery S.A. TX" for a witness rod, continuing for a total distance of 22,131.31 feet the **PLACE OF BEGINNING** and containing 1,990.508 acres or 86,706,611 square feet.

SAVE AND EXCEPT:

BEING a 5.692 acre or 247,950 square feet tract of land lying in the "Rincon de Corpus Christi" Grant to Ramon de Ynojosa, Abstract 411 Nueces County, Texas, same being a portion of Lot 1, Block 1, of the Barney M. Davis Subdivision recorded in volume 37, page 86, Map Records, Nueces County, Texas, same being all of a 5.351 acre tract of land described as "Substation Site" recorded in document number 2004032948, Official Public Records, Nueces County, Texas, same also being all of a 0.341 of an acre tract of land described as "Barney M. Davis Power Station 138KV Substation Expansion" to Electric Transmission Texas, LLC, a Delaware limited liability company, recorded in document number 2016028423, Official Public Records, Nueces County, Texas, and more particularly described as follows:

COMMENCING at a found "X" in a brass plate in concrete, for the west corner of the aforementioned Barney M. Davis tract and an interior angle corner of a tract of land described in deed to "King Ranch" recorded in volume 217, page 316, Deed Records, Nueces County, Texas;

THENCE along the south line of the aforementioned Barney M. Davis tract, same being a north line of the aforementioned "King Ranch" tract, S61°25'52"E a distance of 13,918.72 feet to an unmonumented point;

THENCE leaving the north line of the aforementioned "King Ranch" tract, across the lands of the aforementioned Barney M. Davis tract, N28°34'08"E a distance of 1,481.32 feet to a 1/2" iron rod set with plastic cap stamped "CDS/Muery S.A. TX" for the **PLACE OF BEGINNING**, the south corner of "Parcel 3" the aforementioned 0.341 of an acre tract, the west corner of the aforementioned 5.351 acre tract, and an angle corner of the herein described 5.692 acre tract;

THENCE along a south line of "Parcel 3" of the aforementioned 0.341 of an acre tract, N61°25'38"W a distance of 16.00 feet to a 1/2" iron rod found with plastic cap stamped "CDS/Muery S.A. TX" for the west corner of said "Parcel 3" and the west corner of the herein described 5.692 acre tract;

THENCE along the west line of "Parcel 3" of the aforementioned 0.341 of an acre tract, N28°34'22"E a distance of 450.00 feet to a 1/2" iron rod found with plastic cap stamped "CDS/Muery S.A. TX" for the north corner of said "Parcel 3", and the north corner of the herein described 5.692 acre tract;

THENCE along the north line of "Parcel 3" of the aforementioned 0.341 of an acre tract, and a north line of the aforementioned 5.351 acre tract, and the north line of "Parcel 2" of said 0.341 of an acre tract, S61°25'38"E at a distance of 16.00 feet passing an unmonumented point for the east corner of said "Parcel 3" and the north corner of said 5.351 acre tract, continuing at a distance of 532.00 feet passing an unmonumented point for the east corner of said 5.351 acre tract, and the north corner of said "Parcel 2", continuing for a total distance of 551.00 feet to a 1/2" iron rod found with plastic cap stamped "CDS/Muery S.A. TX" for the east corner of said "Parcel 2" and the east corner of the herein described 5.692 acre tract;

THENCE along the south line of "Parcel 2" of the aforementioned 0.341 of an acre tract, a south line of the aforementioned 5.351 acre tract, and the south line of "Parcel 1" of said 0.341 of an acre tract, S28°34'22"W at a distance of 253.70 feet passing an unmonumented point for the south corner of said "Parcel 2" and an angle corner of said 5.351 acre tract, continuing at a distance of 300.54 feet passing an unmonumented point for an angle corner of said 5.351 acre tract, and the east corner of said "Parcel 1", continuing for a total distance of 450.00 feet to a 1/2" iron rod set with plastic cap stamped "CDS/Muery S.A. TX" for the south corner of said "Parcel 1" and the south corner of the herein described 5.692 acre tract;

THENCE along the west line of "Parcel 1" of the aforementioned 0.341 of an acre tract and the west line of the aforementioned 5.351 acre tract, N61°25'38"W at a distance of 19.00 feet passing an unmonumented point for the west corner of said "Parcel 1" and the south corner of said 5.351 acre tract, continuing for a total distance of 535.00 feet to the **PLACE OF BEGINNING** and containing 5.692 acres or 247,950 square feet.

Tract 2:

Easements created under Article 2.4 of that certain Easement, License and Site Access Agreement executed by AEP Texas Central Company, a Texas corporation, for the benefit of Barney M. Davis, LP, a Texas limited partnership, filed July 6, 2004, recorded in Document Number 2004032948, Official Public Records, Nueces County, Texas.

EXHIBIT B
PAYMENTS*

By Year

Taxing Authority	2024 Amount	2025 Amount	2026 Amount	2027 Amount	Total Amount
<i>City of Corpus Christi</i>	\$310,000	\$340,000	\$220,000	\$95,000	<i>\$965,000</i>
<i>Emergency Services District #2</i>	\$15,000	\$20,000	\$10,000	\$5,000	<i>\$50,000</i>
<i>Nueces County</i>	\$120,000	\$135,000	\$80,000	\$35,000	<i>\$370,000</i>
<i>Hospital District</i>	\$45,000	\$50,000	\$30,000	\$15,000	<i>\$140,000</i>
<i>Del Mar College</i>	\$120,000	\$130,000	\$85,000	\$40,000	<i>\$375,000</i>
<i>Farm to Market Road</i>	\$1,500	\$1,500	\$1,000	\$500	<i>\$4,500</i>
<i>Flour Bluff Independent School District</i>	\$400,000	\$430,000	\$275,000	\$120,000	<i>\$1,225,000</i>

*Both the 2024 Amount and the 2025 Amount set forth above will be remitted by March 31, 2026. Thereafter, each payment amount will be made by March 31st of the year following the tax year. For example, the 2026 Amount will be remitted by March 31, 2027.

EXHIBIT C
NOTICE ADDRESSES

City of Corpus Christi
P.O. Box 9257
Corpus Christi, TX 78469-9257

Nueces County Tax Assessor-Collector
P.O. Box 2810
Corpus Christi, TX 78403-2810

Emergency Services District #2
337 Yorktown Blvd.
Corpus Christi, TX 78418

Hospital District
555 N. Carancahua Street
Corpus Christi, TX 78401

Del Mar College
101 Baldwin Blvd.
Corpus Christi, TX 78404-3897

Farm to Market Road
P.O. Box 2810
Corpus Christi, TX 78403-2810

Flour Bluff Independent School District
2505 Waldron Road
Corpus Christi, TX 78418

CPS Energy
P.O. Box 1771
San Antonio, Texas 78296
Attn: Chief Financial Officer

With a copy to:

CPS Energy
P.O. Box 1771
San Antonio, Texas 78296
Attn: Legal Notices
LegalNotices@cpsenergy.com