


STAFF REPORT

To: City Commission – Regular Meeting – August 7, 2024
From: Kim Golden, P.E., City Engineer 
CC: Doug Kneupper, P.E.
Date: June 28, 2024
Re: Heights Battery Storage – 410 Hwy 146N - Site Plan (Parcel ID 746133) (previously referenced in error as 430 Hwy 146N)

Background: The applicant is Bluestem Energy Solutions. The proposed project will encompass approximately 1.5 acres on 2.799 acres of undeveloped land. The location of the project is on the east side of S.H 146 N and south of the existing TNMP Heights substation. The property is zoned District F. The project proposes to develop up to 9 lithium-ion containers for 9.9MW, 19.98 MWh capacity at the site. This capacity is estimated to serve approximately 750 homes for 24 hours.

Notice of Zoning Commission hearing was mailed to 14 property owners within 200ft of the site. Letters of support were received from four (4) property owners, three of the owners being affiliated entities with common ownership. No letters of opposition were received. At the Public Hearing held on July 2, 2024, there were no public comments in opposition to the zoning change. The Zoning Commission voted 4-0 to recommend approval of the requested zoning change.

Requested Action: The application is being considered for re-zoning to District SP (Site Plan) for construction of a new electric power generating station utilizing lithium-ion battery energy storage system (BESS). The application is being processed as a District SP rezoning consistent with Section 160.051(A)(1)(f) to *provide for the development of specific uses which are not normally found in zoning districts, and (h) provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the community.*

Staff Review and Recommendation:

Since the Zoning Commission meeting, the applicant provided the attached company profile and information about the experience of the development team. The applicant is Bluestem Energy Solutions, founded in 2012 and headquartered in Omaha, Nebraska, Bluestem identifies as a turnkey developer and owner-operator of the energy projects it develops. It is operating two BESS projects in Nebraska that came online in 2021.

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The applicant's proposed battery manufacturer is Sungrow which utilizes the CATL cells. CATL is considered a Tier 1 manufacturer of the LI-ion cells. Sungrow is headquartered in Hefei, Anhui, China. it was founded in 1997 and is the world's largest inverter manufacturer. According to its website, Sungrow's cumulative installed capacity of inverter & converter equipment across the world was above 515GW by the end of December 2023.

The legal description for the area to be rezoned is: Lot 2C of Highway 146 Business Park, Minto Replat No. 3 – A subdivision in Galveston County, TX, according to the Map or Plat thereof recorded in Clerk's File No. 2022-48626 of the records of Galveston County Texas. A plat has also been provided.

Staff have no objection to the recommendations to approve the zoning change request.

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Bluestem

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Meet Bluestem Energy Solutions: developer, owner, and operator of renewable energy solutions. We serve our utility partners across the country, providing reliable and affordable power for their communities.

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We take an end-to-end approach to all our partnerships. We are proud to be a turnkey developer, offering all necessary services in-house. Utilities can trust that Bluestem can lead them every step of the way.

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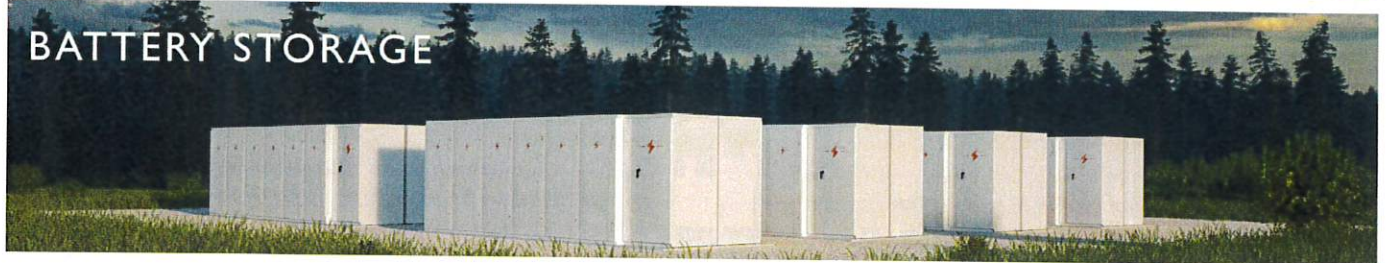
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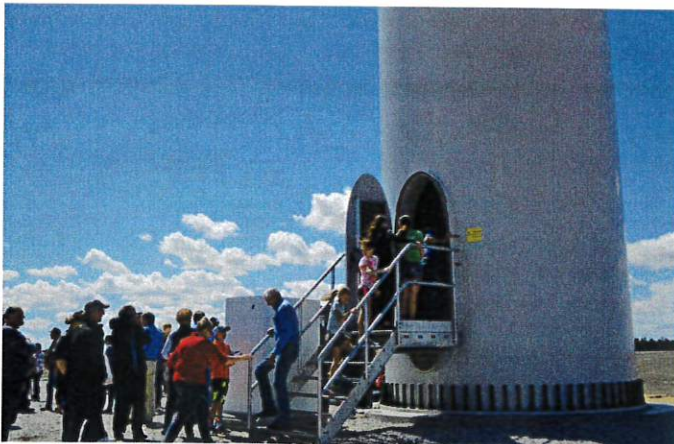


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Technology with Value in Mind

As an owner and operator, Bluestem takes a long-term perspective on our facilities. From using only Tier-I OEMs, to our expert in-house O&M team, our facilities are built and maintained to the highest level. By making responsible design choices, Bluestem projects result in reliable energy facilities that maximize value to utilities.



Empowering Communities

Hiring Local

From construction subcontractors to long-term operations and maintenance, Bluestem is committed to hiring locally.

Community Participation

Working with community stakeholders and taking part in open information sessions are important steps in our development process.

Strengthening Local Economies

Each of our developments provide long-term revenue stream to landowners, economic activity to the area during construction, and property tax revenue over the life of the project.

Environmental Approach

Bluestem carefully accounts for local wildlife and ecology through our responsible siting process. At our solar sites, native plants and flowers are planted to create long-lasting habitats for pollinators.