

# Massive manufacturing plant in Milam County approved for incentives

Small town hopes this deal replaces the Alcoa employees lost decades ago



A look at what T1 Energy Inc.'s factory in Milam County could look like when it potentially opens toward the end of 2026.

T1 Energy Inc.

T1 Energy Inc. has secured its [incentives from Milam County](#), a factor the company's CEO has said was important to bring an \$850 million factory and 1,800 jobs to life northeast of Austin.

The Austin-based company, which makes parts for solar energy installations, on June 9 was approved by the Milam County

Commissioners Court for what amounts to 30 years of property tax abatements on a 113-acre parcel just north of Alcoa Lake in the [3,300-acre Advanced Manufacturing Logistix Campus](#). The campus is a piece of the 33,000 acres formerly owned by Alcoa Corp. that was acquired by Dallas-based Xebec Holdings LLC in 2021 for its mixed-use super site.

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T1 CEO Daniel Barcelo [previously called](#) incentives a "very, very important part of our economics for our shareholders" toward finalizing the deal for the Milam County project, which would be a five-gigawatt solar cell manufacturing facility called G2 Austin. It's expected to start construction this year, start production by the end of 2026 and ramp up hiring by the end of 2027. Solar cells are essentially building blocks for solar panels.

The commissioners approved two agreements, according to copies obtained by the Austin Business Journal. The first establishes a tax increment reinvestment zone and stipulates the company would make a payment in lieu of property taxes of 20% to the county over the first 10-year period. The second is a 20-year Chapter 381 agreement that starts after the completion of the first agreement, where the county agrees to annually pay back grants equal to 70% of annual property tax payments.

The agreements are contingent on the company hitting certain benchmarks, including ramping up to 1,000 employees, hitting an average salary of \$58,800 and making a \$700 million capital investment by the 10th year of the first agreement and maintaining those numbers through the second. It's required to invest \$300 million in the first year of the abatement and hire 250 employees by the third year. The company is required to complete the facility by Dec. 31, 2028.

The figures in the agreement are considered low-ball estimates compared to what the company has said it plans for at the site about 70 miles outside Austin. Company officials said they continue to make progress on raising capital for the site but don't yet have a construction date set.

"We're excited that Milam County has paved the way for G2 Austin, our new solar cell manufacturing facility, with these tax agreements and are looking forward to (beginning) construction," said T1 spokesman Russell Gold.

The former Alcoa aluminum plant in Rockdale, Texas on March 20th, 2025.

Dave Creaney

Milam County Judge Bill Whitmire said the project "opens the door" to the AMLC. He said they have been told a lot of companies have been looking at the site but "nobody wanted to be that first one."

He expressed excitement about the potential job creation. It's set to potentially replace as many jobs as were lost when the Alcoa plant closed 20 years ago. That would also lead to secondary and tertiary investment, including suppliers, restaurants and grocery stores, that will help build out the economy.

He acknowledged the abatement for T1 may be a little higher than normal. But he said the company opted not to pursue an abatement through the Jobs, Energy, Technology and Innovation Act and other incentives, and the county is not paying for infrastructure costs. That means the school district, emergency services district and other taxing

entities will receive their full tax payments.

"In this case, when you do these abatements, you're able to pick and choose who you have," he said. "You're not just getting anybody that wants to come, or will come, you're getting to pick who you got in here that's going to do the best for your county."

He said the area has been rural and agricultural, and this is the first new big industrial development of its size perhaps since Alcoa came to town six decades ago.

"If anything keeps me awake, it would just be what has no one seen, what are we missing? Not just us, but them as well, and everybody else, because just that fear of the unknown," Whitmire said.

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T1 Energy (NYSE: TE), which moved its HQ to Austin and changed its name from Freyr Battery Inc., is [betting big on Texas](#). The company launched several years ago as a solar module manufacturer with plans to do solar cell and battery storage manufacturing. It was a Norwegian startup before fully moving operations to the U.S. in 2023. T1 also last year purchased a manufacturing facility near Dallas for \$621 million.

Officials moved their HQ to Austin because of the [manufacturing ecosystem](#) led by Samsung Electronics Co. Ltd. and Tesla Inc., the region's entrepreneurial spirit, its proximity to Wilmer and the fact that Texas grid operator Electric Reliability Council of Texas Inc. is leading the growth for solar and batteries nationwide, among other factors.

Right now, the company has fewer than 25 people working in the Austin HQ, but it is ramping up relocations and local hiring to triple that. T1 has about 1,250 employees nationwide. As of March 31, 2025, the company had cash, cash equivalents, and restricted cash of \$51.1 million. Read more about the company's strategy in this [exclusive report](#).

The Sandow Lakes project — [once pitched as a long-shot bid for Amazon's HQ2 project](#) — stretches across Milam and Lee counties and is located about 15 miles east of Taylor, where Samsung is building a multibillion-dollar computer chip factory. The AMLC represents the first piece and could eventually reach up to 35 million square feet of industrial space. Construction has already started and occupancy is expected by the third quarter of 2026.

Other pieces are slated to include office and residential space, [a natural gas power plant](#) and solar farms. It could also include Round Rock-based [Infinitum Electric Inc.](#), as company officials confirmed they're looking at locating within the park.