

Summary of 5 Lakes Energy's work on behalf of MMDC

5 Lakes Energy worked to evaluate the property tax benefits of wind generation to Isabella County and its constituent communities. With assistance from Isabella County's tax and assessment office we were able to gather the requisite data on property taxes collected from all taxing units in Isabella County on DTE property associated with wind generation. In 2025 a single large solar project (Mission Road Solar Park) began paying property taxes in Isabella County. In some of our analysis this project has also been included in aggregate numbers.

As shown in Figures 1 and 2, the largest recipients of renewable energy tax revenue in Isabella County are the county itself and its school districts. Beal City Public Schools and the Gratiot-Isabella Regional Education Service District receive the highest amounts. Because townships within Isabella County levy relatively low property tax mills, they do not directly benefit significantly from renewable energy property taxes, with most earning less than \$100,000 annually. Overall, DTE has paid more than \$37 million in property taxes to taxing entities within Isabella County since 2019.

Row Labels	2019	2020	2021	2022	2023	2024	2025
Community College			47,851	113,403	98,340	108,669	87,148
Mid-Michigan Community College			47,851	113,403	98,340	108,669	87,148
County	237,342	532,998	1,791,407	3,159,561	2,837,670	2,785,095	3,006,159
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Library District	44,188	96,367	161,163	221,614	199,327	206,959	171,846
Chippewa River District Library	44,188	96,367	161,163	221,614	199,327	206,959	171,846
School District	344,708	756,862	2,354,600	4,084,527	3,673,027	3,853,030	3,882,935
Beal City Public Schools			600,432	1,240,400	1,122,308	1,063,009	1,368,511
Chippewa Hills Public Schools			19,573	40,328	38,731	36,665	34,498
Clare-Gladwin RESD			30,584	67,821	59,543	55,880	52,416
Coleman Public Schools			28,914	56,358	48,374	46,379	55,212
Farwell Public Schools			43,891	108,966	110,381	104,682	81,228
Gratiot-Isabella Regional Education Service District	133,788	300,886	912,444	1,561,937	1,386,934	1,368,058	1,501,684
Mecosta-Osceola Intermediate School District			18,804	42,928	37,690	35,495	33,060
Midland Education Service Area			828	1,730	1,531	725	1,365
Midland Educational Service Area			10,486	26,307	22,973	12,518	20,350
Mt. Pleasant Public Schools			137,853	440,891	377,938	707,639	345,011
Shepherd Public Schools	171,999	371,159	467,669	421,387	398,352	362,974	336,456
St. Louis Public Schools	38,921	84,817	83,119	75,474	68,272	59,005	53,143
State	9,918	20,278	77,760	153,749	148,899	220,928	136,944
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Township	31,823	69,593	214,192	357,289	317,659	310,122	331,967
Coe Township	31,823	69,593	80,131	71,394	67,462	60,809	55,971
Denver Township			10,698	24,343	21,573	20,448	19,504
Gilmore Township			24,936	46,134	40,475	38,267	36,011
Isabella Township			31,666	75,524	66,118	75,377	110,784
Nottawa Township			66,761	139,894	122,032	115,221	109,697
Grand Total	667,979	1,476,099	4,646,973	8,090,143	7,274,923	7,484,803	7,616,998

Figure 1 - Wind and Solar Tax Revenue by Taxing Entity

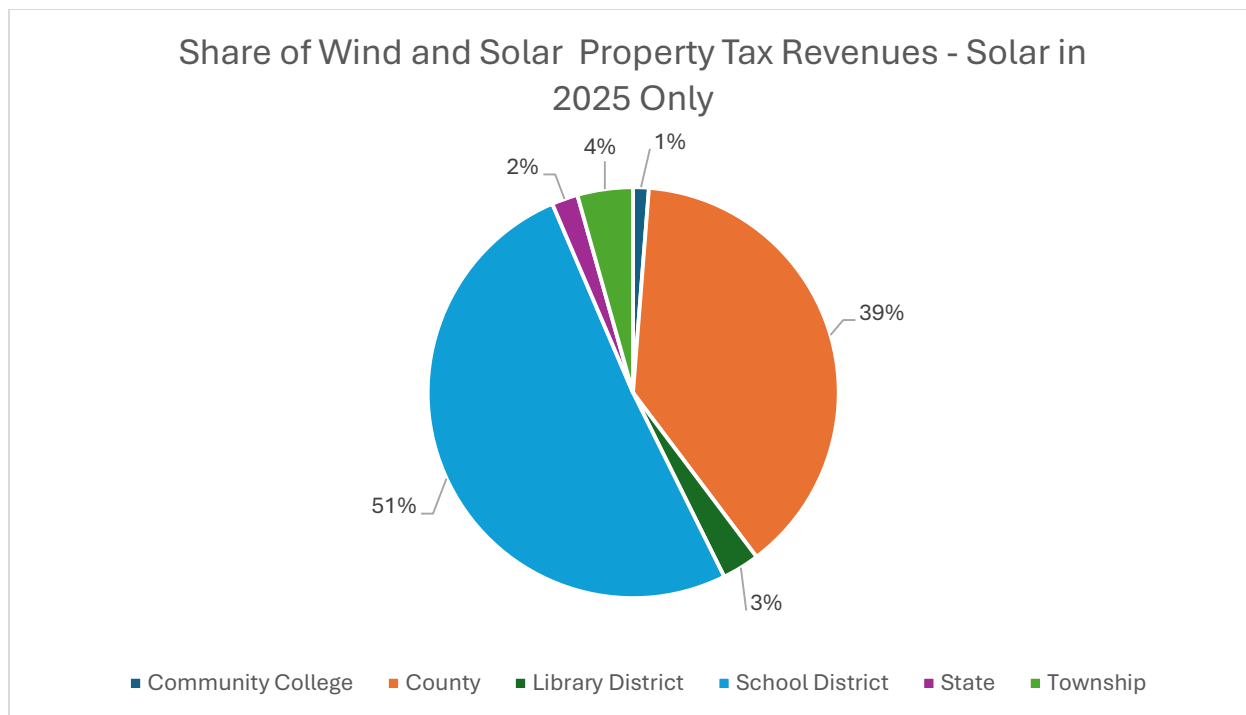


Figure 2 – Wind and Solar Property Tax Revenue Shares

Since wind development began in the county, wind-related property taxes have accounted for 10–17% of total county property tax revenue. As the taxable value of wind assets declines through depreciation, this share has started to fall. In 2025, however, new solar development added roughly \$500,000 in additional revenue. Solar assets depreciate more slowly than wind assets because projects typically operate longer and because of the State Tax Commission’s valuation approach. As a result, solar projects should provide more stable property tax revenue to local taxing units over time.¹

¹ https://www.michigan.gov/treasury/-/media/Project/Websites/treasury/STC/2021/Updated_Guidance_Regarding_Valuation_Assessment_of_Solar_Electric_Generation_Systems.pdf?hash=A2CAC898333A298DB06D97D733323A2F&rev=232666fa4a3d4ecc9941b319231257ba

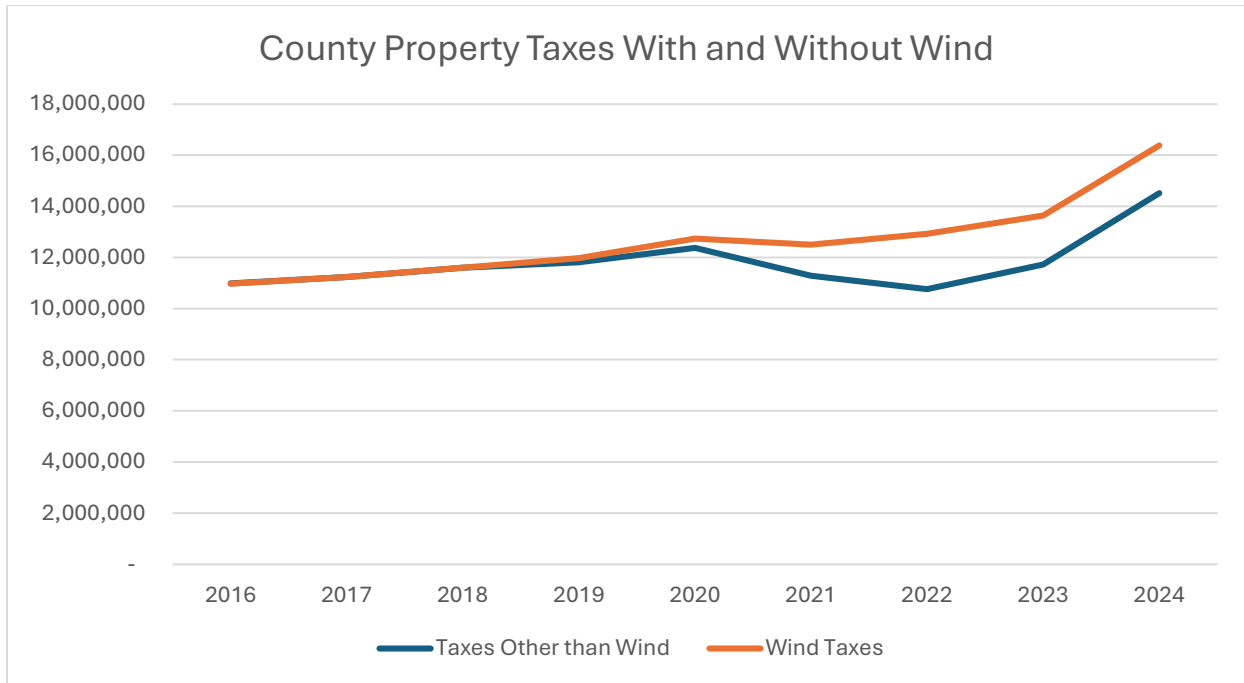


Figure 3 – Isabella County Property Taxes Revenues with and Without Wind Development

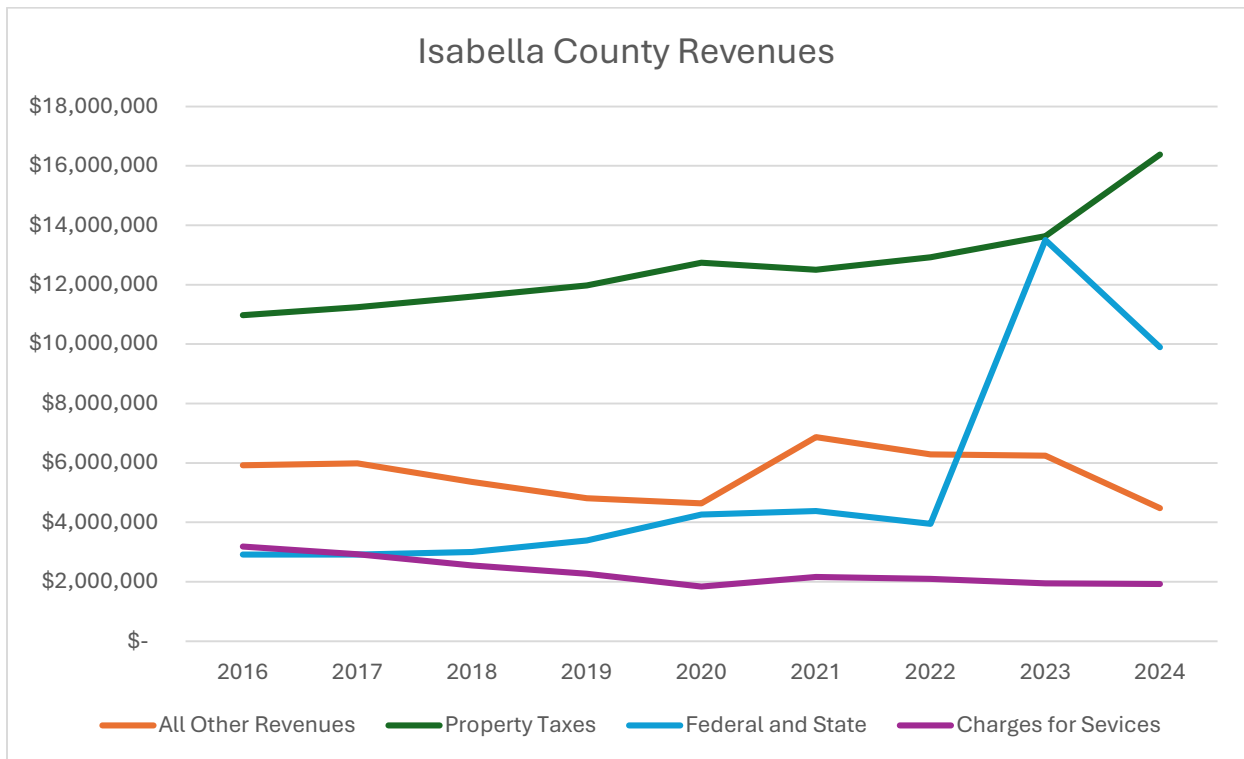


Figure 4 – Isabella County Revenue Sources Over Time

Lease Revenues

Lease rates for wind turbines vary across time, and geography, and are subject to non-disclosure agreements between wind developers and property owners. However, there is enough consistency in lease rates that we can estimate a range of expected income being earned by property owners hosting turbines across the county. Assuming lease rates fall \$7000² per turbine and \$22,400³ per turbine, with 172 turbines in Isabella County this means landowners are bringing in between \$1.2 million and \$3.8 million per year in lease revenues, which may support businesses within the county, depending how the money is used.

Schools in Isabella County

As the second largest recipient of property tax revenues from wind and solar development, educational programs benefit substantially from wind and solar property taxation. The millages receiving the largest portions of tax dollars are school debt and special education.

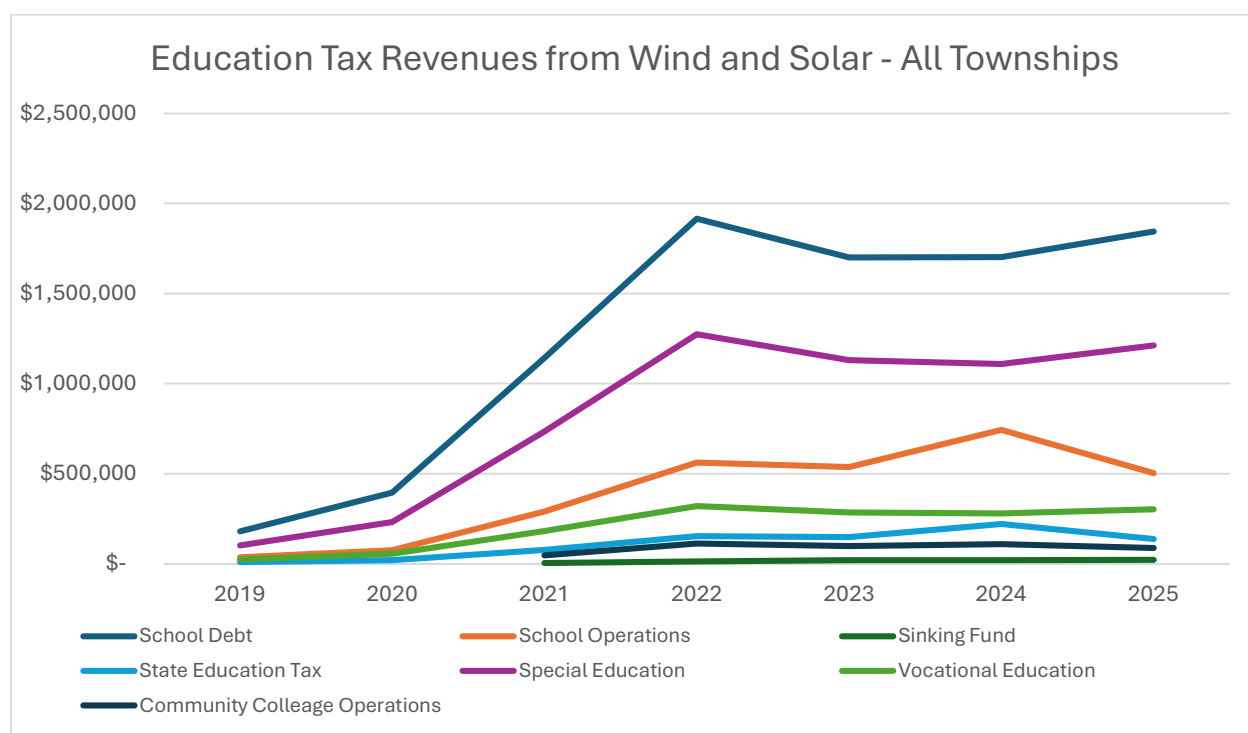


Figure 5 – Educational Millages

² <https://thumbwind.com/2016/10/20/wind-farm-income/>

³ <https://www.landapp.com/post/getting-paid-for-a-wind-turbine-lease-on-your-land> - with per turbine rate calculated as a 2.8 MW turbine (the size of most Isabella Wind 1 & 2 turbines) * \$8,000 per year.