

Property Tax Analysis for the Four Creeks Wind Project

December 2024

Repsol is developing the Four Creeks Wind Project in Peoria County, Illinois. The Four Creeks Wind Project consists of an estimated 500 megawatts (“MW”) of capacity of wind turbines and the associated access roads, transmission and communication equipment, storage areas, and control facilities. The total development is anticipated to result in the following property tax totals:

Figure 1

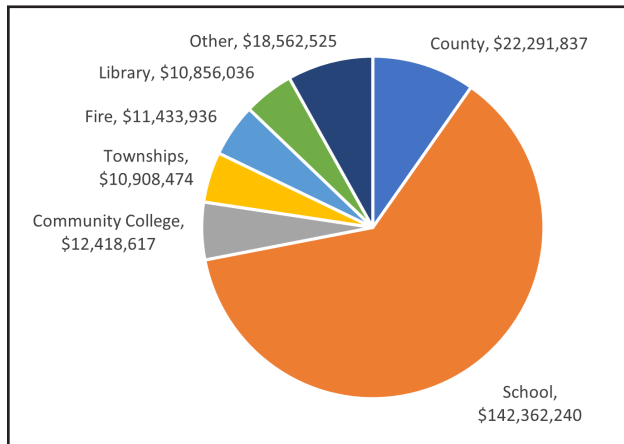
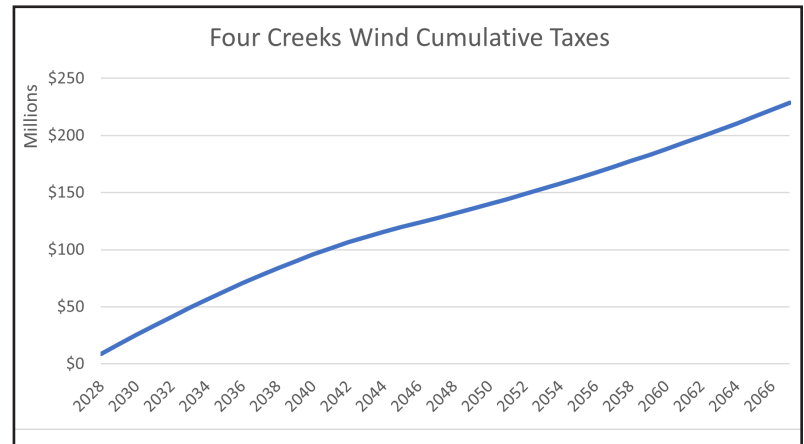


Figure 2



\$ Over \$228 million in total property taxes for all taxing districts over the life of the Project

\$ Over \$142 million in total school district property taxes over the life of the Project

\$ Over \$22.2 million in total county property taxes for Peoria County over the life of the Project

Wind power projects increase the property tax base of a county creating a new revenue source for education and other local government services such as fire protection, park districts, and road maintenance. According to state law in Illinois (Public Act 095-0644), the fair cash value for a utility-scale wind turbine in Illinois is \$360,000 per megawatt of capacity beginning in 2007 and is annually adjusted for inflation and depreciation. The inflation adjustment, as known as the Trending Factor, increases each year according to the Bureau of Labor Statistics’ Consumer Price Index for all cities for all items. Depreciation is allowed at 4% per year up to a maximum total depreciation of 70% of the trended real property cost basis (calculated by taking the fair cash value of the turbine and multiplying by the Trending Factor).

A conservative estimate of the total property taxes paid by the Project starts out at over \$8.5 million and declines due to depreciation (and offset by the trending factor) until it reaches the maximum depreciation in 2046. After that, the Project is fully depreciated, and the trending factor causes the taxable value and taxes to increase. The expected total property taxes paid over the 40-year lifetime of the Project are over \$228 million (Figure 2), and the average annual property taxes paid will be over \$5.7 million.

Tables 1 to 5 show an estimate of the likely taxes paid to the taxing bodies in Peoria County.

According to Table 1, the total amounts paid over 40 years are over \$22.2 million for Peoria County, over \$1.0 million for Brimfield Township, over \$74.2 thousand for Jubilee Township, over \$3.4 million for Princeville Township, and over \$5.7 million for Millbrook Township.

Table 1 – Tax Benefits from the Four Creeks Wind Project for the County and Townships¹

| | Peoria County | Brimfield Township | Jubilee Township | Princeville Township | Millbrook Township |
|-------------------|---------------|--------------------|------------------|----------------------|--------------------|
| TOTAL | \$22,291,837 | \$1,040,804 | \$74,265 | \$3,452,246 | \$5,750,876 |
| AVG ANNUAL | \$557,296 | \$26,020 | \$1,857 | \$86,306 | \$143,772 |

According to Table 2, the total amounts paid over 40 years are over \$3.0 million for Brimfield Public Library, over \$7.7 million for Lillie M. Evans Library District, \$5.6 million for Brimfield Fire District, over \$5.0 million for Akron-Princeville Fire District, and over \$638 thousand for Williamsfield Fire District.

Table 2 – Tax Benefits from the Four Creeks Wind Project for Other Taxing Bodies²

| | Brimfield Public Library | LM Evans Library District | Brimfield Fire District | Akron-Princeville Fire District | Williamsfield Fire District |
|-------------------|--------------------------|---------------------------|-------------------------|---------------------------------|-----------------------------|
| TOTAL | \$3,082,329 | \$7,773,707 | \$5,601,892 | \$5,080,213 | \$638,658 |
| AVG ANNUAL | \$77,058 | \$194,343 | \$140,047 | \$127,005 | \$15,966 |

According to Table 3, the total amounts paid over 40 years are over \$12.4 million for ICCJC #514, over \$1.3 million for Brimfield Roads and Bridges, over \$5.2 million for Princeville Roads and Bridges, over \$5.4 million for Millbrook Roads and Bridges, over \$472 thousand for Jubilee Roads and Bridges, and over \$6.0 million for the Greater Metro Airport Authority.

Table 3 – Tax Benefits from the Four Creeks Wind Project for Other Taxing Bodies (Cont.)³

| | ICCJC #514 | Brimfield Roads and Bridges | Princeville Roads and Bridges | Millbrook Roads and Bridges | Jubilee Roads and Bridges | Greater Metro Airport Authority |
|-------------------|--------------|-----------------------------|-------------------------------|-----------------------------|---------------------------|---------------------------------|
| TOTAL | \$12,418,617 | \$1,347,531 | \$5,227,396 | \$5,454,600 | \$472,193 | \$6,049,984 |
| AVG ANNUAL | \$310,465 | \$33,688 | \$130,685 | \$136,365 | \$11,805 | \$151,250 |

According to Table 4, the total amounts paid over 40 years are over \$590 thousand for Brimfield/Millbrook MTAD and over \$10.8 thousand for Peoria County Soil & Water.

Table 4 – Tax Benefits from the Four Creeks Wind Project for Other Taxing Bodies (Cont.)⁴

| | Brimfield/ Millbrook MTAD | Peoria County Soil & Water |
|-------------------|---------------------------|----------------------------|
| TOTAL | \$590,283 | \$10,820 |
| AVG ANNUAL | \$14,757 | \$270 |

Table 5 shows the direct property tax revenue coming from the Project to the school districts. Over the 40-year life of the Project, the school districts are expected to receive over \$142 million in tax revenue.

Table 5 – Tax Benefits from the Four Creeks Wind Project for the School Districts⁵

| | Brimfield USD #309 | Princeville CUSD #326 |
|-------------------|--------------------|-----------------------|
| TOTAL | \$34,416,698 | \$107,945,542 |
| AVG ANNUAL | \$860,417 | \$2,698,639 |

¹ The assumed tax rates are 0.82410% for Peoria County, 0.20441% for Brimfield Township, 0.08486% for Jubilee Township, 0.34714% for Princeville Township, and 0.51632% for Millbrook Township.

² The assumed tax rates are 0.44026% for Brimfield Public Library, 0.38774% for Lillie M. Evans Library District, 0.35383% for Brimfield Fire District, 0.51084% for Akron-Princeville Fire District, and 0.50172% for Williamsfield Fire District.

³ The assumed tax rates are 0.45910% for ICCJC #514, 0.26465% for Brimfield Road and Bridges, 0.52564% for Princeville Roads and Bridges, 0.48972% for Millbrook Roads and Bridges, 0.53956% for Jubilee Roads and Bridges, and 0.22366% for the Greater Metro Airport Authority.

⁴ The assumed tax rates are 0.03637% for Brimfield/Millbrook MTAD and 0.0040% for Peoria County Soil & Water.

⁵ The assumed tax rates are 4.91586% for Brimfield USD #309 and 5.38415% for Princeville CUSD #326.

Tables 1 to 5 detail the tax implications of the Four Creeks Wind Project. There are several important assumptions built into the analysis in these tables.

- The analysis assumes that the valuation of the wind farm is the same as set forth in Public Act 095-0644, and that the nameplate capacity for the Project is 500 MW.
- The tables assume future inflation is constant at 2.4% annually and the depreciation is 4% annually until it reaches the maximum of 70%.
- All tax rates are assumed to stay constant at their 2023 (2024 tax year) rates.
- The analysis assumes that the Project is placed in service on January 1st, 2028 at a fair cash value of \$303.6 million according to Public Act 095-0644.
- It assumes that the Project is decommissioned in 40 years and pays no more taxes after that date.
- The comprehensiveness and accuracy of the analysis below is dependent upon the assumptions listed above and used to calculate the property tax results. The analysis is to serve as a projection of property tax benefits to the local community and is not a guarantee of property tax revenue.
- If the inputs received from Repsol, the laws surrounding renewable energy taxation in Illinois, or the tax rates in Peoria County change in a material way after the completion of this report, this analysis may no longer accurately reflect the property taxes to be paid by the Four Creeks Wind Project.
- No comprehensive tax payment was calculated, and these calculations are only to be used to illustrate the economic impact of the Project.

