

UMBAUGH

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May 21, 2018

Members of the Miami County Council and
Board of Commissioners
25 North Broadway
Peru, IN 46970

Re: Proposed Harvest Wind Energy, LLC Wind Farm Project

Dear Council Members and Commissioners:

Per your request, we have prepared this preliminary property tax abatement analysis to assist you in the discussion and consideration of proposed property tax abatements for the Harvest Wind Energy, LLC Wind Farm Project located in Miami County. The attached schedules (listed below) present unaudited and limited information. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

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In the preparation of these schedules, assumptions were made regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion or provide any other form of assurance thereon, nor do we have a responsibility to prepare subsequent reports.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

UMBAUGH


Jason G. Semler

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

ESTIMATED ASSESSED VALUE FROM THE PROPOSED UTILITY PROPERTY INVESTMENT (1)

Taxes Payable Year	Assumes no property tax abatements					Assumes 10-year 55% property tax abatements (2)				
	Allen Township	Perry Township	Richland Township	Union Township	Total	Allen Township	Perry Township	Richland Township	Union Township	Total
Number of Turbines	17	24	3	3	47	17	24	3	3	47
Year 1	\$39,250,723	\$54,155,762	\$3,947,363	\$13,153,676	\$110,507,524	\$17,662,825	\$24,370,093	\$1,776,313	\$5,919,154	\$49,728,385
Year 2	58,923,952	83,276,509	5,968,911	21,060,882	169,230,254	26,515,778	37,474,429	2,686,010	9,477,397	76,153,614
Year 3	36,787,845	51,802,216	3,690,945	15,042,840	107,323,845	16,554,530	23,310,997	1,660,925	6,769,278	48,295,729
Year 4	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 5	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 6	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 7	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 8	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 9	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 10	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	16,554,530	22,665,406	1,660,925	5,407,729	46,288,589
Year 11	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534	36,787,845	50,367,569	3,690,945	12,017,176	102,863,534

(1) Estimated investment, per the Company. Includes cost for the turbines, underground cabling, met towers, overhead transmission, O&M building and substations. Estimated total investment is \$340,028,446. Does not include \$17,975,000 investment related to access roads. The proposed investment will be depreciated using a variety of MACRS depreciation tables.

(2) Assumes 10-year 55% property tax abatements for the proposed investment.

(Subject to the attached letter dated May 21, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

SUMMARY OF ESTIMATED PROPERTY TAX RATES

Taxes Payable Year	Estimated Tax Rate (1)							
	Allen Township (2)		Perry Township (3)		Richland Township (4)		Union Township (5)	
	Without Abatement	With Abatement	Without Abatement	With Abatement	Without Abatement	With Abatement	Without Abatement	With Abatement
2018	(7) \$1.4798	(6) \$1.4798	\$1.4043	(6) \$1.4043	\$1.4535	(6) \$1.4535	\$1.4186	(6) \$1.4186
Year 1	1.1693	1.3128	1.1201	1.2548	1.1871	1.3151	1.1407	1.2740
Year 2	1.0659	1.2449	1.0205	1.1912	1.0909	1.2551	1.0402	1.2110
Year 3	1.1765	1.3177	1.1265	1.2588	1.1932	1.3189	1.1449	1.2767
Year 4	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 5	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 6	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 7	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 8	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 9	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 10	1.1847	1.3225	1.1350	1.2639	1.2014	1.3237	1.1558	1.2831
Year 11	1.1847	1.1847	1.1350	1.1350	1.2014	1.2014	1.1558	1.1558

- (1) Based on the pay 2018 Budget Order for Miami County and adjusted for the estimated assessed value impact of the proposed Harvest Wind Energy, LLC Wind Farm Project. Does not include the impact of the 10.6920% LIT PTRC.
- (2) Based on the estimated investment of \$122,626,149 in Allen Township. Does not include \$6,006,000 investment related to access roads.
- (3) Based on the estimated investment of \$167,891,895 in Perry Township. Does not include \$9,646,000 investment related to access roads.
- (4) Based on the estimated investment of \$12,303,149 in Richland Township. Does not include \$685,000 investment related to access roads.
- (5) Based on the estimated investment of \$37,207,253 in Union Township. Does not include \$1,638,000 investment related to access roads.
- (6) Assumes 10-year 55% property tax abatements for the proposed investment.
- (7) Represents the certified pay 2018 tax rate for the respective taxing district.

Note: The estimates included above assume no additional assessed value growth beyond the proposed wind farm investment, and there is no assumption for future changes in property tax levies for levy-controlled funds or property tax rates for rate-controlled funds.

(Subject to the attached letter dated May 21, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

ESTIMATED TAXPAYER IMPACT FROM THE PROPOSED DEVELOPMENT DURING THE ABATEMENT

	Estimated Property Tax Rate	Estimated Property Tax Liability During the 10-Year 55% Property Tax Abatement				
		\$50,000 Home Value (1)	\$85,500 Home Value (1)(2)	\$150,000 Home Value (1)	1 Acre Ag. Land (3)	\$100,000 Business (4)
Allen Township						
Current Tax Rate (5)	\$1.4798	\$80.13	\$186.90	\$522.85	\$24.45	\$1,321.60
Est. During Abatement Tax Rate (6)	1.3225	71.61	167.03	467.26	21.85	1,181.10
Difference	<u>(\$0.1573)</u>	<u>(\$8.52)</u>	<u>(\$19.87)</u>	<u>(\$55.59)</u>	<u>(\$2.60)</u>	<u>(\$140.50)</u>
Perry Township						
Current Tax Rate (5)	\$1.4043	\$76.04	\$177.36	\$496.16	\$23.20	\$1,254.20
Est. During Abatement Tax Rate (6)	1.2639	68.44	159.64	446.57	20.88	1,128.80
Difference	<u>(\$0.1404)</u>	<u>(\$7.60)</u>	<u>(\$17.72)</u>	<u>(\$49.59)</u>	<u>(\$2.32)</u>	<u>(\$125.40)</u>
Richland Township						
Current Tax Rate (5)	\$1.4535	\$78.71	\$183.59	\$513.58	\$24.01	\$1,298.10
Est. During Abatement Tax Rate (6)	1.3237	71.68	167.19	467.71	21.87	1,182.20
Difference	<u>(\$0.1298)</u>	<u>(\$7.03)</u>	<u>(\$16.40)</u>	<u>(\$45.87)</u>	<u>(\$2.14)</u>	<u>(\$115.90)</u>
Union Township						
Current Tax Rate (5)	\$1.4186	\$76.82	\$179.18	\$501.25	\$23.44	\$1,266.90
Est. During Abatement Tax Rate (6)	1.2831	69.48	162.06	453.36	21.20	1,145.90
Difference	<u>(\$0.1355)</u>	<u>(\$7.34)</u>	<u>(\$17.12)</u>	<u>(\$47.89)</u>	<u>(\$2.24)</u>	<u>(\$121.00)</u>

- (1) Includes standard deduction at the lesser of \$45,000 or 60% of home value, the 35% supplemental homestead deduction and the \$3,000 mortgage deduction. Includes the impact of the 10.6920% LIT PTRC and the 35.1568% One Percent PTRC.
- (2) Represents the Median Home Value for Miami County, per the 2011-2015 American Community Survey 5-year estimates of the U.S. Census Bureau.
- (3) Assumes the 2017 pay 2018 assessment for one acre of agricultural land of \$1,850 and no deductions or exemptions. Includes the impact of the 10.6920% LIT PTRC.
- (4) Assumes no deductions or exemptions. Includes the impact of the 10.6920% LIT PTRC.
- (5) Per the 2018 Budget Order for Miami County.
- (6) Adjusted for the estimated impact of the investment of \$122,626,149 in Allen Township, \$167,891,895 in Perry Township, \$12,303,149 in Richland Township and \$37,207,253 in Union Township on the overlapping taxing units, during the 10-year property tax abatements.

Note: The estimates included above assume no additional assessed value growth beyond the proposed wind farm investment, and there is no assumption of future changes in property tax levies for levy-controlled funds or property tax rates for rate-controlled funds.

(Subject to the attached letter dated May 21, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

ESTIMATED TAXPAYER IMPACT FROM THE PROPOSED DEVELOPMENT AFTER THE ABATEMENT

	Estimated Property Tax Rate	Estimated Property Tax Liability After the 10-Year 55% Property Tax Abatement				
		\$50,000 Home Value	\$85,500 Home Value	\$150,000 Home Value	1 Acre Ag. Land	\$100,000 Business
		(1)	(1)(2)	(1)	(3)	(4)
Allen Township						
Current Tax Rate (5)	\$1.4798	\$80.13	\$186.90	\$522.85	\$24.45	\$1,321.60
Year 11 Tax Rate (6)	1.1847	64.15	149.63	418.58	19.57	1,058.00
Difference	<u>(\$0.2951)</u>	<u>(\$15.98)</u>	<u>(\$37.27)</u>	<u>(\$104.27)</u>	<u>(\$4.88)</u>	<u>(\$263.60)</u>
Perry Township						
Current Tax Rate (5)	\$1.4043	\$76.04	\$177.36	\$496.16	\$23.20	\$1,254.20
Year 11 Tax Rate (6)	1.1350	61.46	143.36	401.03	18.75	1,013.60
Difference	<u>(\$0.2693)</u>	<u>(\$14.58)</u>	<u>(\$34.00)</u>	<u>(\$95.13)</u>	<u>(\$4.45)</u>	<u>(\$240.60)</u>
Richland Township						
Current Tax Rate (5)	\$1.4535	\$78.71	\$183.59	\$513.58	\$24.01	\$1,298.10
Year 11 Tax Rate (6)	1.2014	65.06	151.75	424.52	19.85	1,072.90
Difference	<u>(\$0.2521)</u>	<u>(\$13.65)</u>	<u>(\$31.84)</u>	<u>(\$89.06)</u>	<u>(\$4.16)</u>	<u>(\$225.20)</u>
Union Township						
Current Tax Rate (5)	\$1.4186	\$76.82	\$179.18	\$501.25	\$23.44	\$1,266.90
Year 11 Tax Rate (6)	1.1558	62.59	145.99	408.40	19.10	1,032.20
Difference	<u>(\$0.2628)</u>	<u>(\$14.23)</u>	<u>(\$33.19)</u>	<u>(\$92.85)</u>	<u>(\$4.34)</u>	<u>(\$234.70)</u>

- (1) Includes standard deduction at the lesser of \$45,000 or 60% of home value, the 35% supplemental homestead deduction and the \$3,000 mortgage deduction. Includes the impact of the 10.6920% LIT PTRC and the 35.1568% One Percent PTRC.
- (2) Represents the Median Home Value for Miami County, per the 2011-2015 American Community Survey 5-year estimates of the U.S. Census Bureau.
- (3) Assumes the 2017 pay 2018 assessment for one acre of agricultural land of \$1,850 and no deductions or exemptions. Includes the impact of the 10.6920% LIT PTRC.
- (4) Assumes no deductions or exemptions. Includes the impact of the 10.6920% LIT PTRC.
- (5) Per the 2018 Budget Order for Miami County.
- (6) Adjusted for the estimated impact of the investment of \$122,626,149 in Allen Township, \$167,891,895 in Perry Township, \$12,303,149 in Richland Township and \$37,207,253 in Union Township on the overlapping taxing units, after the expiration of 10-year property tax abatements.

Note: The estimates included above assume no additional assessed value growth beyond the proposed wind farm investment, and there is no assumption of future changes in property tax levies for levy-controlled funds or property tax rates for rate-controlled funds.

(Subject to the attached letter dated May 21, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

SUMMARY OF ESTIMATED CUMULATIVE FUND REVENUES

Assumes 10-year 55% property tax abatements

Taxes Payable Year	Estimated Cumulative Fund Revenues (1) (2)	
	Allen Twp. Cumulative Fire Fund	Richland Twp. Cumulative Fire Fund
Current	\$11,388	\$19,946
Year 1	17,269	20,534
Year 2	20,217	20,835
Year 3	16,900	20,496
Year 4	16,900	20,496
Year 5	16,900	20,496
Year 6	16,900	20,496
Year 7	16,900	20,496
Year 8	16,900	20,496
Year 9	16,900	20,496
Year 10	16,900	20,496
Year 11 - Year 25	23,638	21,168

Est. Cum. Change In Annual Revs Current - Year 10	\$58,806	\$5,877
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Est. Net Change In Annual Revs Beginning - Year 11	\$12,250	\$1,222
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(1) Based on the pay 2018 Budget Order for Miami County and adjusted for the estimated assessed value impact of the proposed Harvest Wind Energy, LLC Wind Farm Project.

Note: The estimates included above assume no additional assessed value growth beyond the proposed wind farm investment, and there is no assumption of future changes in property tax rates for the cumulative funds.

(Subject to the attached letter dated May 21, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

SUMMARY OF ESTIMATED PROPERTY TAXES FROM THE PROPOSED UTILITY PROPERTY INVESTMENT - 10-YEAR 55% PROPERTY TAX ABATEMENT SCENARIO

Based on a total investment of \$340,028,446 and a total of 47 wind turbines

Estimated Net Property Taxes (1)

Taxes Payable Year	Without Abatement					With Abatement (2)					Estimated Abatement Savings
	Allen Township	Perry Township	Richland Township	Union Township	Total	Allen Township	Perry Township	Richland Township	Union Township	Total	
Year 1	\$518,740	\$679,220	\$51,240	\$166,640	\$1,415,840	\$233,430	\$305,650	\$23,060	\$74,990	\$637,130	\$778,710
Year 2	778,740	1,044,450	77,480	266,820	2,167,490	350,430	470,000	34,870	120,070	975,370	1,192,120
Year 3	486,190	649,700	47,910	190,580	1,374,380	218,780	292,370	21,560	85,760	618,470	755,910
Year 4	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 5	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 6	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 7	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 8	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 9	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 10	486,190	631,710	47,910	152,250	1,318,060	218,780	284,270	21,560	68,510	593,120	724,940
Year 11	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 12	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 13	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 14	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 15	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 16	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 17	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 18	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 19	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 20	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 21	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 22	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 23	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 24	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 25	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Totals	<u>\$12,479,850</u>	<u>\$16,270,990</u>	<u>\$1,230,650</u>	<u>\$3,973,540</u>	<u>\$33,955,030</u>	<u>\$9,626,950</u>	<u>\$12,533,560</u>	<u>\$949,060</u>	<u>\$3,044,140</u>	<u>\$26,153,710</u>	<u>\$7,801,320</u>

(1) Based upon 2018 tax rates, includes the impact of the 10.6920% LIT PTRC.

(2) Assumes 10-year 55% property tax abatements for the proposed investment.

Note: The Company is expected to annually file a U.D. Form 45 Annual Report with the State. This Form reports cost, depreciation, and allocation of assessed value of all utility property owned by the Company in the entire State of Indiana. Therefore, the actual assessed values may vary materially from the values assumed in this analysis, due to potential changes in the investment as it is implemented and the cost, investment timing, and depreciation status of all other utility property owned by the Company in the State. This analysis assumes the cost, investment timing and depreciation status of the utility property owned by the Company outside of Miami County will not affect the depreciation and assessed value allocation of the utility property proposed to be installed within Miami County. Any deviation from this assumption may materially change the estimated true tax value of the proposed investment and the resulting property tax rate and property tax abatement estimates.

(Subject to the attached letter dated May 21, 2018)

(Preliminary - Subject to Change)

(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

SUMMARY OF ESTIMATED PROPERTY TAXES FROM THE PROPOSED UTILITY PROPERTY INVESTMENT - 10-YEAR TRADITIONAL PROPERTY TAX ABATEMENT SCENARIO

Based on a total investment of \$340,028,446 and a total of 47 wind turbines

Taxes Payable Year	Estimated Net Property Taxes (1)					Estimated Net Property Taxes (1)					Estimated Abatement Savings
	Without Abatement					With Abatement (2)					
	Allen Township	Perry Township	Richland Township	Union Township	Total	Allen Township	Perry Township	Richland Township	Union Township	Total	
Year 1	\$518,740	\$679,220	\$51,240	\$166,640	\$1,415,840	\$0	\$0	\$0	\$0	\$0	\$1,415,840
Year 2	778,740	1,044,450	77,480	266,820	2,167,490	77,870	104,450	7,750	26,680	216,750	1,950,740
Year 3	486,190	649,700	47,910	190,580	1,374,380	97,240	129,940	9,580	38,120	274,880	1,099,500
Year 4	486,190	631,710	47,910	152,250	1,318,060	145,860	189,510	14,370	45,670	395,410	922,650
Year 5	486,190	631,710	47,910	152,250	1,318,060	194,480	252,680	19,160	60,900	527,220	790,840
Year 6	486,190	631,710	47,910	152,250	1,318,060	243,090	315,860	23,960	76,120	659,030	659,030
Year 7	486,190	631,710	47,910	152,250	1,318,060	291,710	379,030	28,750	91,350	790,840	527,220
Year 8	486,190	631,710	47,910	152,250	1,318,060	340,330	442,200	33,540	106,570	922,640	395,420
Year 9	486,190	631,710	47,910	152,250	1,318,060	388,950	505,370	38,330	121,800	1,054,450	263,610
Year 10	486,190	631,710	47,910	152,250	1,318,060	437,570	568,540	43,120	137,020	1,186,250	131,810
Year 11	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 12	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 13	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 14	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 15	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 16	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 17	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 18	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 19	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 20	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 21	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 22	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 23	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 24	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Year 25	486,190	631,710	47,910	152,250	1,318,060	486,190	631,710	47,910	152,250	1,318,060	0
Totals	<u>\$12,479,850</u>	<u>\$16,270,990</u>	<u>\$1,230,650</u>	<u>\$3,973,540</u>	<u>\$33,955,030</u>	<u>\$9,509,950</u>	<u>\$12,363,230</u>	<u>\$937,210</u>	<u>\$2,987,980</u>	<u>\$25,798,370</u>	<u>\$8,156,660</u>

- (1) Based upon 2018 tax rates, includes the impact of the 10.6920% LIT PTRC.
- (2) Assumes 10-year traditional property tax abatements for the proposed investment.

Note: The Company is expected to annually file a U.D. Form 45 Annual Report with the State. This Form reports cost, depreciation, and allocation of assessed value of all utility property owned by the Company in the entire State of Indiana. Therefore, the actual assessed values may vary materially from the values assumed in this analysis, due to potential changes in the investment as it is implemented and the cost, investment timing, and depreciation status of all other utility property owned by the Company in the State. This analysis assumes the cost, investment timing and depreciation status of the utility property owned by the Company outside of Miami County will not affect the depreciation and assessed value allocation of the utility property proposed to be installed within Miami County. Any deviation from this assumption may materially change the estimated true tax value of the proposed investment and the resulting property tax rate and property tax abatement estimates.

(Subject to the attached letter dated May 21, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

MIAMI COUNTY, INDIANA

Proposed Harvest Wind Energy, LLC Wind Farm Project

ESTIMATED ECONOMIC DEVELOPMENT PAYMENT

Based on a total investment of \$340,028,446 and a total of 47 wind turbines

<u>Dollar Amount per Megawatt</u>	<u>Total Economic Development Payment</u>	<u>Payment per Year for Four Years</u>
	(1)	
\$25,000	\$5,000,000	\$1,250,000

(1) Based on a total of roughly 200 megawatts, per the Harvest Wind Energy, LLC Director of Development.

(Subject to the attached letter dated May 21, 2018)

(Preliminary - Subject to Change)

(For Internal Use Only)