

## Economic Impact of the Sylvan Solar Development in Newaygo County

AES US Renewables is proposing the Sylvan Solar project in southern Newaygo County, Michigan. The 220-megawatt solar farm will generate enough electricity to power the equivalent of ~55,000 Michigan homes annually over its 35-year lifespan.

A study by Michigan State University’s Center for Economic Analysis examined how this project may impact the local economy. The project would have three main phases: installation, operation and maintenance (O&M), and finally, removal of the panels and equipment (decommissioning) and reclamation of the site.

The installation and decommissioning phases will produce a flurry of new economic activity in the region and provide significant employment growth. Where these phases are temporary, the economic activity during the O&M phase represents the persistent, or recurring, effects on the regional economy. Throughout the operations of the project, regional income and spending will increase as a result of prioritized local hiring, job creation, and land lease payments.

Using economic models, the study weighed the expected economic gains and losses of this proposed project, showing that new spending on construction and operations will outweigh economic losses from temporary land use changes, resulting in a net gain in employment and earnings. The table below demonstrates estimated net job creation and economic growth to the region resulting from the proposed Sylvan Solar project.

### Net Effect of Sylvan Solar Project

	Net Average Annual Jobs Supported*	Net Labor Income Supported	Net Economic Activity Generated
Installation	1,085	\$90,855,000	\$225,462,000
O&M	10	\$13,729,000	\$42,494,100
Decommissioning	247	\$11,167,000	\$25,371,000
<b>Project Total</b>	-	<b>\$115,751,000</b>	<b>\$293,327,100</b>

*\*See report for more details*

### Summary of Findings

The study finds that the project will bring long-term net economic gains to the southern Newaygo County economy. The O&M phase makes up the recurring and ongoing component of this project and is expected to support about ten new jobs in the region. Sylvan Solar is projected to support a net increase of \$115.8 million in labor income and a net gain of \$276.6 million in net economic activity in the region. This study indicates the proposed solar facility will have a net positive economic impact after taking into account the temporary conversion of land from agricultural uses.