

December 2, 2022
Michigan Dams Update



As the 4 Mid-Michigan Lakes rebuild thanks to the collective efforts of the Four Lakes Task Force (FLTF), the Counties of Gladwin and Midland, the Townships, and Lake Associations other lakes within Michigan that look very much like ours may face challenges.

Bridge Michigan recently published an article **Uncertainty for Michigan Rivers, Residents as Consumers Reconsiders its 13 Dams** [Uncertainty for Michigan rivers, residents as Consumers reconsiders its 13 dams | Bridge Michigan](#)

The article describes how dams owned by Consumers Energy need hundreds of millions of dollars in maintenance and upgrades. Consumers is making a business decision regarding their future involvement in these dams as the production of electricity is both limited and least cost effective.

Our 4 dams are owned by the Counties - - - they are not part of the series of dams owned by Consumers Energy. As we review key points from the article, we see the similarities to dams the make up our 4 Lakes.

The 13 dams in question, on average were built over 100 years ago to create hydroelectricity while creating lakes for recreational use. These dams need significant upgrades, repairs and maintenance Consumers estimates in the hundreds of million dollars yearly. Consumers indicates these dams provide a small portion of the utility's annual power mix, barely enough to cover their annual operating costs. (Note: This is consistent with the return-on-investment scenarios shared by the FLTF regarding the decision not to include hydroelectric generation in the restoration of the dams).

According to the article, the licenses held by Consumers for these dams expire in 2034. Consumers is considering options for each dam realizing the significant investment needed to retain them. Consumers is considering selling the dam(s) to a new owner who would make the investments to maintain the impoundment, or removal of the dam(s) to restore a free-flowing river. Consumers may opt to invest in the dams to retain the ability to generate power. Consumers indicated they will announce their plans for each of the dams next year.

The 4 LAKES

The article in seeking solutions to retain the dams impacted, states the following: "In mid-Michigan, property owners around the infamous Midland dams took control of them, covering maintenance costs with annual taxes imposed on properties near the reservoirs."

Thanks to the leadership of the FLTF and county officials, the 4 Lakes has a viable path forward.

- Significant funding is secured to rebuild the dam structures to bring them to today's standards for safety.
- The Special Assessment that begins this December provides required funding for Operations, Maintenance, and future repairs.
- The plan has Secord and Smallwood returning in 2024; Sanford in 2025; and Wixom in 2026.

As we approach the time of year our winter property tax bill arrives, as lake property owners we will see the annual Maintenance and Operations special assessment. This special assessment allows the rebuilding that is taking place on all 4 Lakes to move forward. This special assessment allows the lake community to take control of the future of our dams as they are rebuilt for generations to come.

We will continue to monitor the developments outlined in the article. It is comforting that our 4 Lakes communities have a plan in place to RestoreTheLakes.

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