

# Community-owned wind projects — a better model

## IOWA VIEW



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This summer I toured the new Hardin Hilltop wind farm near Jefferson developed by local landowners who own the seven huge wind turbines.

The complex financial arrangements necessary to make the \$15-million project possible involved local funding, outside investors and federal and state incentives. But the real story from Greene County is how determined landowners working with state and local officials, investors and the utilities buying the energy created a "community" owned wind farm to provide both renewable energy and significant long-term returns.

What happened in Greene County is similar to locally owned ethanol plants constructed around Iowa. But "community wind" is more renewable and a better environmental development for rural Iowa. Unlike corn-based ethanol, the energy generated by wind farms is a previously untapped renewable source. The wind was always there, but until now we did not have the technology to move the harvest 250 feet into the sky. Wind farms don't raise environmental issues of soil conservation and water quality as can raising more corn from erosion-prone lands. Both forms of energy receive the public supports of low-interest loans and tax incentives, but wind energy doesn't require nearly the same level of subsidies. The point isn't that ethanol is bad for rural Iowa. Instead, the key question is what can Iowa do so more community-owned wind projects are built.

The most familiar wind farms in Iowa, especially if you drive north along Interstate 35, are large utility-owned wind farms like the one near Clear Lake. In recent months, several new projects, some with 100 turbines or more, have been announced. Col-

lectively these contribute the majority of Iowa's third-in-the-nation wind energy status. The projects are positive developments for the nation's energy supply and for electric consumers, but from the perspective of rural development they represent a different model than locally-owned wind projects. With large utility-owned wind farms the most significant — and once the towers are constructed, perhaps only local benefits — are the annual payments to landowners with towers and the property taxes.

The terms of "wind easements" vary considerably depending on the size of the proposed turbine and the developer involved. All agreements are long-term, 55 years in the easements MidAmerican Energy offered for a proposed project in Adair County, with annual payments of around \$3,500 per tower. Actual payments may vary, and have an annual 2 percent escalator, but in the great scheme of things \$3,500 is not much to receive for allowing someone to harvest the wind blowing over your land for your lifetime. This is especially true considering the payments represent only 1 percent to 2 percent of the revenue produced.

Agents working for developers planning wind farms are driving Iowa's countryside urging landowners to sign easements to tie down the legal rights to the wind. Landowners have important choices to make: Sign the easement for the annual payments, hold out for more money or perhaps risk getting nothing if the neighbors sign instead? Decisions like this are difficult, especially when there is a lack of information and alternatives. But in reality Iowa also has important choices to make.

The story from Greene County shows how landowners need a third option to consider: Can neighbors,

local investors and public officials develop community-owned wind projects? Iowa needs alternatives that keep profits from wind towers here and give landowners not just token payments but instead supply long-term profits and financial strength to support farm families and build stronger rural communities. The issue for Iowa's leaders is whether we want to follow the exploitative model of energy production common with oil, gas and coal. That is essentially what we are doing now when landowners receive only meager payments for their wind. Instead of letting wind be just one more resource we sell for a fraction of its value, Iowa needs to develop a vision for how wind energy can be the basis of local economic development and part of a truly sustainable renewable energy policy for rural America.

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