

WBR ARTICLE

Landowner associations rope wind

By Brodie Farquhar

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CHUGWATER - "Hi there! I'm from Friendly Wind Energy Co., and I'm here to make your day."

Variations of the above greeting have been happening all over southeast Wyoming, as representatives of wind energy companies have been knocking on ranch doors. The pitch is that company X or Y wants to erect a number of wind turbine towers on your property, and can cut a check for you right now if you, Mr. and Mrs. Rancher, will sign on the dotted line right here.

The only things wrong with the above scenario is that property owners don't like to be rushed into binding agreements. They would like to get the best deal possible, but they don't always know enough to be able to tell whether a deal is good or not. And they like to know whom they're dealing with. Who did you say you represent? Do you have any letters of reference?

"Wind farm development is typically driven by developers, who go door-to-door in rural areas trying to acquire development rights from individual landowners," said Tony Frank, a Rocky Mountain Farmers Union renewable energy representative.

Developers must then overcome all the other hurdles to developing a project, he said, such as wind data collection, financing, power purchase agreements, transmission access and local government siting regulations.

This process, said Frank, can be frustrating for landowners and wind farm developers alike.

If America is to address pressing energy and climate concerns, and to reach the 20 percent wind power goal set by the U.S. Department of Energy, the country needs a streamlined approach to siting wind farms and related transmission lines, he said.

A new development model is emerging, driven by the owners of windy lands, that promises to facilitate much larger scale development with less time spent, more cooperation from landowners, and greater benefits to both developers and local communities. The model is called the landowner wind association (LWA).

"We took an idea that had been developed in the Wheatland, Wyoming area," said Frank, "and we've used it as a template for similar associations in New Mexico (16), Colorado (5) and Wyoming (11)."

These 32 landowner wind associations represent more than two million acres of windy land. The groups are signing agreements with large-scale developers, drafting local wind-siting regulations conducive to wind development, and advocating for new transmission lines to take their energy to market.

Landowner groups can make better deals than individual landowners, said Frank - between \$3,000 and \$8,000 per wind turbine, per year.

Ken Gray, a project developer for Babcock & Brown, likes the model because "it provides efficiency in working with a group in a good wind area. The collective bargaining aspect is good for both sides - we don't have to knock on 50 doors and then negotiate separately with each landowner."

Wyoming was first

Frank's Wyoming partner is Grant Stumbough, the Southeast Wyoming Resource Conservation and Development (RCD) coordinator, who helped Wheatland area ranchers put together the very first LWA - the Slater Wind Energy Association. The group has a 55-45 split on wind energy royalties, with more going to folks who wind up with turbines on their property, and the rest distributed to all the other association members.

Based on that initial experience, said Stumbough, each association prepares an individualized request for proposal (RFP), which constitutes a business and marketing plan, plus local wind data and a wildlife assessment.

"Then we send the RFP out to credible developers," said Stumbough - a list that now numbers about 60 companies. Very deliberately, said Stumbough, the LWAs are trying to avoid speculators and focus on wind site developers with solid track records.

"We've even used Google Earth to check up on companies," said Stumbough. It is a useful tool, he said, allowing association members and their advisors to verify that wind farms are where they're said to be, how they are sited and how maintenance roads and transmission lines are laid out.

Win-win for all

The Slater group is closing in on a deal, while two later-formed groups have already closed deals with developers.

South Chugwater Wind Energy Association, has signed its 21 landowners and 70,000 acres with BP Alternative Energy. Terms are confidential, said Association Chairperson Teresa Miller, but she termed it a win-win for all.

"When BP learned that we were forming an association, they got a little concerned," said Miller, "but later on, they told us that it was easier to negotiate with a group."

Jim Rogers, chairman of the Windy Ranches Association near Laramie, said his group is ready to sign real soon. Forming the association of six landowners, covering 70,000 acres, "allowed us to be the price-makers, rather than the price-takers," said Rogers.

The goal is to erect a thousand megawatt wind farm, said Rogers, but he's not ready to announce who he's dealing with.

"I think we're getting a good deal," said Rogers. The new income stream will help local landowners diversify, keep open spaces open and even encourage younger family members to come back home, he said.

Renewed culture

Jack Pugsley, chairman of Stumbough's RCD, said Wyoming landowners export cattle, wheat and kids, "and we're all getting older." He hopes that the new revenue stream from wind farms can help keep the next generation on the land and not force families to break up the ranch into parcels for housing development.

Back in the 50's and 60's, school consolidation shut down schools and in a real sense, communities, said Pugsley. "It broke our culture," he mused.

These landowner wind associations might just be a way to help the ranch/farm culture reform and recover. "It is neighbor helping neighbor," he said.

Unfortunately, Pugsley's home geology doesn't lend itself to wind farming. There's wind aplenty - enough to sail a hat into Nebraska - but it is too turbulent and not steady enough for wind turbines, he said

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