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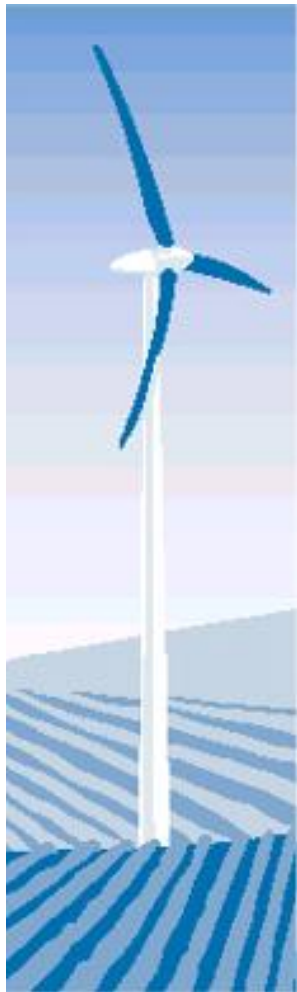
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Email Newsletter

December 2008

Landowners Collectively Bargain for Wind Energy Contracts... and Succeed!

Across the country, landowners are being approached by wind energy development companies who offer lease and easement agreements. These offers are usually accompanied with a sense of urgency to be signed and do not generally provide the landowner with much time to confer with his or her neighbors or educate themselves about the nature of these contracts. In response, landowners are increasingly coming together and pooling their land in associations that are similar to land cooperatives.

These associations are different from the American Wind Energy Association (the industry trade association) because their members are the landowners who lease their land to wind developers. This type of arrangement allows the landowners to bargain collectively for lease terms that are beneficial to everyone and they can ensure that as few landowners as possible succumb to high-pressure tactics or accept offers that are too low.

In general, these associations work by landowner's pooling their land and then negotiating with a developer for common lease terms. The landowners then pool the compensation received and distribute to the members of the association according to a formula that is agreed upon from the outset. This distribution covers those who host the turbines on their land in addition to those who do not.

The New York Times recently published an article highlighting the development of these wind energy landowner associations in Wyoming, Colorado, New Mexico and Montana. [You can read the article here.](#)

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Clean Energy Recommendations to Congress, New Administration by the 25x'25 Steering Committee

The National 25x'25 Alliance Steering Committee presented a wide-ranging package of policy recommendations to bolster the U.S. Economy, create new jobs and secure a clean energy future. The 12 recommendations include increased funding and target programs to accelerate the markets for renewable energy.

These recommendations were based, in part, on a study from the University of Tennessee Department of Agricultural Economics that shows if America's farms, ranches and forestlands are empowered with the policies and incentives needed to meet 25 percent of the nation's energy needs with renewable resources, an estimated \$700 billion in new, annual economic activity would be generated, and 4 million to 5 million new jobs would be created.

Of specific mention is the Committee's explicit support and advocacy for Community Wind projects by recommending the Production Tax Credit be extended to apply to active income. Currently the Production Tax Credit can only be applied to *passive income* - that is, income that is earned from "any activity... in which the taxpayer does not materially participate." as defined by the IRS. For most rural landowners, this requirement keeps them from being able to utilize the PTC to help finance a community wind project.

The Committee's key wind-related recommendations include:

- Increase funding for the Rural Energy for America Program (REAP), which provides grants or loan guarantees for renewable energy systems and energy efficiency improvements for agricultural producers and rural small businesses, to \$250 million annually, and \$500 million over two years.
- Extend the Clean Renewable Energy Bonds (CREBs) through 2010 and additional bonding authority of \$2.5 billion
- Restructure the federal Production Tax Credit and Investment Tax Credit for all sources of renewable electricity to allow for accelerated depreciation, refundable credits and transfers between persons/entities, and enable projects to utilize other financial incentives without a reduction in the amount of ITC and PTC that an entity can claim.
- Extend the Production Tax Credit and Investment Tax Credit for renewable electricity sources for five years.
- Improve tax incentives for Community Wind projects - development that focuses on investment from local communities, rather from an outside investor - by allowing community wind developers to count the tax incentives against active income.

Learn more about the 25x'25 Vision at www.25x25.org. You can read the full recommendations on their site, or [download the .pdf file here](#). If you want more information about the University of Tennessee study, you can [download the .pdf file here](#). You can read more information about the federal Production Tax Credit in a study published by the Lawrence Berkeley National Laboratory ([click here to](#)

[download the .pdf file\)](#)

Welcome to our New Staff Member!

Windustry is pleased to announce the addition of Samantha Smart to our team as Development and Membership Coordinator. Samantha is a long-time community activist and organizer around social justice, community economic development and progressive political issues. She has done extensive research and organizing work centered on illuminating a gender-based analysis of social systems with a view toward creative transformation of dominant paradigms. She brings more than twenty years of experience in development, raising funds for a wide variety of organizations including electoral campaigns, community-based technology and workforce development. Samantha is a graduate of Harvard University with a degree in Government.

Minnesota Clean Energy Conference to be held on February 10-11 in St. Cloud

Windustry is sponsoring the 2009 Clean Energy Resource Team's Conference: "Harnessing Resources & Teamwork for Minnesota's Energy Future". The conference is for anyone who wants to learn how they can participate in a clean energy future for Minnesota. There will be an in-depth from 1-5pm on February 10. During this workshop you will learn the basics of Community-Based Energy Development, the steps for putting together a community wind project, business models for wind development featuring a panel of developers. You will also dig into the economic feasibility of wind, as well as policies and incentives in Minnesota that support community-based energy development.

For more information and registration, please visit www.cleanenergyresourceteams.org

On the Wind Energy Trail...

December was a busy month for the Windustry staff! Here's a brief look at the many places Windustry was present over the past few weeks:

- Executive Director Lisa Daniels attended the [American Council on Renewable Energy's Phase II National Policy Forum](#) held in Washington D.C. on December 3-4.
- Program Analyst Melissa Peterson presented "Wind Energy Options for Farmers & Rural Landowners: Risks and Rewards" at three landowner forums across the state of Minnesota this month: December 3 in Paynesville, December 6 in Hayfield, and December 17 in Bemidji. The landowner forums are in partnership with regional [Clean Energy Resource Teams](#) and the [Southwest Initiative Foundation](#).
- Lisa Daniels and Melissa Peterson traveled to Lansing, MI to participate in a Community Wind Workshop sponsored by Michigan State University

on December 4-5. Lisa presented on a number of topics including Community Wind Success Stories, Business Structures and Leadership Roles, Zoning and Permitting, and Negotiating a Power Purchase Agreement.

- Lisa Daniels and Melissa Peterson also traveled to Ames, IA to participate in the annual [RE Amp](#) Conference held on December 9-10.
- On December 15-16 Melissa Peterson and Policy Analyst Christina Mills traveled to Chicago, IL to participate in the [Midwest Ag Energy Network Summit: Policies to Prosper in the New Carbon Economy](#).