

Growing the Rural Economy with Wind

William Tielke, *Holt County Board of Supervisors*

John Hansen, *Nebraska Farmers Union*

Luke Virgil, *Wayne Area Economic Development*

Gabriel Steinmeyer, *Antelope County Economic Development*

Moderator: John O'Connor, *Olsson Associates*



11TH ANNUAL
Nebraska
Wind & Solar

CONFERENCE & EXHIBITION

PRESENTED BY **NEXtera**[®]
ENERGY 
RESOURCES

Growing the Rural Economy With Wind

Nebraska Wind & Solar Conference
Bill Tielke, Holt County Supervisor

Road Haul Agreement

- **Letter of Credit**
 - If there were road issues, BHE had 15 days to remedy the problem, if not fixed, the county could draw off the \$5.7 million to fix themselves
 - Windmill Wednesday – would meet every week to discuss any concerns and receive project updates
 - BHE spent \$6.55 million on upgrading and maintaining roads during construction – no expense to Holt County taxpayers
 - County never had to make a draw request

Economic Impact

- Sales Tax Receipts
 - O'Neill City Sales Tax per fiscal year.
 - (Windfarm construction phase)
 - 2014-15 \$623,279
 - 2015-16 \$731,183
 - 2016-17 \$652,657
 - 2017-18 \$637,506
 - 1 ½% city sales rate
- Jobs Created
 - 18 full-time (25 positions needed)
 - 12 temporary

Economic Impact-Property Taxes

2017 TAXES PAID BY 'GRANDE PRAIRIE WIND, LLC' (NOT INCLUDING NAME PLATE AMONT)

	2017 ASSESS VALUES	TOTAL TAXES (BEFORE TAX)	COUNTY	O'NEILL SCHOOLS	BOYD CO. SCHOOLS	ESU8	COMM COLL.	LOWER BRD	LYNCH FIRE	O'NEILL FIRE	PAGE FIRE	SCOTT TWP	STEEL CREEK T	WILLOWDALE T	SHIELDS TWP	AG SOC
3 12 TURBINES	\$ 2,634,452	\$ 30,938.90	\$ 6,547.58	\$ 20,782.56		\$ 345.90	\$ 2,395.38	\$ 450.97	\$ 61.91			\$ 310.97				\$ 43.63
3 2 TURBINES	\$ 439,076	\$ 5,006.68	\$ 1,091.32		\$ 3,289.38	\$ 57.65	\$ 399.23	\$ 75.16	\$ 10.32				\$ 76.35			\$ 7.27
3 21 TURBINES	\$ 4,748,213	\$ 56,027.88	\$ 11,800.99	\$ 37,457.51		\$ 623.44	\$ 4,317.31	\$ 812.80	\$ 111.58				\$ 825.62			\$ 78.63
3 70 TURBINES	\$15,367,635	\$ 180,476.76	\$ 38,194.13	\$ 121,231.58		\$ 2,017.77	\$ 13,973.02	\$ 2,630.63	\$ 361.14			\$ 1,814.00				\$ 254.49
3 2 TURBINES	\$ 439,076	\$ 5,200.96	\$ 1,091.28	\$ 3,463.77		\$ 57.65	\$ 399.23	\$ 75.16		\$ 44.66					\$ 61.94	\$ 7.27
3 69 TURBINES	\$15,670,498	\$ 184,654.94	\$ 38,946.89	\$ 123,620.80		\$ 2,057.54	\$ 14,248.40	\$ 2,682.48			\$ 1,960.69		\$ 878.64			\$ 259.50
3 24 TURBINES	\$ 5,268,903	\$ 62,086.64	\$ 13,095.11	\$ 41,565.11		\$ 691.81	\$ 4,790.75	\$ 901.93			\$ 659.25		\$ 295.43			\$ 87.25
3 EAST SUB-STATI	\$ 1,314,056	\$ 15,505.62	\$ 3,265.93	\$ 10,366.27		\$ 172.54	\$ 1,194.81	\$ 224.94	\$ 30.88				\$ 228.49			\$ 21.76
3 MAINTENANCE BLDC	\$ 641,095	\$ 7,554.42	\$ 1,593.36	\$ 5,057.44		\$ 84.18	\$ 582.92	\$ 109.74			\$ 80.21		\$ 35.95			\$ 10.62
3 WEST SUB-STAT	\$ 1,198,484	\$ 14,122.48	\$ 2,978.69	\$ 9,454.55		\$ 157.36	\$ 1,089.72	\$ 205.16			\$ 149.95		\$ 67.20			\$ 19.85
ALL PROPERTY	\$ 44,907	\$ 529.20	\$ 111.64	\$ 354.26		\$ 5.90	\$ 40.83	\$ 7.69			\$ 5.62		\$ 2.52			\$ 0.74
		\$ 562,104.48	\$ 118,716.92	\$ 373,353.85	\$ 3,289.38	\$ 6,271.74	\$ 43,431.60	\$ 8,176.66	\$ 575.83	\$ 44.66	\$ 2,855.72	\$ 2,124.97	\$ 1,130.46	\$ 1,279.74	\$ 61.94	\$ 791.01

GRANDE PRAIRIE WIND, LLC (NAME PLATE TAX)

NAME PLATE TAX IS CALCULATED WITH \$3,518 X NUMBER OF MEGAWATT
 200 TOTAL TURBINES (EACH 2 MEGAWATT) OR 400 MEGAWATT
 \$3,518 X 400 MEGAWATT= \$1,407,200 ANNUALLY (PAID QUARTERLY)
 QUARTERLY AMOUNT \$351,800

* ANNUAL AND QUARTERLY AMOUNTS ARE FIGURED WITH AN ASSUMPTION
 THAT ALL 200 TURBINES ARE WORKING AND NOT OUT OF COMMISSION

	TOTAL NAMEPLATE	COUNTY	O'NEILL SCHOOLS	BOYD CO. SCHOOLS	ESU8	COMM COLL.	LOWER BRD	LYNCH FIRE	O'NEILL FIRE	PAGE FIRE	SCOTT TWP	STEEL CREEK TWP	WILLOWDALE T	SHIELDS TWP	AG SOC
12 TURBINES	\$ 84,432	\$ 17,868.26	\$ 56,715.48		\$ 943.97	\$ 6,536.97	\$ 1,230.68	\$ 168.95			\$ 848.64				\$ 119.06
2 TURBINES	\$ 14,072	\$ 3,067.19		\$ 9,245.39	\$ 162.04	\$ 1,122.11	\$ 211.25	\$ 29.00				\$ 214.59			\$ 20.44
21 TURBINES	\$ 147,756	\$ 31,121.47	\$ 98,782.40		\$ 1,644.13	\$ 11,385.55	\$ 2,143.50	\$ 294.26				\$ 2,177.31			\$ 207.36
70 TURBINES	\$ 492,520	\$ 104,231.50	\$ 330,840.31		\$ 5,506.48	\$ 38,132.30	\$ 7,178.98	\$ 985.55			\$ 4,950.38				\$ 694.50
2 TURBINES	\$ 14,072	\$ 2,952.58	\$ 9,371.77		\$ 155.98	\$ 1,080.18	\$ 203.36		\$ 120.84				\$ 167.60		\$ 19.67
69 TURBINES	\$ 485,484	\$ 102,396.76	\$ 325,016.70		\$ 5,409.56	\$ 37,461.08	\$ 7,052.61			\$ 5,154.94		\$ 2,310.08			\$ 682.27
24 TURBINES	\$ 168,864	\$ 35,616.27	\$ 113,049.29		\$ 1,881.58	\$ 13,029.94	\$ 2,453.08			\$ 1,793.02		\$ 803.51			\$ 237.31
TOTAL:	\$ 1,407,200	\$ 297,254.03	\$ 933,775.95	\$ 9,245.39	\$ 15,703.74	\$ 108,748.13	\$ 20,473.46	\$ 1,477.76	\$ 120.84	\$ 6,947.96	\$ 5,799.02	\$ 2,391.90	\$ 3,113.59	\$ 167.60	\$ 1,980.61

**ENTITY TOTALS ARE ESTIMATED WITH THE 2017 LEVIES

Survey Perception

- 244 Holt County residents participated in this survey,
- 69.7% perceived the wind farm to be a positive factor to the community
- 65% said that the wind farm makes money for our economy
- 61% said that it is environmentally friendly
- 60.7% declared it is not a misuse of farm land

*Survey conducted by local high school student for her state FFA project

Decommissioning

- BHE required to file a decommissioning report to the county as required by County Planning & Zoning Regulations
- Project specific for Holt County & BHE
- Holt County had opportunity for input and requirements for the report
- Letter of credit on file
- Contact Holt County Clerk for full report



Wind Power in Antelope County

Gabriel Steinmeyer | Neligh Economic Development

Current Wind Farms

Prairie Breeze I:

- Opened in 2014, Produces 200.6 MW

Prairie Breeze II:

- Opened in 2015, Produces 73.5 MW

Prairie Breeze III:

- Opened in 2016, Produces 35.8 MW

Upstream:

- Currently being built, Should produce 202.5 MW

Thunderhead:

- Proposed 300 MW, 137 turbine project in southwest Antelope County and into Wheeler County.



Community Impact:

We are seeing multiple benefits of the wind farm projects in Antelope County

- Local school funding
- Housing
- Medical industry
- Community events
- Food and entertainment
- Rural Roads





Growing the Rural Economy with Wind

A Dollars and Cents Look at What 1,451.6 MW of Wind Power
Mean

2018 Nebraska Wind & Solar Conference
Marriott Cornhusker, Lincoln

Nebraska Farmers Union Mission Statement

- **“Nebraska Farmers Union is a general farm organization dedicated to protecting and enhancing the quality of life and economic well-being of family farmers and ranchers, and their rural communities.”**

**September 13, 1996
Directors**

NeFU Board of

NeFU is the 2nd largest & 2nd oldest general farm organization in Nebraska

- NeFU has over 3,500 farm & ranch family members
- Organized to charter status in 1913, NeFU is 105 years old
- NeFU members set our state policies through our grassroots representative process
- NeFU represents our members in the Legislature. Last two year session, NeFU testified on 72 bills
- NeFU is a state and national leader on ag market reforms, new market development, and renewable energy development
- The base of the NeFU triangle is **Education**, with **Cooperation** and **Legislation** on the sides defines NeFU engagement

Growing the Rural Economy With Wind

\$5.81 million of new annual income for Nebraska farmers and landowners.

- Nebraska utilities have contracted for the electricity from several new wind farms over the past few years adding to the capacity for Nebraska wind farms for a total 1,451.6 MW.
- At a rate of \$4,000 per MW, 1,451.6 MW's of wind development in Nebraska will yield \$5.81 million of annual revenue for project landowners and farmers.

\$9.43 million of new local
tax revenues annually.



The 2013 Baird Holm Bluestem study pegged the new property tax revenue realized by local governments at \$6,500 per MW per year for 20 years. These same wind farms will produce \$9,435,400 of new local tax revenues per year.

\$2.5 billion of capital investment in Rural Nebraska



At an estimated \$1.75 million per MW, wind represents almost \$2.5 billion of capital investment.

Wind, Solar, and Renewables Provide Landowners & Rural Communities :

- New profitable value-added markets and new opportunities from existing resources
- New property tax bases & new tax revenues
- New good paying rural jobs with benefits
- New steady and reliable income source for farmers and landowners



Wind Energy is a Substantial Solution to NE's Property Tax Problem

- **Nebraska has the highest agricultural property taxes in the nation**
- **Property tax revenues generated from wind projects are a new tax base that provides a huge source of new tax revenues, and local tax relief**



The Good Life



- Nebraska is **#3** in wind energy potential
- Nebraska is **#9** in solar energy potential
- Nebraska is **#2** in the nation in ethanol development, and has created enormous economic development opportunities in Nebraska for grains, livestock, and rural communities
- Wind & solar energy are now the low hanging fruit of economic development in Nebraska, and have enormous potential
- We need to develop our renewable energy resources in the most economically beneficial way to help our rural communities
- That means helping communities understand all aspects of wind energy development and get the information they need to make informed decisions



Nebraska Farmers Union

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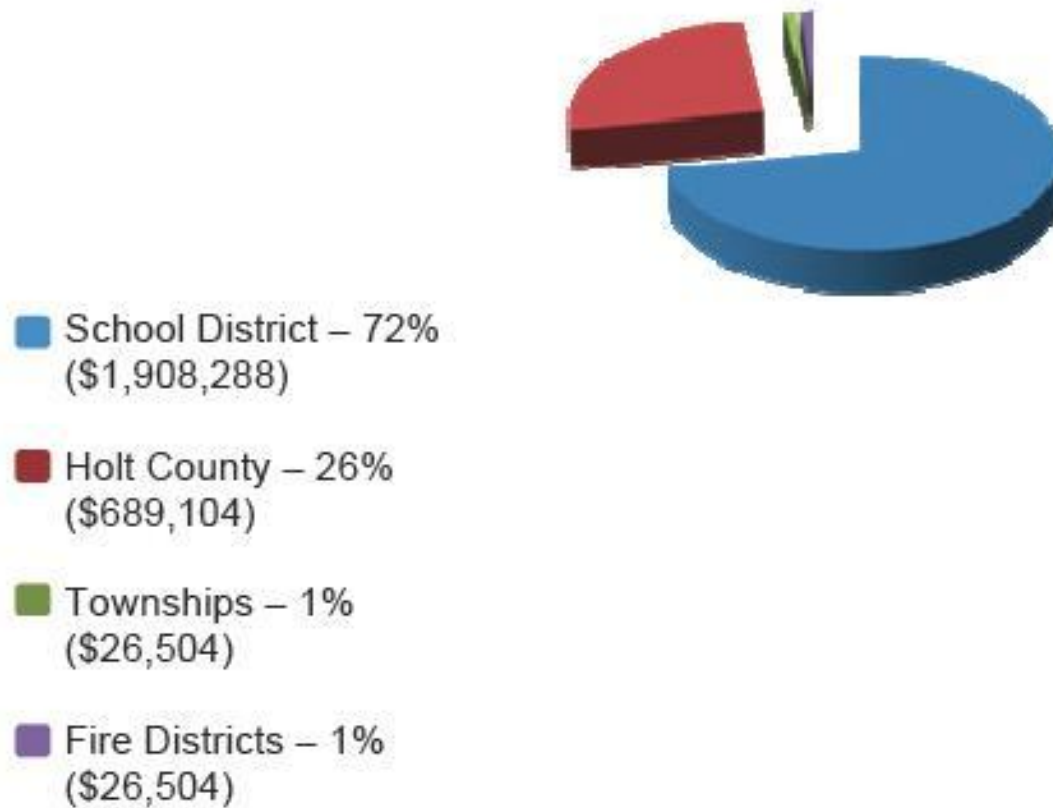


The View from the Hansen Farm...



Holt County Property Tax Benefits

Figure 3. Holt County Annual Property Tax Distribution



Source: Nov 2013 *Impact of Wind Energy on Property Taxes in NE*. Bluestem/Baird Holmes