
Leasing Wind – A Rancher’s Perspective

By

Terry Henderson, member of REAL,
Chr. Walker Creek Wind Energy LLC

Its SCARY!

- What do I know about wind as a business
- Don't know
 - Value of resource
 - Marketing
 - Effect on land, operation, lifestyle, wildlife, community
 - Legal aspects
 - Issues of the industry

Wolf at the door

- Who to deal with
 - Speculators
 - Non-disclosure
 - Neighbor vs neighbor

- Concerned about private property rights
 - Control of my operation

How do I know

- What is best for me and my land?
- How do I go from cussing the wind to making it an economic benefit to me?
- My community

Wind Energy Associations or LLCs

- Address many of these concerns!!!!
 - Through cooperation – block up land
 - More informed
 - Allows for COLLECTIVE BARGAINING
 - Maintains good neighbors, united communities
- SE Wyoming RC+D Council
 - Help organize
 - Guide process

Wind Energy Associations/LLCs

My ranch neighbors become my partners.
These people are part of the past and the future generations that each ranch family has helped, worked with and socialized with. We need to be able to live with our neighbors amicably for the sake of future generations.



As a group we learn together and share the cost of getting wind developed in our area.

We are a rural community.

Wind Energy Associations/LLCs

- Everyone gets a piece of the pie
 - Community Based Payments

- Elect a board that serves voluntarily
 - Knowledge of process and industry
 - Request for Proposal
 - Market the Product

The RFP Process

- Advertise availability
- Force competition
- Drive the process
- Price maker
- Relationship with developer

Associations & LLCs

- Like other business entities, we had to file with the Secretary of State
- needed a permanent address
 - needed an EIN number
 - have to file K-1's on our tax returns
 - have to file annual reports along with a fee
 - had to work out the EIN/filing scenario for opening a checking account
 - have a timeline of 2-5 years

REAL assists us

REAL (Renewable Energy Alliance of Landowners) was formed by the original dozen Associations and LLCs, as well as individual landowners. In order to move forward with wind development we needed to address bigger issues such as transmission lines and acquiring reliable data that proves the value of our resource.

We currently have over 300 rancher members and over 800,000 private acres, and growing.

REAL issues

Over 400,000 acres of the 800,000 acres in REAL do not have any planned transmission lines. Without transmission lines, ranchers in much of eastern and southeastern Wyoming are stranded for developing wind farms.

What do we accomplish?

Let's take a look...



**We can keep the history and the heritage intact
on our family operations...**

Grandpa Mike



We have the chance to pass the operation on to the next generation...

Rural swimming pool



Preserve open spaces without urban development...



Remain good stewards of the land...

Stewards of the land

As stewards ranchers want to...



Remain environmentalists, conservationists, and wildlife preservationists...

Wild turkeys



Keep open spaces, not subdivisions...



Continue to allow public hunting and fishing...

Elk on north meadow

Wildlife and management

- Work with the wind industry to improve habitat during reclamation



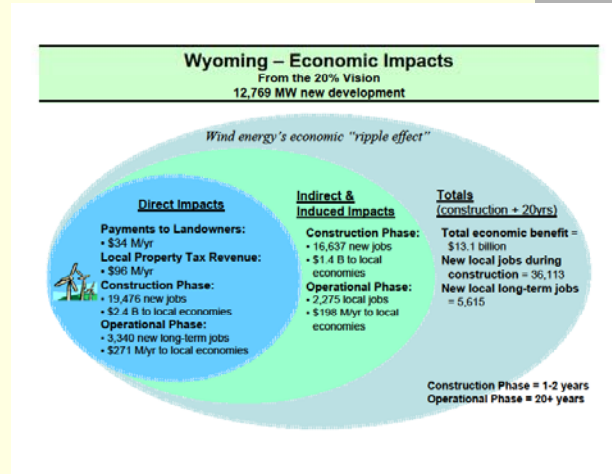
Retain all hunting and other rights such as

Game and Fish programs like the Hunter Management Areas, Hunter Walk-In Areas, and habitat projects

Economics

- New revenue for the communities, counties and state.
- SE Wyoming gets sustainable revenue previously unavailable due to lack of minerals in their respective counties.

Economics



Economics, cont.

- Landowners will not give up their hunting incomes in place of wind energy incomes. It will be an additional resource for the landowner.
- Landowners continue to contribute to the local economy
- Equipment, feed, veterinary supplies, seed, fertilizer, fuel, and groceries, employment, and many intangibles such as members of boards, committees, volunteers in the community...



I am the rural fire training coordinator.

This is a training fire of an abandoned rural structure. Rural volunteers are often the first to rural structural fires.

Wind Developers Benefit from Formation of Wind Energy LLCs

- Win-win, even more so with REAL
- A MARKET for Wind Energy Development
- Saves time and MONEY
 - Associations/LLCs are a value added product
 - Opens the door for Developers
 - One entity to work with rather than many
 - Can help in obtaining local and state permits
 - Obtain local and community support for wind energy development especially in conflict areas
 - Can assist in obtaining legislative and congressional support for wind energy development

A Rancher's Perspective...

Leasing the wind resource...



This is what our wind can do in Wyoming... (my car is in the middle of this picture)



As we face the dawn of wind energy in the West...

Groups like REAL, made up of grassroots landowners, seeking development of the wind industry, work together to support the promotion of wind resources, particularly transmission lines or other issues that are keeping wind farm development from occurring.



REAL and our individual associations don't want to just sit around while the wind blows...

They are tools to make our wind resource a beneficial asset to our state and the local landowners.

Questions?

Terry Henderson
Phone: 307-351-3234
Email: tmhenderson@hughes.net

Bob Whitton, REAL Chairman
Phone: 307-331-4606
Email: tworanch@wildblue.net