

Wind Energy offers "baseload" support for farmers

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The life of a farmer is not easy. It's long hard work fraught with uncertainty around the whims of mother nature and fluctuating commodities markets.

According to the <u>U.S. Department of Agriculture</u>, net farm income is expected to decline 6.7 percent in 2018 to \$59.5 billion, a level not seen since 2006.



Farmers in Minnesota are experiencing the squeeze first-hand. They are facing a fifth straight year of declining income, according to an analysis by the University of Minnesota's Extension and the Minnesota State colleges and universities system. Their study shows that nearly one-third of the state's farmers saw declining net worth in 2017 despite higher crop yields and slightly better prices. Median farm income in Minnesota was just \$28,500 in 2017, down from approximately \$36,000 a year ago.

Not many have the stomach for such ups and downs surrounding their livelihood. Situations like this, with declining income and razorthin margins, is why wind energy makes so much sense as a companion crop for farmers. Requiring just an acre or less per

turbine, harvesting the wind makes good economic sense as a drought-resistant cash crop that offers a stable land-lease payment year after year. Jim Nichols, a farmer in southwestern Minnesota, calls the turbine on his farm his "combine in the sky." But, he says, "the wind turbine harvests all year long and doesn't sit in the shed 11 months out of the year."

Nationally, landowners are receiving over \$245 million in lease payments from wind developments every year. The heartland has some of the best wind resources in the country, with Texas leading the way. With more than 22,000 megawatts of installed wind capacity, landowners in Texas are reaping the rewards of over \$60 million in land lease payments every year. Iowa landowners receive \$20 - \$25 million per year; and in Minnesota, land lease payments range between \$10 - \$15 million annually.

Our nation's farmers put in a lot of their own blood, sweat, and tears into feeding the world and their families, too. They deserve the opportunity to make their livelihoods a bit easier. Wind energy is a great partner to help farm families and rural communities make it through the hills and valleys of farm life.

	Annual Land-Lease
State	Payment
Illinois	\$10 - \$15 million
Indiana	\$5 - \$10 million
lowa	\$20 - \$25 million
Kansas	\$10 - \$15 million
Michigan	\$1 - \$5 million
Minnesota	\$10 - \$15 million
Missouri	\$1 - \$5 million
Nebraska	\$1 - \$5 million
North Dakota	\$5 - \$10 million
Oklahoma	\$15 - \$20 million
South Dakota	\$1 - \$5 million
Texas	>\$60 million
Wisconsin	\$1 - \$5 million

Data: American Wind Energy Association

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