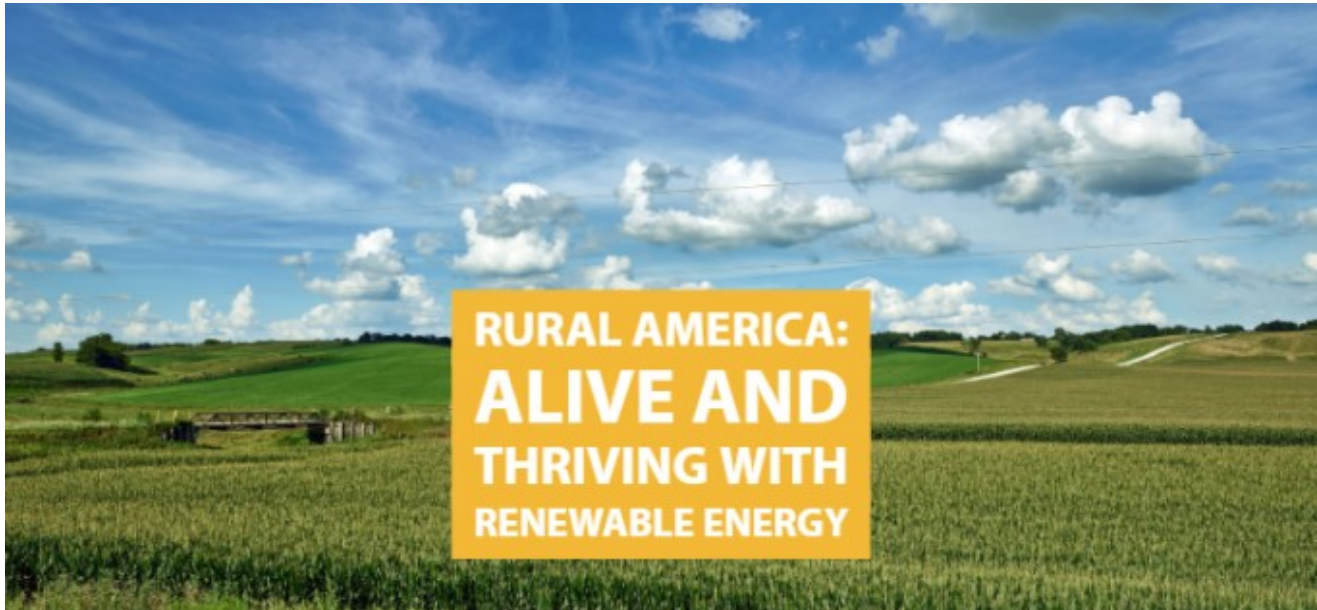


Rural America: Alive and Thriving with Renewable Energy

Kelley Welf, Communications Manager • May. 13, 2019



Life is a lot about relationships, isn't it? We have personal relationships, which range from casual acquaintances to BFFs (Best Friends Forever). Similarly, there are business relationships and partnerships that can make or break a business. Finding those mutually-beneficial relationships in our personal and professional lives is important and can add tremendous value.

Renewable energy is a great business partner for farmers as well as rural communities and farmers should be free to make an honest living from their land however they see fit. After all, farming the wind or sun is a commodity, just like corn, wheat, or soybeans. Wind turbines typically need an acre or less land, and farmers are able to plant right up to the turbine. Solar farms require more land, but can be an ideal way for farmers to generate income on marginal land, on land that is no longer being farmed, or on land that the farmer wants to have lay fallow for the period of the solar contract. In exchange, harvesting the wind or sun provides land lease payments for farmers and a way to diversify their income stream. This is extremely helpful when crop prices are low as they are today.

Hosting renewable energy is an ideal fit for rural communities that are looking for an economic boost, too. Renewable energy projects drive economic development and create good-paying local jobs in areas that are not otherwise going to attract larger businesses. Let's face it. Big companies that need lots of employees are not likely to locate in sparsely-populated rural counties regardless of how much land might be available for development. And, according to the Minnesota State Demographic Center's ["Greater Minnesota: Refined & Revisited"](#) report, population is declining in the rural parts of the state. Between 2010 - 2015, the entirely-rural counties lost 600 people every year, and counties with a mix of towns and rural areas lost 400 people every year. Rural parts of the state also have a larger percentage of older residents. So, what is 'Small-Town' USA going to do to keep the town alive and thriving? Renewable energy is a perfect partner for rural communities.

According to the American Wind Energy Association [2018 Annual Market Report](#), nationally, the wind industry has paid more than \$1 billion every year in state and local taxes plus lease payments, including \$289 million in annual land lease payments to landowners. Here in [Minnesota](#), annual state and local tax payments by wind projects have injected \$15.5 million into the state economy. In addition, another \$10 - \$15 million in annual land lease payments have been paid to landowners. Most of these dollars are going to the counties that have some of the lower per capita incomes in the state. And, when people have more money to spend, they often do. A [study](#) from the University of Michigan's Gerald R. Ford School of Public Policy reveals that landowners with wind turbines on their property purchase more farmland, plan to continue farming in the future, and are more likely to invest in their property than those who lived in townships without wind farms. In addition to investing in their farms, these landowners may also choose to make home improvements or purchase equipment; and they shop locally, too.

When a wind project comes to a small town, a significant economic ripple effect takes place. Local businesses see a boost from the influx of workers during the construction phase. These folks rent homes or stay in hotels, eat at restaurants, buy groceries and fill their gas tanks. When construction is over, a number of permanent jobs remain, and new opportunities for existing businesses arise. Landscaping businesses may be hired to maintain the operations building. Snow plow operators may be hired to plow access roads to the turbines. Service stations maintain the fleet of vehicles used by the wind farm operator who also sets up an account at the local hardware store. This is exactly the type of activity that keeps a town, and a community, alive and thriving.

The best part of this partnership between renewables and landowners is that rural communities can keep their wide-open spaces, maintain the farming and rural character of their town all while driving economic activity. Furthermore, farmers will be contributing to the wider needs of our country by producing home-grown, renewable energy that aids our national security and helps keep energy prices low. It can also help attract or keep younger people in rural areas by providing family-supporting jobs, which also helps communities thrive.

Renewable energy is a perfect partner for rural America, and just smart for Minnesota farmers.