Wind energy: new revenue, new jobs, new hope

By Isak Kvam | 06/01/18

It's easy to list the reasons that rural communities love wind — they provide a new source of tax revenue for counties and townships, lease payments for rural landowners, new jobs and economic development in areas that need it most, and they help to fund community projects and schools.

Now, a new report from Moody's Investors Service highlights how wind projects are boosting tax revenues and helping erase debt in rural communities that host them.

A utility-scale wind farm is a multimillion-dollar project that provides a significant new source of tax revenue for the counties and townships through the Wind Energy Production Tax. Since 99 percent of wind projects are built in rural America, wind farms provide relief for small, rural towns that need it most.

According to Moody's, wind farms have improved the finances in more than 400 counties in 41 states, which is more than double the counties that had wind farms 10 years ago. This new source of revenue provides funding for local infrastructure projects like improving roads and bridges, community projects and schools, or holding the line (or even cutting) property taxes paid by citizens.

Example: Jackson County

Jackson County, Minnesota, is a prime example of a rural county that is benefiting from hosting wind farms.

The county is expected to get more than 20 percent of its annual operating revenue from wind energy's production tax. Residents across Jackson County are benefiting from wind energy whether they have a turbine on their property or not. The county recently completed a new, $14 million public works facility that, thanks to wind energy, local residents weren't even asked to chip in to pay for. Additionally, wind farm revenue has prevented a 14.5 percent increase in property taxes for residents.

Jackson County has received an average of $1.6 million per year in tax revenue from wind energy since 2012. It hosts about 600 megawatts of wind energy and continues to use the tax revenue to relieve tax burdens for local residents and support capital improvements.

The Odell Wind Farm developed by Geronimo Energy and now owned and operated by Algonquin Power & Utilities started a community fund to finance charitable community projects and opportunities. In fact, it recently awarded $39,000 for Chromebooks at schools and funding for a local library, fire departments, ambulance services, 4-H, FFA, robotics, and more!

But that's not all that wind farms provide.

Wind projects also provide new, family-supporting jobs for folks who want to live in small, rural towns. The Lakefield Wind project employs 12 people with well-paying jobs (Minnesota wind energy technicians' median wage is $26 an hour). "I am so fortunate to be able to live close to family and come back to my rural community," said Josh Zeitz, site manager of the Lakefield Wind Project.

Revenue for landowners

Wind is also providing a new source of revenue for local landowners. "Wind energy is helping me pass our fourth-generation farm to our son. I've been nothing but happy with my turbines and the whole process," said David Hanson, a landowner who hosts three Lakefield Wind turbines on his property.

Wind energy is investing in rural communities across the Midwest by providing new tax revenue, new jobs, new lease payments for farmers, and new hope for communities that need it most.

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