

A photograph of a wind farm with several white wind turbines in a field under a clear blue sky. The turbines are arranged in a line, receding into the distance. The foreground shows the base of the turbines and the ground.

Washington State Rural Clean Energy Study Public Meetings

Welcome!



Washington State
Department of
Commerce

ROSS
STRATEGIC

Meeting Purpose

1. To learn about the *Rural Clean Energy Economics and Community Engagement Study and Report* – who asked for it, how the information is being collected, and how it will be used.
2. To hear from communities about their concerns with and potential opportunities for clean energy development—both large-scale and community-scale.

Agenda

6:30 p.m. Gathering

6:40 p.m. Rural Clean Energy Economics and Community
Engagement Study

(brief break as we move to discussion groups)

7:25 p.m. Topical Group Discussions

8:15 p.m. Report-Outs

8:25 p.m. Next Steps/Closing Remarks

8:30 p.m. Adjourn

Details for Tonight

- Snacks/water/lemonade
- Restrooms
- Emergency exits
- Stipends
- Electronics

Let's hear from as many people as possible tonight. Please help us keep to one conversation at a time and be respectful of others and their perspectives when they are speaking.

Introductions

Rural Clean Energy Economics and Community Engagement Study

Origin

- *Clean Energy Project Siting Law in 2023*: Directive for the WA Dept of Commerce to create and submit a study and legislative report addressing **direct and related issues and concerns across rural Washington** regarding renewable energy development.
- The study is titled: *Rural Clean Energy Economics and Community Engagement Study and Report* (Rural Clean Energy Study).

Purpose

To increase mutual understanding between rural communities, representative interests, and government agencies and policymakers regarding **potential opportunities and impacts of renewable energy development in rural communities** throughout Washington.

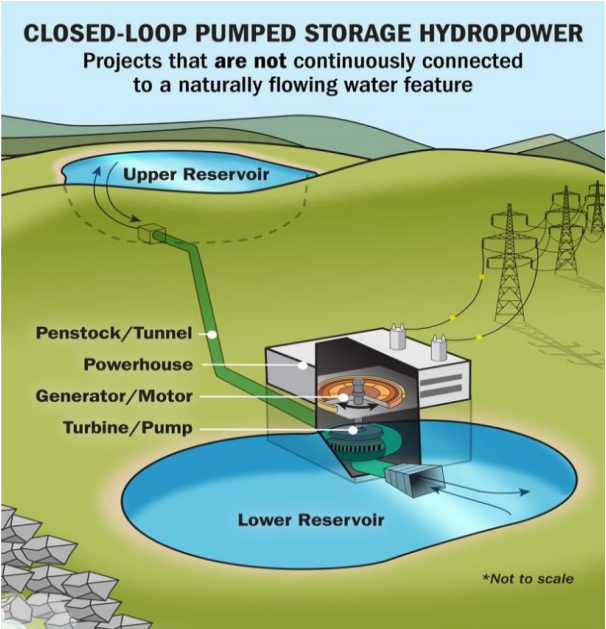
What will the study include?

- Direct and indirect economic and financial impacts of clean energy projects in rural Washington.
- Descriptive summary of potential non-economic impacts to and opportunities for rural communities from clean energy development.

What do we mean by “Clean Energy?”



NuScale Power, LLC



How is the information collected?

- Individual and small-group conversations.
- Case studies and other financial and economic data collection and analysis.
- Three rural community-based public meetings.
- One state-wide virtual public meeting.

How will the information be used?

- May be used to inform policies and programs to increase opportunities and reduce negative impacts from renewable energy development for rural Washington communities.
- NOT affiliated with or in support of any particular clean energy development project.

Challenges:

What have we heard so far?

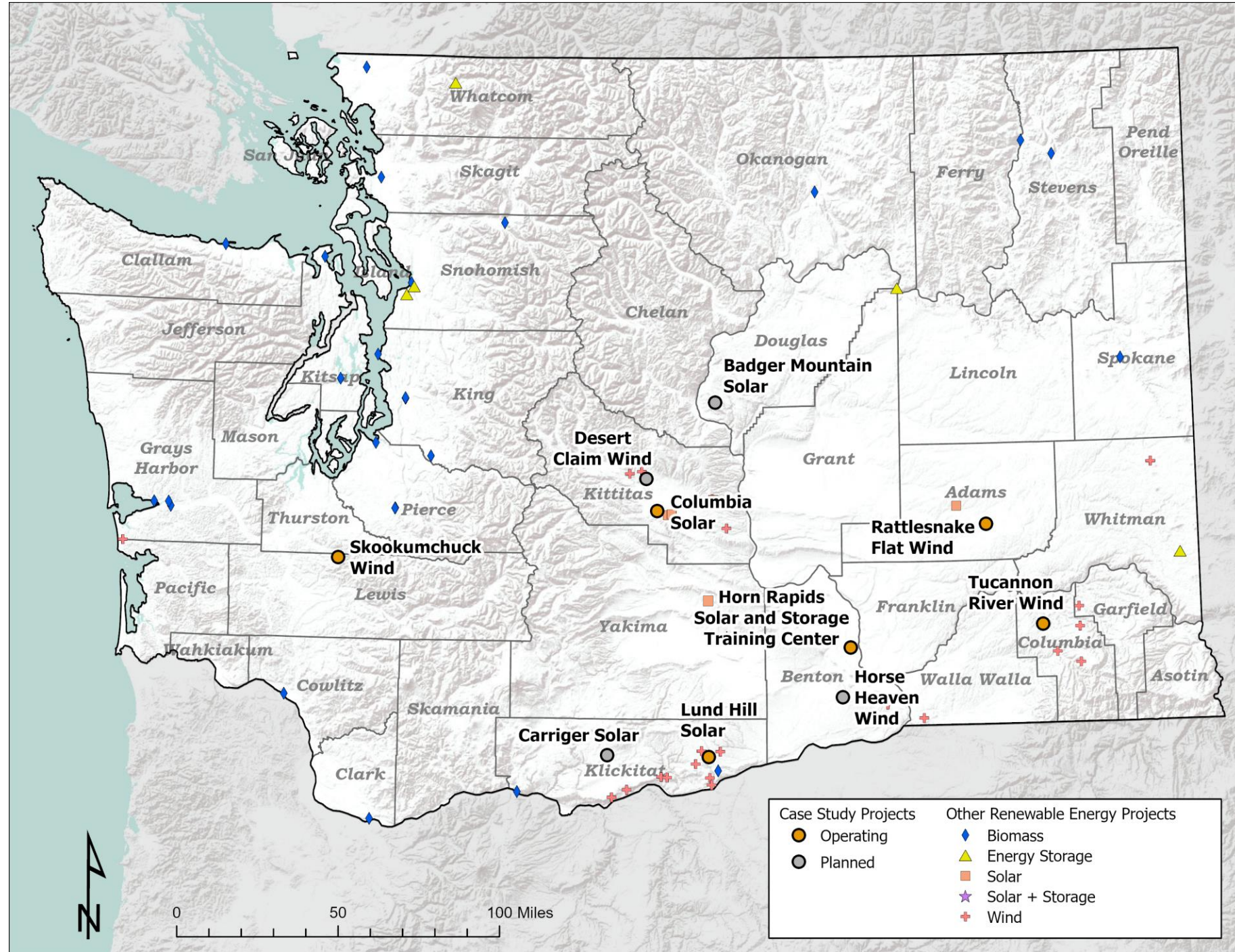
- Technical and staff capacity concerns
- Lack of direct benefits to communities
- Concern around siting optimization (better potential elsewhere)
- Impact on viewsheds and recreation
- Experiences with unsustainable government programs
- Transmission and distribution system capacity
- Skepticism around the need to decarbonize Washington's energy system.
- Local involvement in decision-making

Benefits & Opportunities:

What have we heard so far?

- Community and individual independence and resilience
- Energy reliability and affordability
- Improve public health outcomes
- Offshore wind opportunities
- Role of hydrogen and nuclear power
- Local energy generation / energy sovereignty
- EV charging as an economic/tourism opportunity
- Energy capture complementary to existing activities
- Need to act on an existential climate crisis

Economic & Financial Analysis: Case Study Approach



Economic & Financial Impacts: Challenges and concerns?

- Tension between state and local land use decision-making
- Jobs and tax benefits are front-loaded (i.e., depreciation)
- Employment benefits not accruing locally
- Sales tax rebates at times have been poorly communicated with county officials
- Agricultural land use and land value concerns
- Clean energy subsidies may incentivize lower value projects

Economic & Financial Impacts: Benefits and Opportunities?

- Lease terms vary but landowners benefit financially from lease payments
- Increase in sales and property tax revenues for counties
- Projects create substantial construction jobs in the short term as well as local jobs during operations
- Wind projects typically allow agriculture to continue, using 1-3% of leased acres
- Interest in agrivoltaics
- Community contributions from project owners
- Potential for additional community benefit agreements with project developers

Financial Returns to Landowners: What is the data telling us?

- Lease terms vary but lease agreements can be a notable financial benefit to landowners
 - Project areas are typically leased or granted easements from landowners to project developers
 - Tiered financial arrangements based on project phase and location
- Example payments for a 500-acre lease with two 2.7 MW turbines:

Period (Years)	Value	Example Annual Payment
Pre-Development (1-4)	\$8/acre per year	\$4,000
Construction (5-7)	\$4,000 per MW	\$21,600
Operation (7-37)	5-7% of revenue at \$26/MWh and 14,000 MWh	Variable, estimated at \$18,000 to \$25,000 annually

Tax Implications of Projects: What is the data telling us?

- Tax payments provide a boost to local tax revenues
 - Tax payments include:



Personal Property
(e.g., equipment
and machinery)



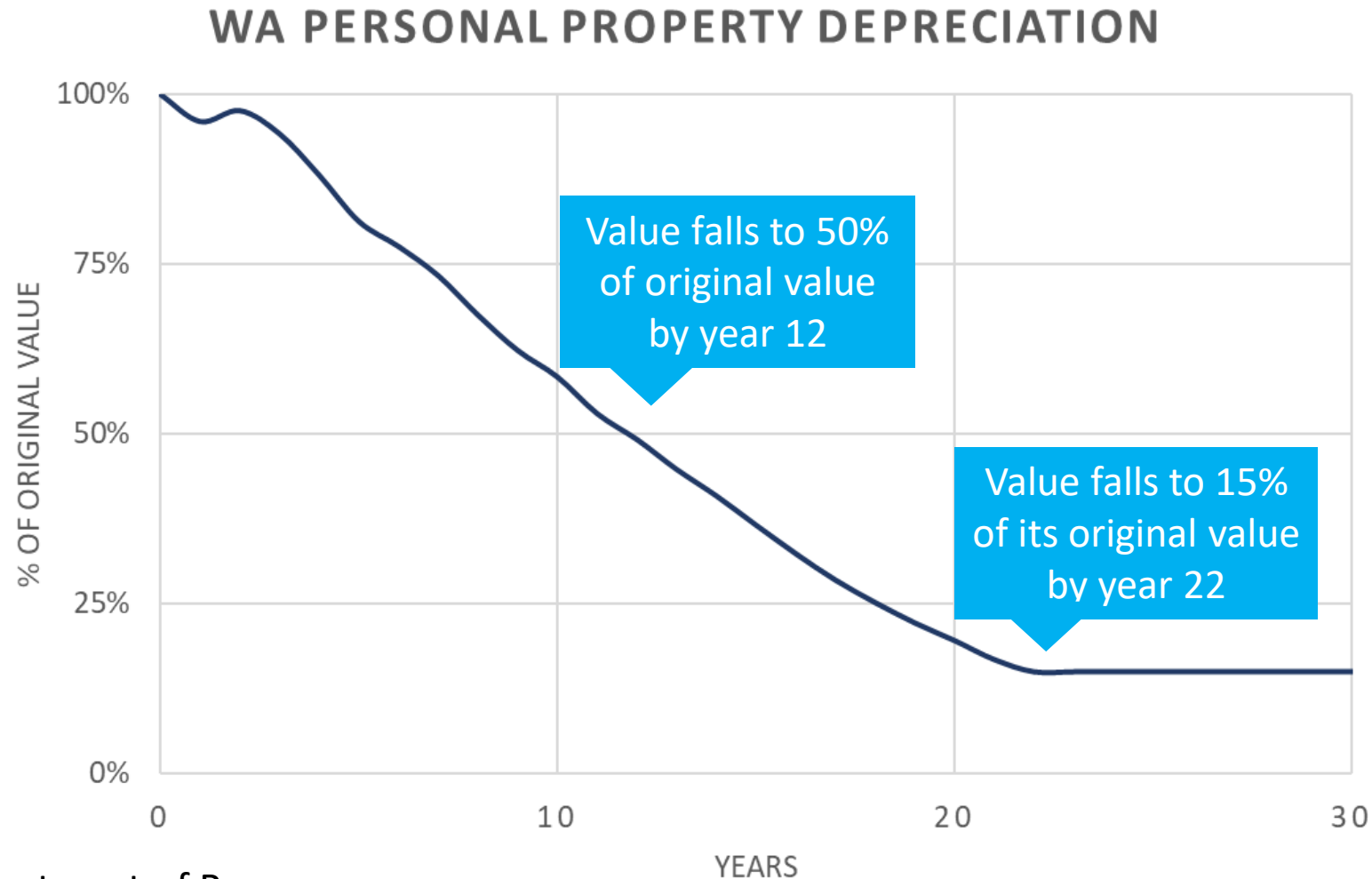
Real Property
(e.g., land and
buildings)



Sales Tax

- Project equipment and machinery depreciates over time reducing personal property tax collections
- State sales tax rebates reduce the total tax received by local jurisdictions

Tax Implications of Projects: What is the data telling us?

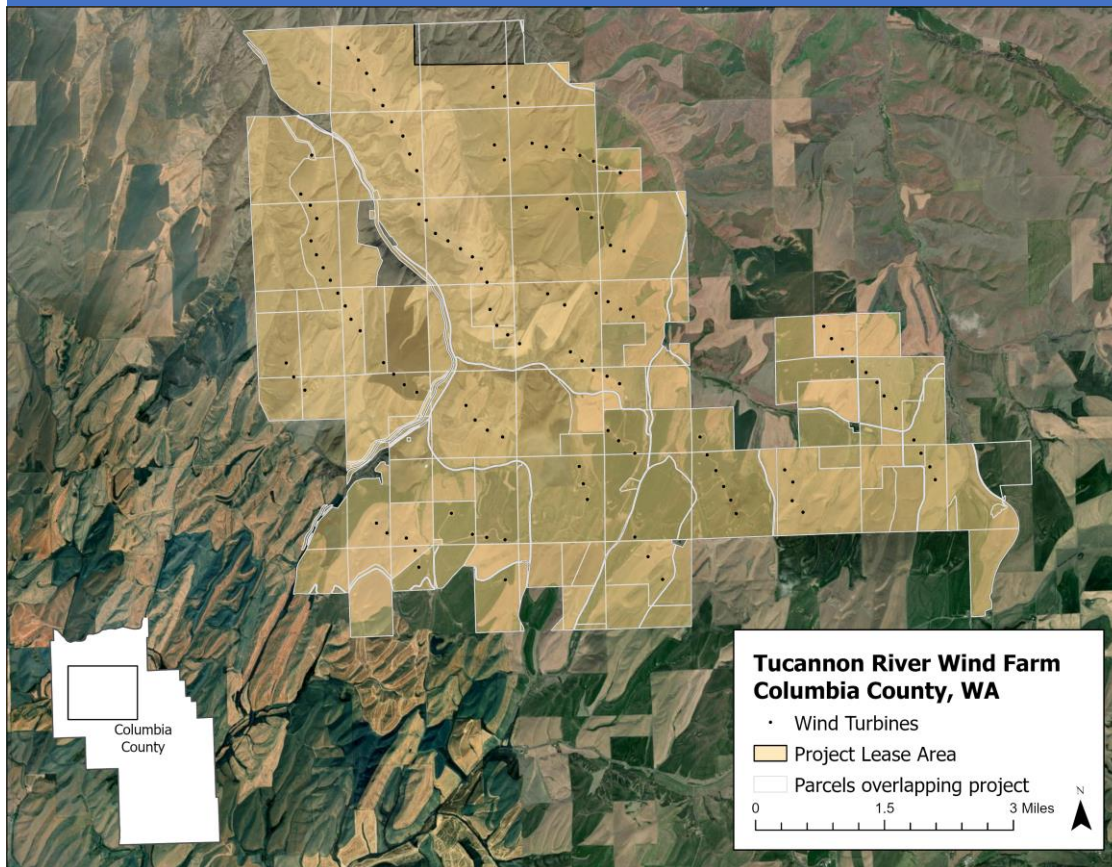


Source: WA Department of Revenue

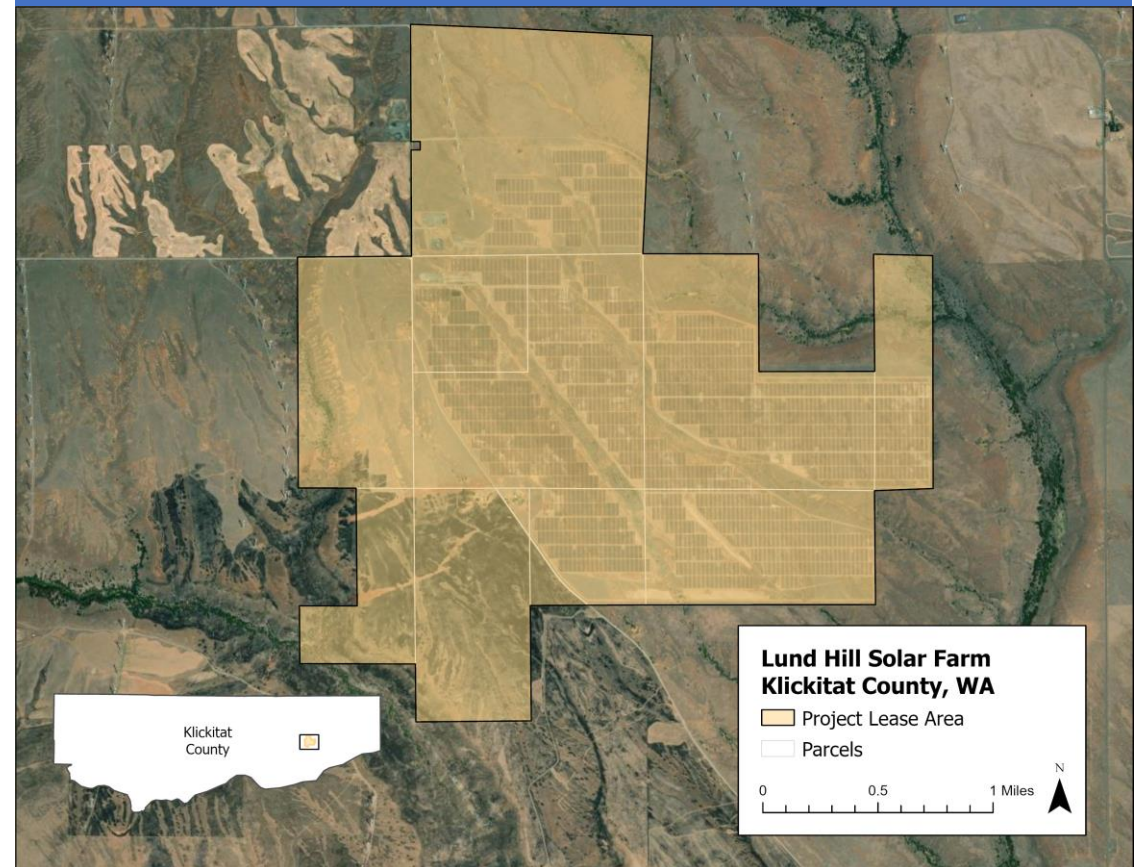
Land Use:

What is the data telling us?

Wind projects occupy 1-3% of leased areas



Solar projects can occupy 100% of fence line area



Construction and Operation Employment: What is the data telling us?

Technology	Capacity	Est. Construction Costs (2023 USD)	Jobs (full-time equivalents)
Solar PV / Battery storage	4 MW / 1 MWh	11 million	40
Solar PV	15 MW	16 million	70
Solar PV	150 MW	155 million	680
Wind energy	137 MW	210 million	380
Wind energy	144 MW	221 million	400
Wind energy	267 MW	409 million	740

Questions?

Discussion Groups

Discussion Group Process

- Four discussion groups:
 - Community-scale clean energy development
 - Large-scale clean energy development
 - Economic & financial analysis
 - Spanish-speaking session (all topics)
- Two, 20-minute Rounds (*free to choose, but please switch groups*)
- Facilitator in each group—key points noted on flip charts

Discussion Questions:

- For the types of clean energy development under discussion, what are the primary community concerns and potential benefits?
- How could these projects be done in a way that provides benefits to rural communities?

- What financial implications do you see of clean energy projects?
- What concerns do you have about the impacts of clean energy development on land use?

Discussion Group Report-Outs

Next Steps /
Closing Remarks

Next Steps



May-June

Continue meeting with focus groups, representative interests, and 1:1

July

Prepare the draft report

Aug-Sept

Review and revise draft report

October 1

Deliver final report to Commerce



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Thank you for participating

For more information or to provide written comments:

<https://ruralcleanenergywashington.org>



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