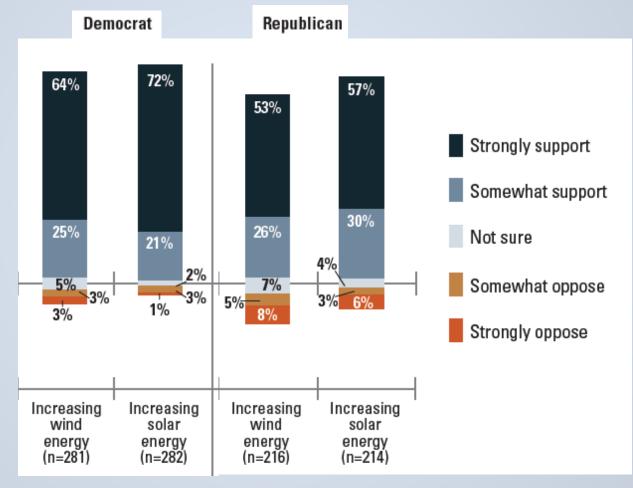




## Why Community Benefits for Renewable Energy?

Sarah Mills, PhD

### High overall support for Wind & Solar

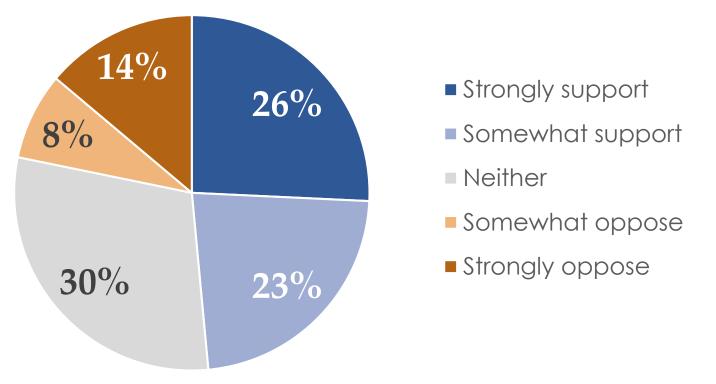


Center for Local, State, and Urban Policy



## But in MI communities with windfarms?

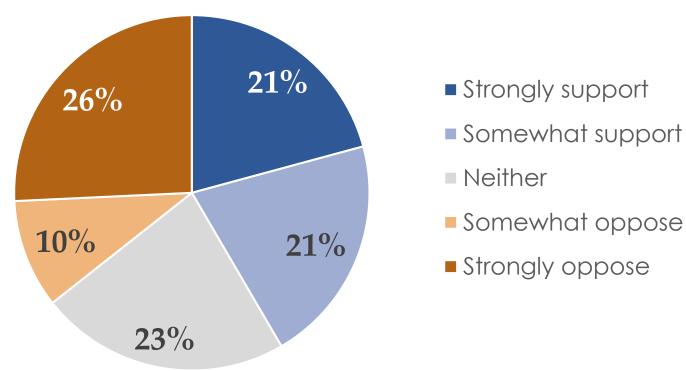
## Willingness to host additional turbines elsewhere <u>in the state</u>





## But in MI communities with windfarms?

#### Willingness to host additional turbines in their township





## Global Benefits, Local Impacts

#### **Local Benefits**

- Landowner payments
- Tax payments, developer donations
- Jobs
- Climate / health

#### Local Concerns

- Noise / health
- Wildlife
- Visual Impacts

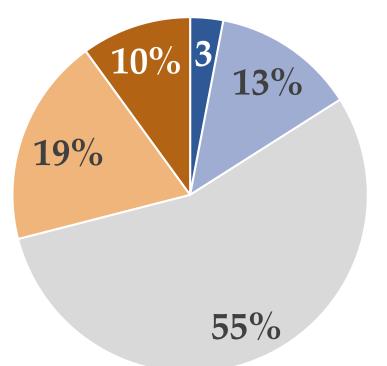
   Short and long-term
- "Not why I moved here"





## On wind, more see negatives than positives

## Turbines' effect on overall quality of life in township



- Greatly improved
- Somewhat improved
- Neither
- Somewhat worsened
- Greatly worsened





# What determines local attitudes about wind?

- Type of land owned
  - o secondary vs. primary residence
  - o farmland / rental property
- Direct compensation
  - Some better than none
  - \$1,000 per year as key threshold
- Attitudes about process
- NOT environment/ climate attitudes





### **Bottom Line**

Wind Energy =

#### Rural Economic Development Opportunity





## Community Compensation

• LBNL found stated preference for "community payment" among those not receiving direct compensation

• Examples: open space, schools, buildings, or wildlife enhancement

- What is meant by Community Payment?
   Direct donations?
  - Community benefits agreements?
  - Property tax payments?





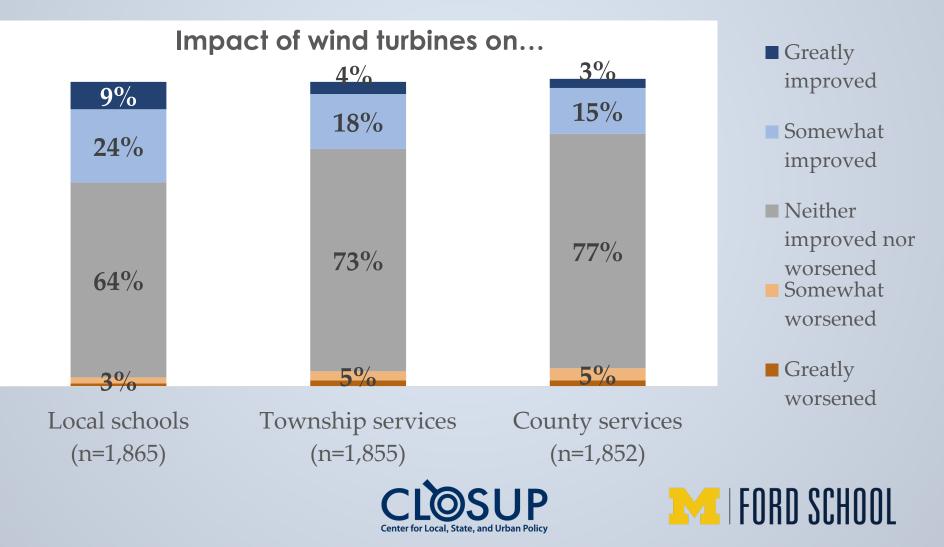
## Wind Property Tax Payments in Michigan

- ~ \$20,000 per turbine
   Oppreciates to 30% by Year 10
- ~\$20M per year, statewide
- Supports: Township, county, school



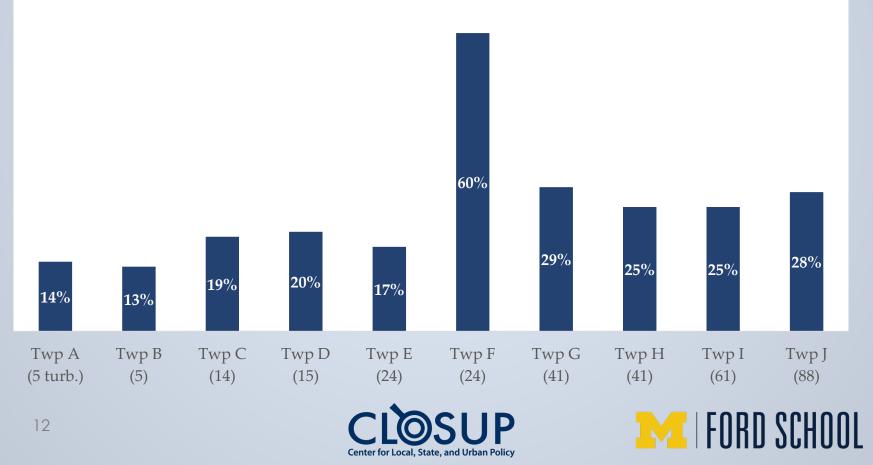


## Do people recognize tax benefits?



# Benefits only recognized when directly linked

% who said Township Services Improved from Wind Development



## Why Community Benefits Are Important For Wind

- Few direct local long-term jobs; opportunity to "see" impacts
- Give everyone stake; approximate Europe/MN "community ownership"
- Most wind projects = net exporter of energy
- But... Impact on ratepayers (esp. low-income)





### Community Benefits For Solar?

- Local (negative) impact more limited
  - Minimal noise
  - Easier to screen
- Even so, seeing objections
  - Wise use of farmland
  - o Run-off
  - o "Not why I moved here"
- Fewer landowners directly benefit (lease payments)





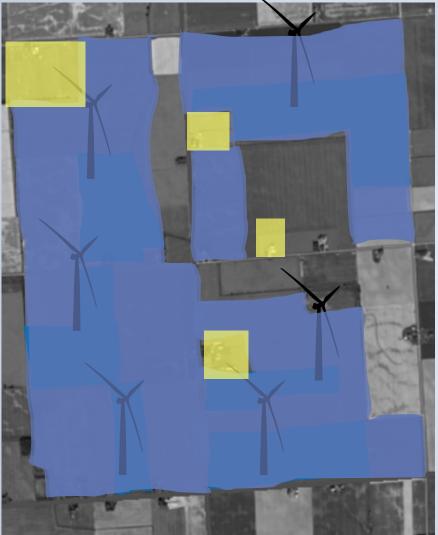




## The CLOSUP Wind Project

Sarah Mills, Project Manager Phone: (734) 615-5315 Email: <u>sbmills@umich.edu</u> Web: <u>www.closup.umich.edu/wind</u>

### **Direct** Benefits to Others



- Old Model: Winner takes all
  - o Disturbance
  - o Royalty
- Newer Model: Pooled Royalties

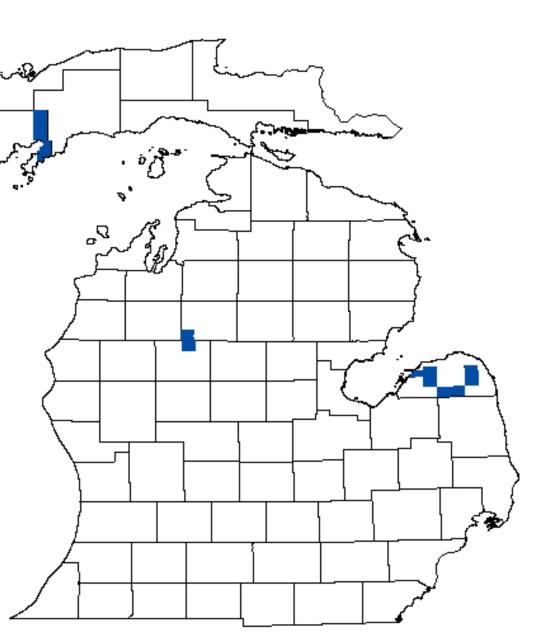
   Usually per-acre
- Newest Model: Includes Smaller Parcels
- Direct benefit to others depends on model





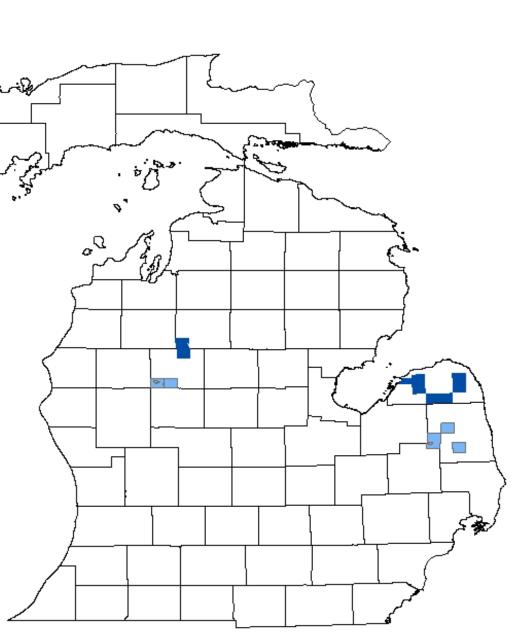
#### 2016 Community Survey

- Owners of land assessed ag or residential
- 10 townships with windfarms
- 2,013 responses (53% response rate)
- Funded by C.S. Mott Foundation





- All owners of land assessed ag
- 14 townships
  - 9 with windfarms
  - 5 without
- 1,210 responses (72% response rate)
- Funded by Dow Fellowship



### Does Pooling Royalties change <u>Community</u> Attitudes?

- Pooling doesn't decrease support of those with turbines
- Pooling does change narrative
  - Traditional model
    - More comments about tension
    - "Greed" of few getting paid
  - Pooled model
    - "Jealousy" of few not getting paid

Citation: Mills, S. (2018). Wind Energy and Rural Community Sustainability. Handbook of Sustainability and Social Science Research. Edited by Leal Filho, W., Callewaert, J. & Marans, R. Zug, Switzerland: Springer.



