

FOR YOUR INFORMATION

Renewable Energy Land Agreements

Developed by Oregon Solutions Lake County Renewable Energy Working Team
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This document is intended to help you determine the high level questions to consider if approached by a development company. Nothing in this document is intended to be legal advice. To fully protect your interests you should consult with a qualified attorney.

Adapted from windustry.org

Purposes and Types of Agreements

Power project developers are interested in access and rights to land for a variety of reasons. Developers may have an interest to test to determine the feasibility of a project, to construct and operate a project, or build transmission to transfer power from a project. Depending on their interest, the following types of agreements may be pursued.

Easement—An interest in land in the possession of another that entitles the holder of the interest to a limited use of the land.

Lease—A conveyance of land for a term that is less than the term of the owner's interest.

Option—The exclusive right to lease or obtain easement rights at some time in the future.

Purchase—permanent acquisition of the property.

Questions to Consider

1. What is the value of my land for renewable energy production?
2. How much of my land should be tied up and for how long?
3. What land use rights am I giving up?
4. How much will I be paid and how I receive payments?
5. Are the proposed payments adequate now and will they be adequate in the future?
6. Does the proposed method of payment or the Agreement itself present any adverse tax consequences to me?
7. Are there firm plans to develop my land, or is the developer just trying to tie it up?
8. If payments are to be based on revenues generated by the project, how much information is the developer willing to disclose concerning how the owner's revenue will be determined?
9. What rights is the developer able to later sell or transfer without my consent, and how might such transfer or sale affect me? Will the new developer have the same obligations to me and capacity to meet them?
10. Does the developer have adequate liability insurance? Can I be held liable for anything connected with the project?
11. What are the developer's termination rights? Can the developer simply terminate the easement at any time, and if so how does that affect future payments?
12. What are my termination rights and how are they exercised?
13. If the Agreement is terminated either voluntarily or involuntarily, what happens to the wind energy structures and related facilities located on my land? Is the developer required to remove everything, including underground cables and foundations, and if so how soon and at whose cost?

HELPFUL TIPS

Know the resource—Learn about the resource and its value, so you can negotiate and appropriately market your property.

Know your rights—Find good legal consultation and negotiate a fair deal.

Work together with your neighbors—You will all be in a better negotiating position if you share ideas about the contracts offered and goals for your land.

Take your time—You and your family may be involved with a developer for a long time. Learn as much as you can about them before signing any documents.

Resources

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Oregon Department of Energy
Egov.oregon.gov/Energy/RENEW/

Windustry

Windustry.org

Stoel Rives

Stoel.com/webfiles/lawofwind.pdf