

WHAT ATTRACTS DEVELOPERS
and
WHAT LANDOWNERS NEED TO
KNOW WHEN APPROACHED

BY BOB QUINN
WINDPARK SOLUTIONS
BIG SANDY, MONTANA

WHAT ATTRACTS DEVELOPERS

1. GOOD WIND

(Start with a map – does the wind really blow)

2. EASY ACCESS TO TRANSMISSION

(@ a \$1,000,000/mile to build new lines you need to be close)

3. LOW ENVIRONMENTAL IMPACT

(Any resorts, secluded retreats, bird refuges, prairie dog towns or cranky neighbors nearby?)



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4. UNENCUMBERED LAND

(Get the court case with cousin Charley resolved, as well as your tax liens taken care of)

5. HONEST, HELPFUL, AND COOPERATIVE

WHAT LANDOWNERS NEED TO KNOW WHEN APPROACHED

1. WHO ARE THESE GUYS ANYWAY?
(ask for references)







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2. HOW MUCH IS THIS REALLY WORTH?
 - a. Guaranteed Floor - \$2000 - \$3000/MW
(not per turbine)
 - b. % of the Gross sales (if higher than the floor)
2% – 3%

Can vary with –
how good you negotiate
how good the wind is
how easy it is to build
how cooperative you are

Remember – price is not everything – it will be multiplied by the number of turbines you have - number of turbines will be determined by how good the wind is and how much trouble or expense it is to put them on your land

3. GET IT IN WRITING

4. HAVE ALL CONTRACTS REVIEWED – GET A LEGAL OPINION

(Personal relationships can come & go but contracts last forever – at least 20 years)

5. OPTIONS & LEASES – DECIDE WHAT YOU WANT NOW!

Options say what you will get before building – can have a cash bonus for signing, a yearly rent to hold the land until development starts – don't expect too much – don't let it go too long (prospecting)

Leases say what you will get once building & production starts – long term (20 years) – high value (mother lode)

6. LET'S NEGOTIATE

- DON'T RUSH – DON'T DALLY
- DON'T BE AFRAID TO ASK
 - Need a little help with your lawyer bill?
 - What else do you have of value – gravel? – machinery? - a good shop?
- DON'T BE TOO DEMANDING
 - If you demand twice as much as your neighbor, you may end up with an empty field



7. WONDER IF I HAVE A CHOICE

- Review the steps above & ask questions
- Do you have other land signed up?
- Do you have any wind data?
- Do you have any environmental studies?
- Do you have an interconnection agreement?
- Do you have a power purchase agreement?

In Conclusion:

- DO YOUR HOMEWORK
- HONESTY IS STILL THE BEST POLICY
- THE GOAL: EVERYBODY WINS