

Wind Energy on School Trust Lands

Montana Department of Natural
Resources and Conservation

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Brief overview of School Trust Lands

- 5.2 million surface acres
- 12 trusts; common schools (K-12) is largest
- 5,500 acres for *commercial real estate uses* (cell towers, hotel/lodge, office buildings, etc.)
- 77-1-902 defines commercial as essentially non-residential
- Wind is one of those uses

Wind Today

- First operational wind farm and still only state/private wind farm is Judith Gap
- 90 total towers - 135MW
- 13 towers on trust lands – 19.5MW
- Total revenue to date about \$212K annually about \$60,000
- 640 acres of STL, 7,660 acres private



Wind in the Future

Coyote Wind Farm – Springdale, MT

- EIS closed Sept. 11, 2009
- Developer: Enerfin (Elecnor, Spain)
- 45 total towers - 79.2 MW
- 8 towers on trust lands – 14.4MW
- Turbines are 1.8MW
- 640 acres of STL, 2,400 acres private



Wind in the Future

Martinsdale Wind Farm – Martinsdale, MT

- Expect to sign lease in winter of 2009/2010
- Developer: Horizon (EDP, Portugal)
- 27 total towers – 56.7MW
- 11 towers on trust lands – 23MW
- Turbines are 2.1MW
- 3,080 acres of STL, 15,557 acres private



More Alternative Energy

Two other wind developments in very early stages

Norris

- Project collecting wind and environmental data
- Developer: Madison Valley Renewable Energy LLC (USA)
- 4,280 acres of school trust lands, more than 10,000 acres private

Surprise Creek (Stanford)

- RFP just released late spring 2009
- Developer: Horizon (EDP, Portugal)
- 2,400 acres of school trust lands

Currently no state land solar, or geothermal projects

Wind Regulations

Real Estate Management Plan

- Guides procedure and delineates thresholds for real estate development on school trust lands
- Wind exempted from development thresholds

[36.25.912](#) NEW DEVELOPMENT THRESHOLD EXEMPTIONS

- (1) An urban tract meeting any one of the following criteria will be exempt from the statewide threshold in ARM [36.25.911](#)(1). A rural tract meeting any one of the following criteria will be exempt from the rural threshold in ARM [36.25.911](#)(1)(a) and the statewide threshold in ARM [36.25.911](#)(1):
- (a) leases, sales, exchanges, and easements to a public entity, for a public facility, community service, public benefit, or for a private sewer or water system;
 - (b) acres under lease or easement for communications facilities, or for wind, geothermal, or solar power generation;

Wind Regulations

Montana Environmental Policy Act – MEPA

- **75-1-102. Intent -- purpose.** (1) The legislature, mindful of its constitutional obligations under Article II, section 3, and Article IX of the Montana constitution, has enacted the Montana Environmental Policy Act. The Montana Environmental Policy Act is procedural, and it is the legislature's intent that the requirements of parts 1 through 3 of this chapter provide for the adequate review of state actions in order to ensure that environmental attributes are fully considered.
- Site specific analysis, Avian studies particularly, take the longest time commitment at 12 months.
- The MEPA process including data collection, scoping, drafting the document, collecting comments and issuing a record of decision takes at least 18 months.
- Two otherwise identical two sections of land next to one another, one government owned and the other privately held, the developer preference will be toward the private parcel to avoid MEPA/NEPA.

Wind Regulations

House Bill 529, 2009 Legislative Session

- Specifies MEPA review will only include state-owned land

Section 1. Environmental review of energy development projects on state land. (1) Except as provided in subsection (2), the scope of any environmental review under Title 75, chapter 1, parts 1 and 2, for a proposed action on state land is limited to the impacts of the proposed action within the boundaries of the state land parcel or parcels in which the proposed state action is taking place if the:...

(2) If more than 33% of the total land area physically occupied by the proposed energy development project provided for in subsection (1) is state land, then the scope of the environmental review under Title 75, chapter 1, parts 1 and 2, for the proposed action must include the total land area, including federal and private land, that will be occupied by the proposed energy development project.

Wind Locating and Leasing

- Any school trust land, in theory, could be part of a wind farm
- Wind is compatible with existing grazing uses
- Developers look for sites with wind resource, transmission and roads
- Transmission: Getting power to market is possibly most crucial element
- Developers seek land leases with owners – the state is a land owner
- DNRC issues a RFP – selects developer based on ability to build and operate