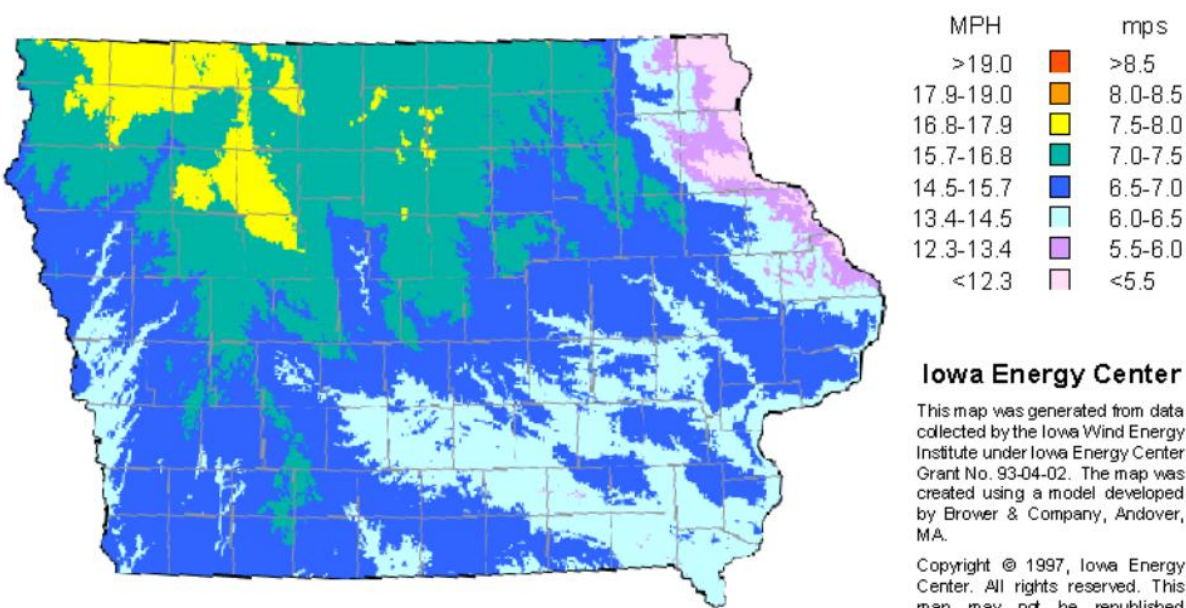


FREQUENTLY ASKED QUESTIONS

Is my land suitable for the installation of a large wind turbine to sell power to a utility?

The suitability of land depends upon several factors, such as wind speed and access to the electric distribution or transmission grid. Since the wind generation business is very competitive today, it only makes sense to use the very best sites. Therefore, the windiest sites in any particular area are the best sites to develop wind generation. In general, if your farmland is not as high or exposed as your neighbor's, then installing a wind turbine on your neighbor's land would likely be more feasible than installing it on your land. To date, nearly all large wind turbines that have been installed for the purposes of selling bulk power to the utility have been installed in the yellow and green shaded areas the wind speed map below.



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Due to electric transmission system congestion in the higher wind speed areas, large wind turbines are being considered in the less windy areas that extend into the green and dark blue areas. If your farm is in the lighter blue or purple areas, it would have to have exceptional height and exposure to be economically competitive for bulk power sales to the utility.

Can I install and own a large wind turbine on my land rather than lease my land to a wind farm developer?

Very few large wind turbines in Iowa are privately owned by individual landowners due to their overall economic feasibility. However, a state law passed in 2005 provided a financial incentive that enabled a person to own a large wind turbine and sell all of the power to utility. The incentive was limited to 90 megawatts of wind generation and it was fully subscribed within two weeks of its introduction. Nearly all of the individually owned wind turbines that qualified will be installed in the green shaded areas shown in the wind speed map above. It is doubtful

any of those projects would be economically feasible in today's competitive market without the state financial incentive.

It takes a lot of planning, work, and determination to develop your own single large wind turbine project. The owner may have to spend anywhere from \$10,000 to \$30,000 in consulting, engineering, and legal fees over many months before the owner knows if all of the pieces will fall together to make the project feasible. Therefore, this money is entirely at risk. Some owners have received grants from the USDA to help with the development costs. The cumulative net income before taxes over 20 years from owning a single large 1.5 MW wind turbine would typically exceed \$500,000 for a financially viable project.

The USDA does provide grants up to \$500,000 for qualifying wind generation projects.

Simply leasing your land to a wind developer entails little work and risk and can net \$4,000 to \$5,000 per large wind turbine per year. Over a 20 to 25 year wind turbine lifetime, this could yield \$100,000 of income before taxes. If your land is suitable for a large wind farm, chances are that a wind farm developer has or will contact you about leasing your land.

Who will be buying the power from a large wind turbine?

The owner of a large wind turbine installed in Iowa will most likely sell the power to Alliant Energy, MidAmerican Energy, Corn Belt Power Cooperative, Central Iowa Power Cooperative ("CIPCO"), or one of the 140 municipally owned electric utilities in the state. Since most of local rural electric cooperatives are obligated to buy all of their power from Corn Belt or CIPCO, the local RECs usually won't buy the power. The typical Power Purchase Agreement ("PPA") rate for wind power in Iowa is about 3¢ per kWh.

What is the Iowa Farm Bureau and John Deere alliance?

Iowa Farm Bureau and Deere & Company have formed an Alliance to assure that producers have the maximum information and support for pursuing wind energy opportunities in Iowa. The Alliance provides for a range of cooperative activities between the organizations, including informational and educational programming for producers, corporate exchange of information, joint identification of sites, training and aggregation assistance and project development and financing.

Within the Alliance, Farm Bureau will focus on the education, outreach and feasibility analysis while John Deere will focus on the business plan, project development and project financing activities for qualifying projects. The parties will jointly advocate for state and federal regulatory and statutory positions that will support and enable the growth of the renewable energy and renewable fuels industry in Iowa.