

Key Differences Between Leases for Wind, Solar and Energy Storage Projects Theresa Carroll

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# Real estate agreements in renewable energy development

<u>What is the purpose</u>? Obtaining site control – ensuring the developer has the appropriate legal rights to use the land.

<u>Wind</u>: requires large acreage, typically signing real estate agreements with a multitude of landowners

<u>Solar</u>: usually a smaller footprint, which translates to agreements with fewer landowners

<u>Storage</u>: typically the smallest footprint, making purchase option more attractive





#### **ROAD MAP**

What are the major components of a typical long term renewable energy lease that are expected the change for wind vs. solar vs. storage projects?



## Selected components of longterm renewable energy real estate agreements

- 1. What kinds of rights are being granted to the developer?
- 2. How much with the developer pay for those rights, and under what payment structure?
- 3. What are the landowner's rights to use the land during the lease term?
- 4. What are subsurface owner's rights to use the land during the lease term (minerals!)?



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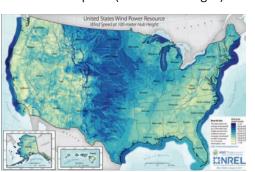


#### **DEVELOPER'S RIGHTS - GENERAL**

• Type of agreement – option vs. lease vs. easement, what are the differences?

 Option: grants developer an initial period to determine suitability of property for development.

US Wind Speed (100m hub height)



US Solar Irradiance (kWh/m2/day)



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