



SRWN



SUSTAIN RURAL WISCONSIN
NETWORK

Follow the Money

**A Community Guide to
Factory Farm Finance**

January 2026

Sustain Rural Wisconsin Network (SRWN) is a statewide coalition of individuals and organizations dedicated to preserving the health and economic vitality of rural communities.

www.sustainruralwisconsin.org



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Introduction

Consolidation of the globally financed livestock industry is in full swing in Wisconsin. Lawyers and financiers cobble together behind-the-scenes deals with factory farms and local officials worth \$50 million and more. *Follow the Money* will help your community understand and intervene in an opaque financing process that extracts local resources to enrich investors around the world.



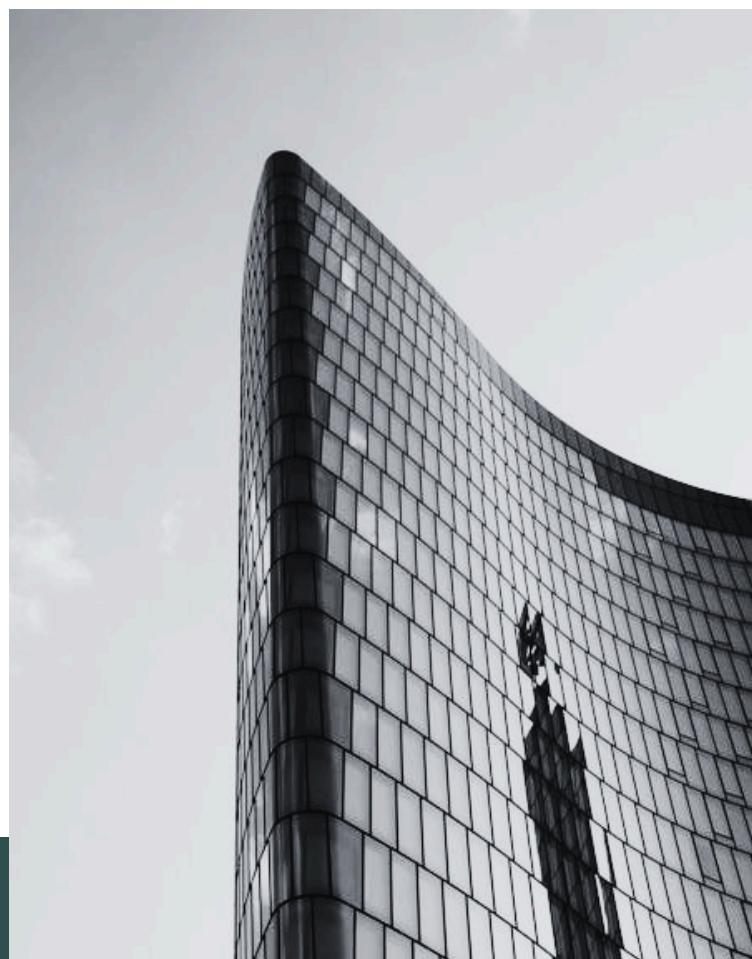
Bipartisan support of factory farms and factory farm gas is fueling massive new expansions. Corporate agents roam rural communities looking to set up financial deals for global investment groups drawn by the promise of sure profits. These expansions house millions of chickens and thousands of cows, pigs, and turkeys. Barns a $\frac{1}{4}$ -mile long pump out millions of gallons of untreated liquid waste and toxic air pollution. Thousands of trucks roar up and down rural roads spreading waste on every corner of land they can find. Hundreds of fans run 24/7 so the animals don't suffocate.

Communities spanning the political spectrum are looking to protect health and property from this largely unregulated industry. Most of these community efforts focus on trying to improve Wisconsin's factory farm permitting program, which the state operates as part of the federal Clean Water Act.

An alternative approach uses local Operations Ordinances that require new or expanding factory farms to address community concerns left unregulated. These concerns include water and air pollution, road damage, fire risk, farm gas by-products, carcass disposal, and more.

Despite these important community efforts, investor profits are bolstered by governments without accountability. In many cases, weak regulatory oversight combined with billions in government tax credits and financing is the glue holding the whole deal together.

In fact, Wisconsin's economic development professionals tout deals worth \$10 million, \$20 million, \$40 million, and \$57 million. This financing helps drive more consolidation and harvest local resources to deliver tax-exempt returns outside the state for investors across the nation and the globe.



**COMMUNITIES SPANNING THE
POLITICAL SPECTRUM ARE
LOOKING TO PROTECT HEALTH
AND PROPERTY FROM THIS
LARGELY UNREGULATED
INDUSTRY.**

Follow the Money shines a light on factory farm finance for communities looking to resist global strategies that further consolidate the livestock industry and degrade local resources.

THE PLAYERS



Summarizes the complex web of bond issuers, underwriters, lawyers, academics, promoters, and developers that drive these lucrative financial schemes.

THE RULES



Defines the federal and state programs that companies use to leverage local communities for private gain.

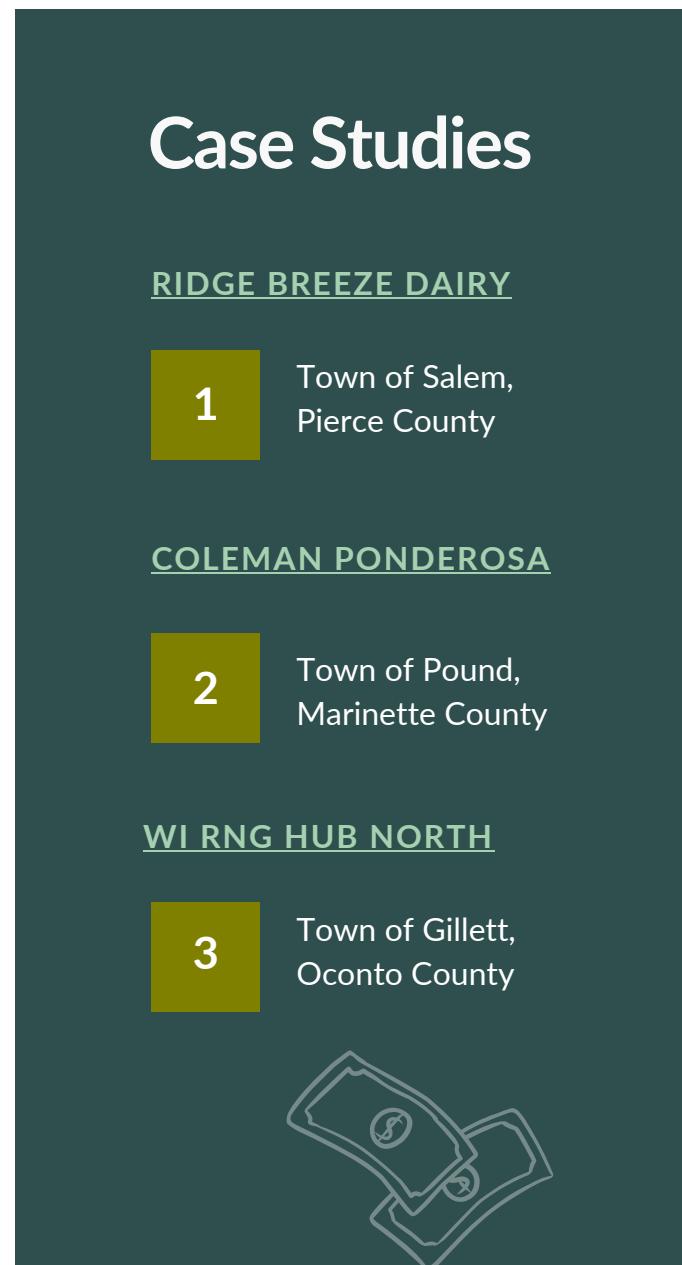
THE GAME



Lays out specific steps you can take to intervene in the opaque and complex process used to secure public financing for privately owned operations. Three case studies provide real life examples of recent finance deals along with lessons for Wisconsin communities.

INFORMATION SOURCES

Follow the Money presents original research based on personal interviews, review of government, academic, and media sources, as well as more than 1,200 pages of documents secured under the [Wisconsin Public Records Law](#). Every attempt has been made to portray this information accurately. Please contact us with questions or comments at hello@sustainruralwisconsin.org.



Case Studies

RIDGE BREEZE DAIRY

1

Town of Salem,
Pierce County

COLEMAN PONDEROSA

2

Town of Pound,
Marinette County

WI RNG HUB NORTH

3

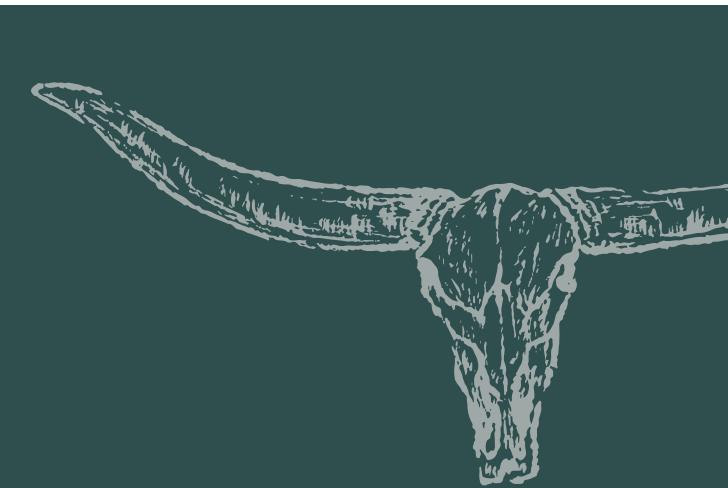
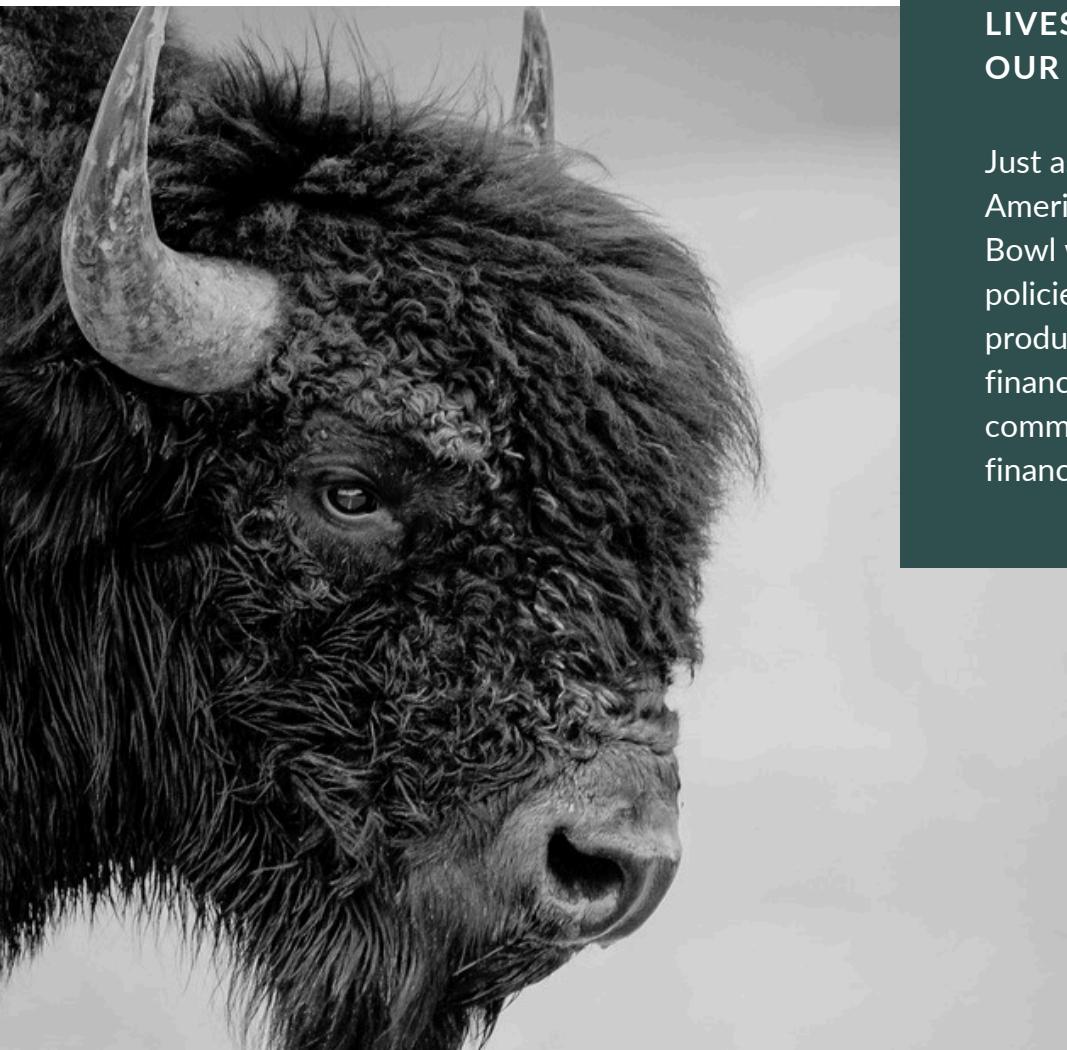
Town of Gillett,
Oconto County



Follow the Money is a community guide fueled by original research that explains how Wisconsin factory farms and factory farm gas projects are financed, who profits, and how local residents can influence the process.

Three real-life examples show how the process exploits a weak regulatory environment while avoiding transparency and public accountability.

At the same time, you will see how communities such as yours can take action when public financing is used for projects that threaten local health and property.



MASSIVE CONSOLIDATION OF LIVESTOCK PRODUCTION IS NOT OUR MANIFEST DESTINY.

Just as the 19th-century slaughter of American bison and the 1930s Dust Bowl were driven by government policies, today's consolidation is the product of government agricultural and financial policies. Wisconsin communities can resist the global financialization of local food production.

The Players

There is a well-oiled network of government agencies, academics, and private dealmakers working to expedite factory farm expansion. Under this lucrative system, publicly financed bonds and tax credits are used by private companies to obtain millions in subsidies and low-cost loans.



HERE ARE THE CATEGORIES OF PLAYERS WE'LL EXPLORE:



[Wisconsin Bonding Authorities](#)
[Bond Counsels](#)
[Bond Underwriters](#)
[Developers](#)
[Academics & Government Experts](#)
[Construction & Equipment Companies](#)

Lawyers, underwriters, and developers take their cut in the form of professional fees. Construction and equipment companies pull down contracts worth \$10 million to \$50 million. The list of players is surprisingly small. From the Mississippi River to Lake Michigan, the same faces, reciting the same stale lines, make repeat appearances across Wisconsin. This report aims to help your community take effective action when these players show up in your town.

Wisconsin Bonding Authorities

Two public authorities in Wisconsin are used to finance factory farm gas projects.

WISCONSIN ECONOMIC DEVELOPMENT CORPORATION (WEDC)

PUBLIC FINANCE AUTHORITY (PFA)

Factory farm gas developers use bonding authorities and underwriters as intermediaries to sell bonds globally to institutional investors and investment funds. Individuals buy the bonds through these investment funds.

Money raised from the bond sale is then loaned to the developer. Interest paid on the loan goes to the investors.

If developers convince your county or town officials to approve a bond deal, [IRS tax law](#) is written so that investors do not have to pay federal taxes on the [interest they earn](#) from the loan. That makes the loan cheaper, saving developers millions. The whole system is based on getting approval from local officials.

SOME DEVELOPERS SECRETLY NEGOTIATE WITH ELECTED OFFICIALS TO GET COUNTY OR TOWN APPROVAL WITHOUT PUBLIC KNOWLEDGE.

However, under WEDC's bonding authority, just 5% of county or town residents can [petition for a referendum](#) so that all voters weigh in on approval, not just elected officials.

To avoid the public scrutiny of a referendum vote, developers may try to get elected officials to approve PFA as the authority instead of WEDC. While PFA's approval doesn't require a referendum, they are committed to transparency. We lay out ways for you to access the PFA in the [Ridge Breeze Case Study](#).

Beware! As documented in our case studies, some developers secretly negotiate with elected officials to get county or town approval without public knowledge.

[The Game](#) section provides many more details and explores three different cases, each with its own version of the process.



Who Takes the Risk?

Under these ventures, financial risk is taken on by private and institutional investors who buy the bonds. In other words, when the developers go belly up and can't pay back the loan and interest, investors that buy the bonds are left holding the losing hand.

Developers and bond counsels will tell your local politicians again and again that they should go along with these bond deals because they present no financial risk to taxpayers or any state or local government.

2,930	27,000	2,180	2,220
2,160	1,225	5,250	5,690
5,340	0	0,000	0,410
0,450	30,393	2,440	2,750
2,600	5,000	1,600	1,830
1,600	73,778	2,300	2,310
0	0	0,000	0,000

Focusing only on the financial risk to bond buyers is a very bad deal for your community. These huge expansions present many financial risks for local towns and residents.

Roads are pounded by thousands of trucks hauling manure, milk, feed, and fertilizer. Home values plummet as people see giant industrial complexes take over the landscape. Meanwhile, priceless drinking water, lakes, and streams that have limited protections under current law are further threatened by new cuts to [environmental programs](#).

WHO GETS THE BENEFIT?

Bond buyers, lawyers, construction companies, and equipment makers reap the benefits — not your community. Our case studies show millions of dollars in interest, fees, and juicy contracts being siphoned off to players from across the state, country, and globe.

Two characteristics of the bonding process make it difficult to ensure communities best interests. The first is a lack of transparency by the host of players that develop proposals for WEDC or PFA. While there are opportunities for participation in the process, public transparency is challenging. The second is a definition of public benefit that ignores local economic, environmental, or social concerns.

FOCUSING ONLY ON THE FINANCIAL RISK TO BOND BUYERS IS A VERY BAD DEAL FOR YOUR COMMUNITY.

Wisconsin Economic Development Corporation (WEDC)

In 2011, Governor Scott Walker abolished the Wisconsin Department of Commerce and replaced it with the [Wisconsin Economic Development Corporation \(WEDC\)](#). Along with issuing bonds, this quasi-public agency promotes statewide economic development by offering tax credits, loans, grants, and technical assistance.

WEDC's [Board of Directors](#) includes private sector actors with relevant business-related experience, two state agency heads, and four legislators, including Representative David Armstrong, Representative, Senator Alex Joers, Senator Jamie Wall and Senator Pat Testin, chair of the Senate Agriculture Committee.

[Six WEDC officers and staff](#) have duties that include lobbying for state legislation.

There are also nine [Wisconsin Regional Economic Development Partners](#) serving communities around the state.

[Six proposed factory farm gas projects](#) were approved for funding under the [Industrial Revenue Bond Program](#) in 2023. Two years prior, a \$41.6 million bond deal for the WI RNG Hub North project was approved. [WI RNG Hub North defaulted](#) on payments related to that deal in [June](#) and [December 2025](#).

Communities will not find it easy to get the information they need to understand the complex financing WEDC facilitates while a deal is in the works. Even after WEDC approves a project, records will not be released until the bond deal is officially closed. This may take years as developers and factory farms put together the other pieces of a deal such as grants, tax incentives and bank loans.



WEDC PLAYERS

JOHN MILLER, CEO

JIM ROSENBERG, REGION 5 ECONOMIC DEVELOPMENT DIRECTOR

STEVE SABATKE, SENIOR UNDERWRITER

While WEDC administers the program in Wisconsin, these tax-exempt bonds are regulated at the federal level and are promoted as job-creating investments. The bonds are issued by a city, town, county, village, or regional authority. Most projects have a \$10 million limit. However, privately owned factory farm projects qualify for much higher amounts because processing manure for gas qualifies as an environmental purpose.

ACCESSING THE WEDC PROCESS

Local communities can find WEDC's process to be extremely opaque. However, there are two very effective ways for the public to participate:

1. County or town boards are required to have open meetings and pass resolutions before approving bonds. Community members can and should call for all supervisors to do detailed public reviews of proposals and require roll-call votes on approval. Having an open process can end the deal, as neither borrowers nor bond sellers want any negative publicity.

2. Get 5% of your town's residents to sign a [petition](#) requesting a public referendum, as community members did in the Town of Pound. Most developers do not want a public vote on siting a large industrial complex processing millions of gallons of raw waste in their community.



COMMUNITY MEMBERS CAN AND SHOULD CALL FOR ALL SUPERVISORS TO DO DETAILED PUBLIC REVIEWS OF PROPOSALS AND RECORD ROLL-CALL VOTES ON APPROVAL.

Wisconsin's Public Finance Authority (PFA)

A bit of an odd beast, [Public Finance Authority \(PFA\)](#) is the brainchild of two former California county administrators — Stephen Hamill and Jerry Burke. PFA provides a streamlined process for local governments across the country to tap into the tax-exempt bond market.

However, the complexity of PFA's structure can be a challenge for communities where factory farms are trying to put together tax-exempt bond deals. You may see the name of Hamill and Burke's company, HB Capital, come up but they are behind-the-scenes players.

Scott Carper and Mike LaPierre manage PFA under the company name [GPM Municipal Advisors](#) from an office just 30 minutes from San Francisco, California. According to [PFA's 2023 Audit](#), GPM made \$8.55 million in management fees.

You are not likely to get a call back from GPM if you're trying to get answers about deals proposed in your community. GPM works closely with factory farms, bond counsels, and underwriters. Community relations are not their role.

In contrast, PFA's general counsel, Andy Phillips, is in the state. He is committed to transparency and works closely with Wisconsin communities. Phillips provided very timely access to public documents and important perspectives for this project.



PFA PLAYERS

SCOTT CARPER, GPM MUNICIPAL ADVISORS
MIKE LAPIERRE, GPM MUNICIPAL ADVISORS
ANDY PHILLIPS, PFA GENERAL COUNSEL

Many counties, cities, and towns do not feel they have the resources to issue and manage their own bonds. In response, [**states such as Wisconsin allow bonds**](#) to be issued by public authorities and management is outsourced to private lawyers and financiers such as Carper and LaPierre.

Under [**Wisconsin Statute 66.0304**](#), two or more local governments can create an authority, such as PFA, to issue conduit bonds. In 2010, the City of Lancaster teamed up with Adams, Bayfield, Marathon, and Waupaca counties to create PFA under a [**Joint Exercise of Powers Agreement**](#). These local governments receive annual fees.

[**PFA's Board of Directors**](#) includes the Adams County Board Chair, former Bayfield County Board Chair, former City of Lancaster Mayor, and Waupaca County Finance Director.

Local communities should keep an ear to the ground for any signs of negotiations. Borrowers along with their legal and financial agents may try to keep their plans to access PFA's bonding process out of the public eye.

However, PFA is committed to transparency and here are potential access points to the process →

Find more tips on [**Steps to Take If you Hear Anything**](#)

HOW TO ACCESS PFA PROCESS

1

Require All County and Town Supervisors to Approve PFA. [**Wisconsin law**](#) is crafted so that borrowers only need to get your county or town chair or administrator to approve PFA as the bond issuer. One person should not be able to make this decision for the whole county or town!

The law also allows, but does not require, the full board of supervisors to make the approval. Community members can and should call for all supervisors to review proposals and openly vote on approval. Your county can also [**pass rules requiring full board vote**](#). Having an open process can end the deal as neither borrowers nor bond sellers want negative publicity.

2

Request PFA and Project Partners to Reject Proposal. If the borrower is able to get local government approval, communities can work with PFA and financiers to reject a proposal. For example, in 2021 [**PFA and global financial giant Barclays pulled out**](#) of a \$436 million bond sale for a privately owned Alabama prison when problems with the project were raised. In the Alabama case, [**dozens of people signed a letter**](#) and [**issued press releases**](#) calling for the deal to be rejected. PFA policies require transparency and working directly with PFA may be the most effective approach.

“Thanks Gregg!”

Unfortunately, some of the players looking to use PFA as their bond issuer do not want an open process. Their lack of transparency is clear in this [March 3, 2025, email chain](#) between GPM's Mike LaPierre, Ridge Breeze Dairy's CEO Gregg Wolfe, lawyer Lynda Templen, and underwriter Jason Grubbs.

LaPierre started the email after receiving a phone inquiry about Ridge Breeze's behind-the-scenes negotiations for an \$18 million deal.

GREAT NEWS! PFA is not moving forward with the Ridge Breeze application.

THE EMAILS ARE QUOTED DIRECTLY WITHOUT CORRECTIONS →



MARCH 3, 2025, EMAIL THREAD FROM MIKE LAPIERRE

“

Lynda & Jason – Attached is a voice mail we received from a local resident in regards to the Ridge Breeze financing. Not sure if one of you would like to reach out but we typically do not. Let us know when you have a minute. Thanks! Michael LaPierre.”

FROM LYNDA TEMPLEN

“

Thanks Mike. Of course, this person clearly doesn't understand that the Town is not endorsing the project but merely consenting to the Borrower going to the PFA as conduit issuer. I leave it to you and Gregg to decide whether you want to reach out.”

FROM GREGG WOLF

“

[Name deleted] is an Anti-CAFO activist. My recommendation is not to respond back. Thanks, Gregg Wolf Chief Executive Office Breeze Dairy Group, LLC.”

FROM MIKE LAPIERRE

“

Sounds good. Thanks Gregg”

Bond Counsels

BOND COUNSELS ARE LAWYERS WHO:

- Produce the myriad of legal documents needed to make the deal;
- Opine on IRS regulatory compliance;
- Give legal opinions on the validity and security of a bond;
- Estimate to what extent interest from bonds is exempt from taxes.

Typically bond counsels will represent the issuer. However, in our experience, representation is not always clear-cut. In the Ridge Breeze case study, attorney Lynda Templen, of the national law firm Husch Blackwell, represented herself as working for an underwriter.

Templen was bond counsel in both the Coleman Ponderosa and WI RNG Hub North cases.

However, during a 2024 Marathon County committee hearing, she was working for a developer.

Whatever the details of representation, Templen appears to be a driving force for the process, setting up meetings with county and town chairs and testifying before town boards when needed to keep things moving. Known as "The Bond Queen of Wisconsin," Templen specializes in helping private companies fill their "equity gap" with public financing.

Bond Underwriters

These players serve as brokers between issuers like WEDC or PFA and investors looking to purchase bonds. Under these globally financed plans, the underwriter could be based anywhere. In both PFA case studies, Jason Grubbs from Alabama-based Frazer Lanier serves as underwriter. In July 2025, Grubbs was actively working to land a \$30 million bond for Riverview Dairy's expansion in North Dakota. Baird is a global financial company started in Wisconsin.

BOND COUNSEL PLAYERS

LYNDA TEMPLEN, HUSCH BLACKWELL

BOND UNDERWRITERS PLAYERS

JASON GRUBBS, FRANZER LANIER STAFF NOT IDENTIFIED, BAIRD

Developers

You are very likely to see developers roll into your community during the early stages of a project. They play a major role in building, operating, and sometimes even owning the anaerobic digesters that produce factory farm gas. Their business plans rely on seeking and obtaining any public funding opportunities available, including tax-exempt bond financing.

Until recently, developers would typically obtain the support of local governments by extolling the alleged environmental virtues of their plan to convert the millions of gallons of liquid waste into an income stream. This focus on environmental benefits is [morphing under the Trump administration](#) into language about meeting America's growing energy demands while creating jobs and supporting farming communities.

Developers generally will not disclose their global connections or who exactly is benefiting financially from the project.

THERE ARE A NUMBER OF LARGE DEVELOPERS FOCUSED ON WISCONSIN →

1

[Brightmark](#) operates 22 dairy digesters across the country. This includes two digesters in Wisconsin, including one that was developed in partnership with Chevron.

2

[Northern Biogas](#) designs and constructs projects. They also own and operate facilities. Their particular focus is on livestock manure and gas coming from landfills.

3

Progressive Energy is the New Orleans-based company behind our WI RNG North Hub case study. They defaulted on payments for their \$41.6 million bond deal in June 2025. Progressive is the developer for at [least three other projects](#) in Chippewa, Kewaunee, and Marathon counties. CEO Nick Cioll frequently works with Lynda Templen.

4

Vanguard Renewables builds and operates on-farm digesters with an emphasis on co-digesters that [process food waste as well as manure](#). Backed by BlackRock, the world's largest financial company, Vanguard also has a joint venture with [TotalEnergies](#). While most of their projects are in New England, they are working to expand across the Midwest, including in Wisconsin.

Academic & Government Experts

In some communities, developers bring in academic and government experts to present information on factory farm gas. [University of Wisconsin-Oshkosh](#) has an active factory farm gas program. Professor Brian Langolf speaks as an expert at local hearings and is a board member of the [American Biogas Council](#), the industry's promotional and lobbying arm. These researchers generally speak to technical issues. Do not look for them to address the financial system driving consolidation or other negative consequences.

However, there are scientists and academics documenting these concerns. For example, recent papers by the [Union of Concerned Scientists](#) and [Stanford University and Harvard Law School](#) analyze the way in which government programs drive factory farm expansions.

The U.S. Environmental Protection Agency (EPA) does online promotion of [Project Planning and Financing Farm Gas](#). It includes an in-depth list of potential government tax credit and subsidy programs. [WEDC touts](#) the projects they've approved. As such, both of these government agencies appear to support developers.

THESE EXPERTS DO NOT ADDRESS THE FINANCIAL SYSTEM DRIVING DAIRY CONSOLIDATION OR THE NEGATIVE COMMUNITY CONSEQUENCES.



Construction & Equipment Companies

With such a large amount of money in play for these big projects, construction and equipment companies can be big winners. You're not likely to see these executives and salespeople in your community. You can find them proudly showcasing their projects online. It's not always clear what part of these huge expansions are being built by which companies. However, two major construction companies are big players — P&E Solutions and Bayland Building.

[P&E Solutions](#), based in Wichita, Kansas, did at least \$37 million worth of work for WI RNG Hub North. That project was financed by WEDC with the towns of Gillett and Green Bay acting as conduits. WI RNG Hub North defaulted on a \$41.6 million bond in [June 2025](#). See [The Game](#) section for more details on [WI RNG Hub North](#).

[Bayland Buildings](#), based in Green Bay, Wisconsin, is used widely to build mega-dairies.

BIG WINNERS AT WORK

Ridge Breeze's 11.5-acre, Pierce County mega-dairy barn is bigger than an Amazon distribution center. Cement contractors are building a 25-foot-deep waste pit covering 5.5 football fields or 7.3 acres. This open pit will hold more than 44 million gallons of liquid waste from 6,500 cows.

They are moving ahead on Ridge Breeze's development in Pierce County even as the local community is [contesting their DNR permit](#). Bayland has also worked on massive expansions for [Coleman Ponderosa](#) in Marinette County and [Tinedale](#) in Brown County.

Once the walls are up, the technology and mechanical contractors start their work. Often these are local companies looking at very large jobs. For example, the site work proposed in the [Ridge Breeze bond application](#) is worth \$2 million. The mechanical contract for WI RNG Hub included installation of 13,000 feet of underground piping.



Credit: Wisconsin Conservation Voters

The Rules

Factory farms and factory farm gas systems are expensive to build and operate. Governmental rules built on false assumptions drive financial programs and tax breaks while stimulating market demand. Despite the extensive use of public financing, there is no attempt to design government rules to increase transparency, protect public health, or reduce the industry's environmental impacts.



THE INDUSTRY IS FINANCED VIA GOVERNMENT RULES WRITTEN BY AND FOR THE INDUSTRY.

Government Programs Bankroll Factory Farm Gas

The U.S. government provides a multitude of financial programs that undergird factory farms and factory farm gas. There are multiple U.S. Department of Agriculture (USDA) conservation programs that have been hijacked to support factory farm gas projects through grants, cost-share agreements, and low-interest or interest-free loans. These include [Environmental Quality Incentives Program](#), [Value Added Producer Grants](#), and the [Rural Energy for America Program \(REAP\)](#).

REAP in particular has provided a large amount of funding for Wisconsin projects over the last few years, primarily as part of the Inflation Reduction Act (IRA), which boosted conservation program funding.

Posing as an environmental solution, factory farm gas has fared well. [One analysis found](#) that since 2012, REAP has provided more funding for factory farm gas in Wisconsin than every solar project combined.

EPA's [AGSTAR GUIDEBOOK](#) CAREFULLY LAYS OUT ALL GOVERNMENT PROGRAMS FACTORY FARM GAS DEVELOPERS CAN USE TO BECOME ECONOMICALLY VIABLE.

USDA encourages applicants to "stack" these programs, allowing factory farms to receive nearly the [full cost of installing a digester to make gas](#). The U.S. Environmental Protection Agency's (EPA) [Agstar guidebook](#) carefully lays out all the government programs factory farm gas developers can use to become economically viable.

[SRWN joined 33 groups](#) nationwide in a [January 2026 petition to USDA](#) calling for a end to subsidies for expensive factory farm gas projects that reward consolidation of the livestock industry.

[USDA paused all actions](#) on loan note guarantees for 90 days in January 2026 while they investigate the 27% delinquency rate for factory farm gas digesters under the program. Concerns include elevated rates of project underperformance, loan delinquency, operational failures, and underwriting guidelines.



Some states also provide funding. For example, Minnesota has a [loan program](#) that provides up to \$250,000 in no-interest loans to help finance factory farm gas projects.

There are similar programs in other states, including [Maryland](#), [California](#), and [Massachusetts](#).

Wisconsin does not have such a loan program. However, there have been multiple unsuccessful attempts to provide state funding for the industry.



Agricultural banks are another way factory farms leverage federal government programs. Developers combine bank loans with direct subsidies and incentives to make a proposal pencil out. Farm Credit Associations such as [Compeer Financial](#), [GreenStone](#), and [Agri-bank](#) are member-owned cooperatives funded by Wall Street, not the federal government. Their lending practices play a big role in promoting Wisconsin factory farm expansions and factory farm gas. Greenstone helped finance the expansion documented in our [Coleman Ponderosa](#) case study. Ridge Breeze's [application for an \\$18 million bond](#) builds on Agri-Bank providing a letter of credit.

[Rural Business Investment Companies](#) fill another niche for this industry. Licensed by the USDA, these for-profit investor groups are required to have a minimum of 50% of their projects in rural areas. While their portfolios vary, [a number focus](#) on agribusiness industries.

DEVELOPERS COMBINE BANK LOANS WITH DIRECT SUBSIDIES AND INCENTIVES TO MAKE A PROPOSAL PENCIL OUT.

Tax-Exempt Bonds Fuel Private Investment

Incentives for private investment into factory farms and gas production are built into the U.S. tax code. Under federal laws, individual and institutional investors buy tax-exempt bonds and the proceeds from the sale are lent to private companies at very good interest rates. Interest paid to investors is exempt from federal income tax and, in some states, state income tax.

These tax-exempt bonds are issued by a local government in partnership with the Wisconsin Economic Development Corporation or directly by the Public Finance Authority.

To qualify for tax-exempt status, the bonds must finance a project for the public good. Congress has defined liquid waste from factory farms as **solid waste** — AKA garbage. Managing solid waste is defined as a public good. That makes managing liquid waste from private factory farms a public good worthy of a tax break under the **U.S. IRS tax code** and interest paid to the bondholder for the loan to the developer is not taxed.

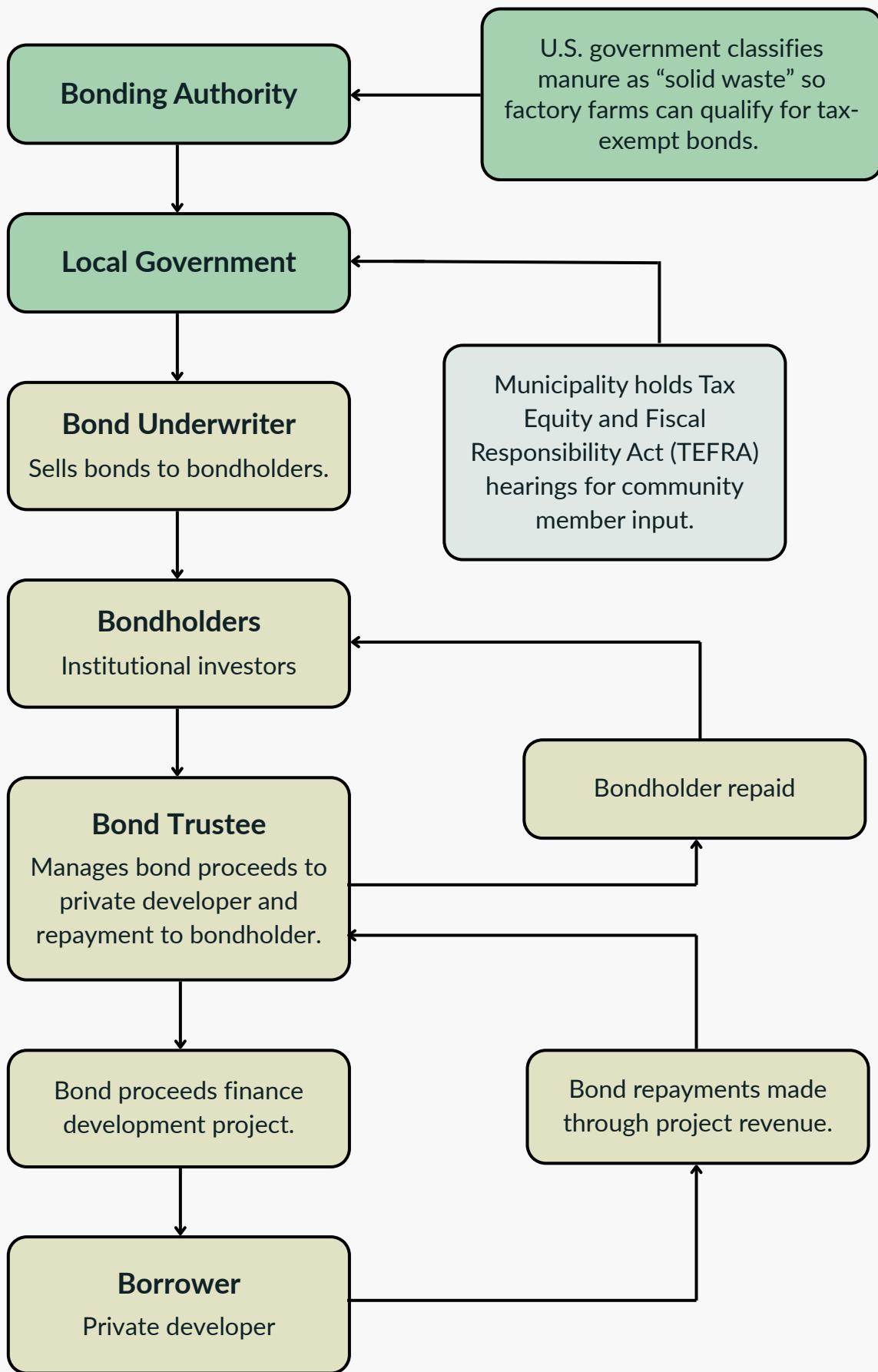
This means a developer pays up to 2% lower interest on the loan. For a \$20 million loan, that means annual savings starting at \$400,000.

There is a large global market for tax-exempt bonds. This market attracts individuals as well as banks, pension funds, and investment firms that market the bonds to investors. For example, bonds issued in the WI RNG Hub North case were sold to **Nuveen**, a subsidiary of the huge investment firm **TIAA**.

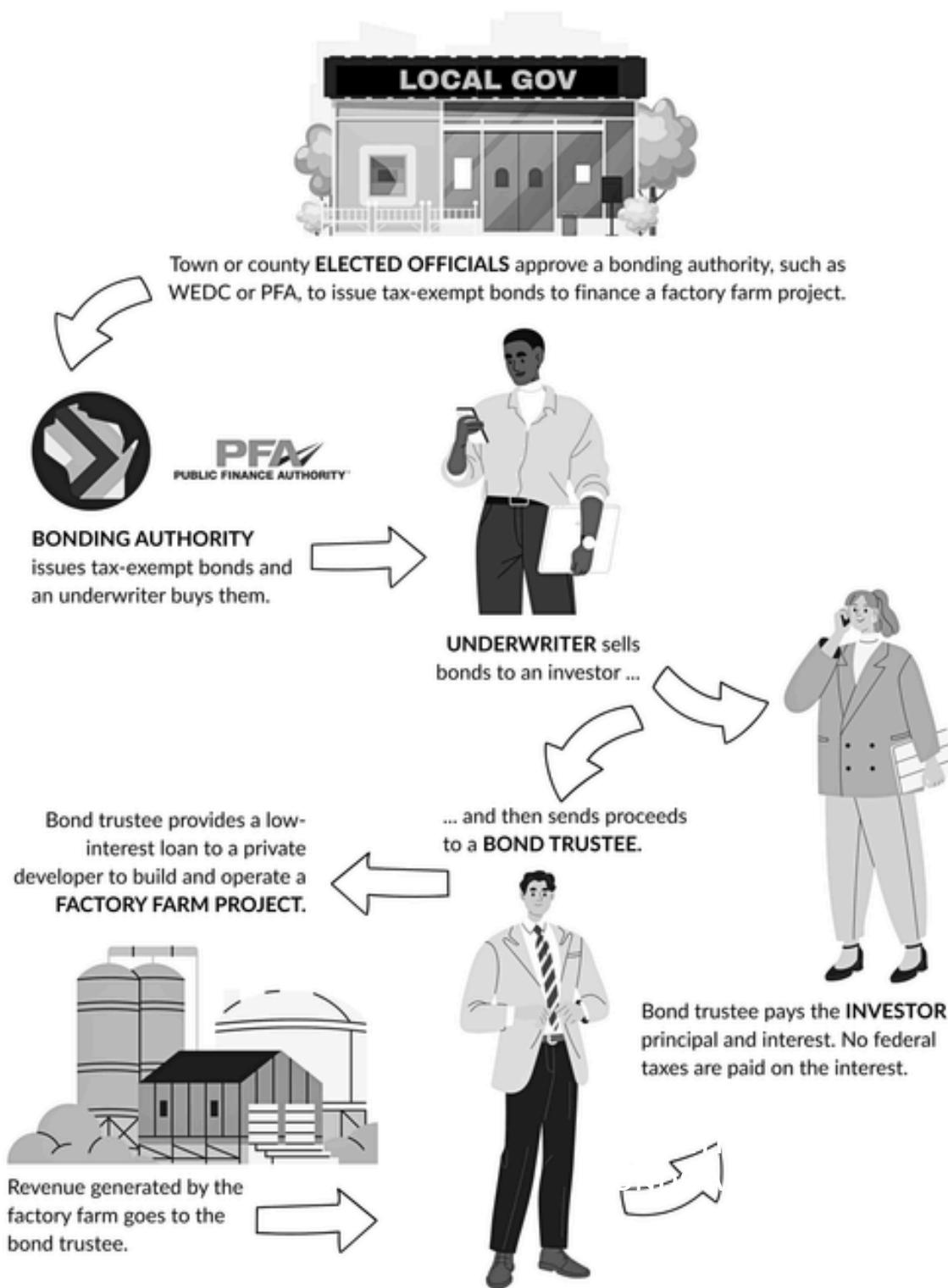
Interest rates on these bonds are typically negotiated between the bond issuer and the purchaser. **A number of considerations** go into negotiations including the credit worthiness of the borrower, how many years the bond runs, and market conditions.

Ultimately, tax-exempt bonds are another subsidy for the industrial livestock industry. A factory farm gets cheaper capital than it would from a traditional loan or taxable bond, all under the guise of public good.

ULTIMATELY, TAX-EXEMPT BONDS ARE ANOTHER SUBSIDY FOR THE INDUSTRIAL LIVESTOCK INDUSTRY.



TAX-EXEMPT BOND FINANCING 101



Driving Demand for Factory Farm Gas

Two types of government initiatives are designed to drive demand for factory farm gas: *credit trading programs* and *tax credits*. These types of initiatives are operated at both the federal and state levels. This further encourages consolidation of livestock production with development of factory farms and factory farm gas.

Credit Trading Programs

The Renewable Fuel Standard (RFS) is a federal policy mandating that a certain volume of renewable fuels is mixed with fossil fuels. This creates a guaranteed market. Renewable fuel producers create Renewable Identification Number (RIN) credits, which they sell to fossil fuel companies that use them to comply with their RFS requirements. Factory farm gas is eligible for RIN credits.

CALIFORNIA ALLOWS FACTORY FARMS IN AND OUTSIDE THE STATE TO EARN THESE LUCRATIVE CREDITS BY PRODUCING FACTORY FARM GAS.

California's Low Carbon Fuel Standard (LCFS) is also a primary driver of demand for factory farm gas nationwide. LCFS was created to reduce the amount of greenhouse gases, like carbon and methane, put into the atmosphere by transportation fuel. California scores fuels based on formulas for the amount of carbon generated. Fuels with low scores receive credits, those with high scores receive deficits. Fuel providers can buy credits to "offset" their carbon deficits.

The score set for factory farm gas is very low based on deeply flawed assumptions. Factory farm gas scores even better than fuels derived from truly clean and renewable sources of energy.

California allows factory farms in and outside the state to earn these lucrative credits by producing factory farm gas. In fact, income from selling the credits far outweighs any income from selling the gas.



One recent [University of Wisconsin-Madison study](#) found that nearly 95 percent of dairy revenue came from RIN and LCFS credits instead of sales of the gas. A Wisconsin mega-dairy estimates that gas from [each cow is worth \\$1,360](#) a year. Of that, only \$100 comes from selling gas.

MORE COWS MEAN MORE GOVERNMENT SUBSIDIES FOR PRIVATELY OWNED MEGA-DAIRIES.

A. Hoffman et al.

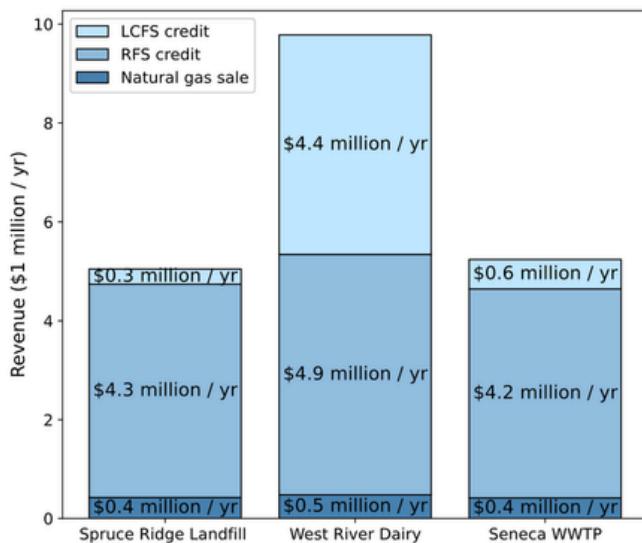


Fig. 7. Annual revenue streams of example MN RNG production projects. Each project would produce 710–780 m³/h of biogas and utilize pipeline transmission.

WHERE THE MONEY IS MADE

- 1 milk cow = approximately 20 MMBtu per year
 - Physical (brown) gas = \$5/MMBtu * 20 = \$100
 - RIN (federal) credit = \$2.50/RIN = \$29/MMBtu * 20 = \$580
 - LCFS (California) credit = 4 MT/cow * \$170/MT = \$680
 - Total RNG value/cow/year = \$1360
- That does not mean farmer gets \$1360/cow!
 - Every step in the value chain (contractual pathway) takes a cut
 - Producer > Gas Marketer > CNG Fueling Station > RNG Credit Broker
 - Farmer share will depend on level of project participation
 - Project owner (Producer) will get lions share



A COMPLEX “VALUE CHAIN”
SHARES THE SUBSIDY BOUNTY.

These distorted incentives mean that creating more manure from more cows makes economic sense. This drives more consolidation and increasing herd sizes with **severe impacts on local communities.**

Moreover, smaller and more sustainable farms cannot convert their beneficial practices into revenue through these programs. Perversely, this **creates a competitive advantage** for massive livestock operations.

Despite **documented concerns**, several other states are following California's lead in developing their own low carbon fuel standards that have lavish incentives for factory farm gas. These include **New Mexico**, **Oregon**, and **Washington**.

Like California's LCFS credits, **California's Compliance Offset Program** is also available to Wisconsin factory farm gas developers. Gas producers earn carbon credits and sell them on an open market. Industries that are regulated can buy the credits instead of cutting their air pollution. Factory farms have little regulation of air pollution, which is why they can sell credits rather than be required to purchase them or reduce their air pollution.

**THESE DISTORTED INCENTIVES
MEAN THAT CREATING MORE
MANURE FROM MORE COWS
MAKES ECONOMIC SENSE.**

While this program has not had as large an impact as LCFS, it provides another incentive to expand herds and build huge waste lagoons in order to generate additional income from subsidies.

Wisconsin's Renewable Portfolio Standard (RPS) further drives development of factory farm gas. This state program requires utilities to offer customers a minimum share of electricity from renewable sources such as solar, wind, and geothermal. Factory farm gas used to create electricity is classified as a renewable source and earns credits that utilities buy from the gas producers.





Stroke of a Pen!

Where the Money's Made

Total Gas Value/Cow/Year = \$1,360
1 milk cow = 20 MMBtu gas per year

Gas Sale
 $\$5/\text{MMBtu} \times 20 \text{ MMBtu} = \100

Federal Credit
 $\$29/\text{MMBtu} \times 20 \text{ MMBtu} = \580

California Credit
 $4 \text{ MT/cow} \times \$170/\text{MT} = \$680$

Source: Pagel Ponderosa

1

Factory farms that build manure digesters and collect methane can qualify for loans based on publicly financed, tax-exempt bonds. This took some doing. But with the stroke of a pen, Congress defined liquid waste from factory farms as solid waste – AKA garbage. Under IRS code, privately owned facilities handling “solid waste” can be financed with tax-exempt bonds. These bonds are sold to investors and that money is loaned to develop new facilities.

2

In addition to getting cheap loans, factory farms make money with credits from California and the federal government for capturing and refining the methane gas coming off giant pools of waste. These credits are then sold to oil companies and others that use them to offset greenhouse gas emissions, so they don't have to scale back toxic operations.

One Wisconsin mega-dairy estimates that each cow can generate enough liquid waste to earn credits from California and the federal government totaling \$1,360 annually. That could mean \$13.6 million a year for 10,000 cows. Exactly who makes how much money depends on how the deal is set up, but more cows mean more moolah.

Tax Credits

Numerous incentives throughout the U.S. tax code support renewable energy production, which, by definition, includes factory farm gas. Tax bills passed during the Biden era included incentives such as the [45Y Clean Energy Production Tax Credit](#) and the [48E Clean Electricity Investment Tax Credit](#). The [45Z Clean Fuels Production Credit](#) was a particular win for factory farm gas producers because, like California's LCFS, the credit values are based on flawed assumptions.

Incentives for rural wind and solar projects took a big hit under Trump's 2025 tax bill. However, the [industrial livestock industry fared well](#). For example, valuable 45Z tax incentives were extended through 2029 and flawed formulas for credits were continued.

Wisconsin also offers tax incentives to support factory farm gas by giving a tax exemption for the [cost of constructing and operating projects](#).

In addition, there is a [state sales tax exemption](#) for factory farm gas sold as fuel.

The Wisconsin Economic Development Corporation provides tax credits through its [Qualified New Business Venture \(QNBV\)](#) program. New businesses apply for certification and when an entity invests, it is eligible to receive a tax credit equal to 25% of the equity invested. [Qualified ventures include agriculture](#) as well as clean energy creation, making factory farm gas made from anaerobic digesters a viable opportunity for investors. Our WI RNG Hub North case study documents the \$3 million in QNBV credits awarded to Progressive EnergyCo LLC.

Unsurprisingly, this windfall of federal and state support for factory farm gas has increased the number of projects across the country. According to the [American Biogas Council](#), biogas from dairy manure has increased by 130% since 2020. Many Wisconsin communities will likely be targeted for more of this industrial development as our state has the highest potential for new factory farm gas projects.

MANY WISCONSIN COMMUNITIES WILL LIKELY BE TARGETED FOR MORE OF THIS INDUSTRIAL DEVELOPMENT AS OUR STATE HAS THE HIGHEST POTENTIAL FOR NEW FACTORY FARM GAS PROJECTS.

The Game

With a basic understanding of [The Rules](#), it's now time to see how the game is played. There are concrete options for public participation and specific steps you can take when faced with this globally financed industry barreling into your community. These include:

- Opportunities to Stop Bond Deals
- Steps to Take if You Catch Wind of a Deal
- How to Win a Referendum
- Steps to Take if a Developer Tries to Use PFA

Information gleaned from a review of more than 1,200 pages of public documents makes it clear that some of the players involved want this complex game to be run as opaquely and quietly as possible.

Three case studies document how global, national, and local companies leverage public financing and subsidies to further consolidate Wisconsin's livestock industry. ***More importantly, you'll see how people like you can have an impact.***



THREE CASE STUDIES

[Ridge Breeze Dairy](#) – Town of Salem, Pierce County

[Coleman Ponderosa](#) – Town of Pound, Marinette County

[WI RNG Hub](#) – Town of Gillett, Oconto County

Opportunities to Stop Bond Deals

Federal and state laws require public participation if your county or town wants to issue bonds through WEDC or approve of PFA being the conduit for a bond deal. Developers have three options when wrangling for a bond. **YOU ALSO HAVE OPTIONS!**

It is imperative that you start contacting your town and county chairs and developing [a petition](#) as soon as you hear any word of a livestock factory potentially targeting your community for development.



IS YOUR TOWN LOOKING TO ISSUE BONDS THROUGH WEDC?

1

You only need 5% of the registered electors in your town to sign a petition to trigger a referendum. Some Wisconsin towns approached by developers have as few as 400 people and would only need 20 signatures! Oftentimes, a developer will pull out rather than go through a referendum.

IS YOUR COUNTY LOOKING TO ISSUE BONDS THROUGH WEDC?

2

Have 5% of your county sign a petition to trigger a referendum on the developer's plans. While this involves more than it does in a town, the petition process also serves as an excellent way to educate and involve people.

IS THE DEVELOPER LOOKING TO HAVE PFA BE THE FINANCIAL CONDUIT?

3

Work with your town and county chair early and often. A developer only needs to convince one person in your county and town to approve PFA as the conduit. That person is the chair or administrator. A hearing is required, but cannot derail a deal even if there is a very large crowd objecting. However, the chair can require the full board to vote or turn down approval.

Steps to Take if You Catch Wind of a Deal

1

Alert elected officials in both the county and town of the possible attempt to use their authority to act as conduits for public financing.

2

Locate the sites or news sources where your county and town publish public notices and monitor them religiously. Expect a notice to be published only once.

3

Request public information under [Wisconsin Public Records Law](#) from your county, town, WEDC or PFA.

4

Request the *full county and town boards* approve of any decisions with an open and transparent hearing and comment process. Request public committee hearings.

5

Review Corporate Governance Policies for any participating players and contact the companies about infractions.

6

Alert local, state, and national media of the proposed deal and local resistance. Find help through [Sustain Rural Wisconsin Network](#).

How to Win a Referendum if Your County or Town Tries to Issue a Bond

1

Attend board meetings and track public notice of a county or town's Initial Resolution Regarding Solid Waste Disposal Revenue Bond Financing. This publication starts a countdown to the 30-day deadline for filing a petition for referendum.

2

Request committee hearings in planning, environment, or land conservation committees that cover all the details of the livestock factory such as public subsidies, foreign investors, and past permit violations.

3

Obtain [a petition form](#) from your town or village clerk and the number of signatures needed to meet the 5% of the elector population requirement. To protect the privacy of petitioners while collecting signatures, use multiple copies of the form and allow petitioners to sign separate forms. Signed forms become public record. Some residents may be wary of taking a public stance against the developer. However, they may see signing the petition as a way to get more information.

4

While you circulate the petition, confirm that each signer is a qualified elector in your town or village. Closely monitor that all boxes are completed. The clerk will discard signature counts for non-qualified persons and incomplete data. Obtain extra signatures assuming some will be discarded.

How to Win a Referendum if Your County or Town Tries to Issue a Bond

5

Campaign in your community asking people to Vote No on public financing for privately owned livestock operations.

6

Expect the developer may pull their bond request from the town or village and move on to using PFA as a conduit instead.

WHILE YOU CIRCULATE THE PETITION, CONFIRM THAT EACH SIGNER IS A QUALIFIED ELECTOR IN YOUR TOWN OR VILLAGE.



Steps to Take if Developer Tries to Use Public Finance Authority (PFA)



1

Request that the *full county and town boards* approve of any decisions with an open and transparent hearing and comment process.

2

Request committee hearings in planning, environment, or land conservation committees.

3

If your county or town chairs secretly sign off, propose a full board resolution calling for them to withdraw approval.

4

Attend local hearings to put public opposition on the record.

5

If your county and town approve of PFA being the conduit, you have 30 days to challenge the validity of the bond in circuit court under [Wisconsin Statute 66.0304 11\(c\)](#).

6

If your county and town sign off, circulate a petition asking the PFA and underwriter to reject the deal. Alert local, state, and national media of the petition. Here are two examples:

[RIDGE BREEZE PETITION](#)

[PFA EXITS CONTROVERSIAL ALABAMA PRISON](#)

\$18 Million Mega-Dairy Bond Deal Waylaid

High on the bluffs above the scenic Mississippi River on Wisconsin's western border, tiny towns are resisting mega-dairy development. These towns are the latest target of Corporate Ag's drive into western Wisconsin. Their resistance helps map out the choke points in the vast global financial system driving consolidation in the livestock industry.



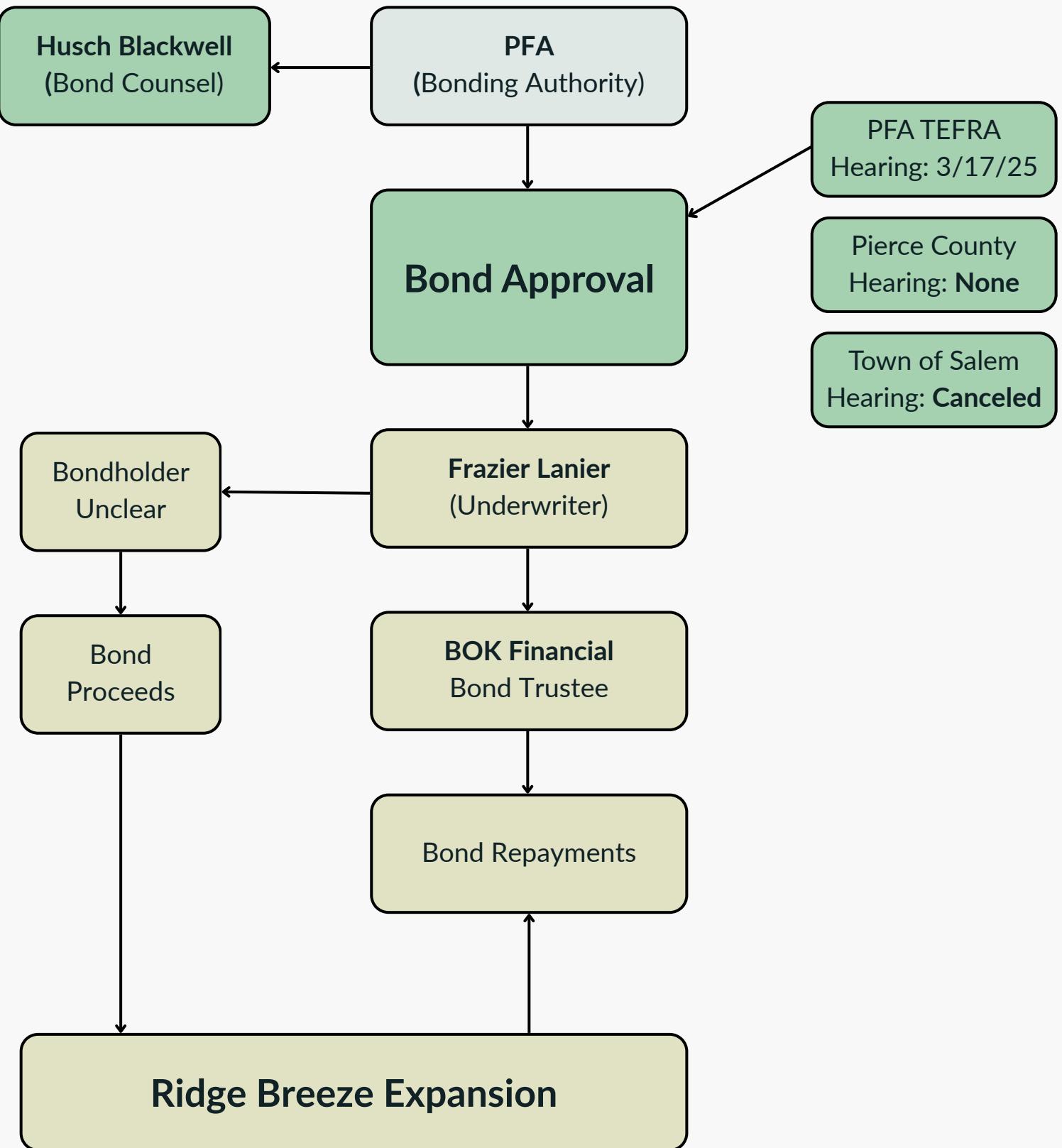
RIDGE BREEZE CASE STUDY

Town of Salem

Pierce County

\$18 million for a \$35 million project

Status: Public Finance Authority (PFA) not moving forward



Pierce County's [Town of Salem](#), population 475, is the bull's eye of a proposal by [Breeze Dairy Group](#) to more than triple the size of the Ridge Breeze Dairy. The numbers are jaw-dropping. If permitted, Appleton-based Breeze will build a 1,020-foot-long factory filled with up to 7,800 cows producing an estimated 88 million gallons of raw feces, urine, and wash water every year.

Waste would be dumped on 7,300 acres covering more than 250 fields in three counties and more than 15 towns. Local country roads would be pummeled each year by convoys of rumbling trucks carrying an estimated 12,000 loads of manure to distant fields.

On July 11, 2024, more than 250 people attended a public hearing to oppose permitting this expansion. Just six days later, Pierce County Board Chair Jon Aubart and Administrative Coordinator Jason Matthys began six months of private negotiations to facilitate \$18 million in financing for the expansion through the [Public Finance Authority \(PFA\)](#).

IF PERMITTED, APPLETON-BASED BREEZE DAIRY GROUP WILL BUILD A FACTORY COVERING 11.5 ACRES AND FILLED WITH UP TO 7,800 COWS.

With Aubart's approval secured in [January 2025](#), Breeze met an unexpected roadblock in [March 2025](#). Salem residents pushed back and the town board chair canceled a public hearing that Breeze needed to close the deal.

In April 2025, Ridge Breeze CEO Gregg Wolf claimed he would withdraw their application to PFA for financing but took no public action. In response, the community collected more than 200 names requesting PFA and Frazer Lanier reject the application.

PFA began conversations with SRWN members and *decided not to move forward* on the Ridge Breeze project in September 2025.



Credit: Wisconsin Conservation Voters

Regardless of Ridge Breeze's claims that they would withdraw their application to PFA, Pierce County communities continued working to stop the financing using many of the [Steps to Take if Developer Tries to Use PFA](#).

Their efforts ended with PFA deciding not to move forward on the project.

SUCCESSFUL STEPS PIERCE COUNTY COMMUNITIES TOOK →



1

Alerted town officials and citizens of Ridge Breeze's plan to get the town's approval for a deal through PFA.

2

Alerted local, state, and national media of the deal and local resistance.

3

Requested public information under [Wisconsin Public Records Law](#) from their county, town, and PFA.

4

Requested that the Pierce County chair withdraw approval.

5

Collected 200+ signatures from elected officials and local citizens requesting that PFA and the underwriter, Frazer Lanier, reject the deal.

6

Met with PFA representative to discuss concerns about the process used by Ridge Breeze and Pierce County chair to win approval.



Community Background

Pierce County lies on Wisconsin's West Coast overlooking the Mississippi River's naturally occurring Lake Pepin. Many bill it the "Sunset Capital of Wisconsin." Rush River and other smaller creeks provide Class 1 trout habitat.

As part of the state's driftless ecosystem, much of the county has permeable karst geography that makes drinking water especially vulnerable. Small towns and a variety of agriculture – from commodity growers to family-owned dairies and Pick Your Own fruit producers – dot the landscape.



In the last 20 years, three family-owned dairies moved their cows inside year-round and grew large enough to require state permits as Concentrated Animal Feeding Operations (CAFOs).

In 2022, one of these operations sold out to the [Breeze Dairy Group](#). The company owns four other factory farms. The existing permit came with the sale and made it possible for Breeze to bypass the process for a new permit and, instead, apply for an expansion. Mega-dairies like the facility Ridge Breeze wants to build are common in Eastern Wisconsin. This would be the first for the sunset side of the state.

Local opposition to the expansion has taken many forms. Citizens combed through a draft permit issued for the expansion by the Wisconsin Department of Natural Resources (DNR), identifying a multitude of problems.

More than 250 attended a July 2024 hearing on the permit. Only one person, a paid industry lobbyist, spoke in support of Breeze. When DNR went ahead with the permit, local citizens took [legal action in April 2025](#). That legal process will probably take until Spring 2026.

MEGA-DAIRIES LIKE THE FACILITY RIDGE BREEZE WANTS TO BUILD ARE COMMON IN EASTERN WISCONSIN. IT WOULD BE THE FIRST FOR THE SUNSET SIDE OF THE STATE.

In addition to fighting Ridge Breeze's permit, many Pierce County towns have passed, or are in the process of studying, local Operations Ordinances. Based on Wisconsin's long support for town powers, these ordinances address community concerns unregulated by the state about manure, air pollution, road damage, fire risk, farm gas by-products, and carcass disposal.

Four national and state-level players that are actively pursuing deals in other towns were also in on Ridge Breeze's attempted \$18 million finance deal. In addition, five county and town people played key roles.

Ridge Breeze Players

1

Lynda Templen
Bond Counsel, Husch Blackwell

2

Jason Grubbs
Underwriter, Frazer Lanier

3

Mike LaPierre
Public Finance Authority Manager,
GPM Municipal Advisors

4

Michael Chandler
Vice President and Relationship
Manager, BOK Financial

5

Jon Aubart, Chair
Pierce County

6

Jason Matthys, Administrator
Pierce County

7

Brad Lawrence
Pierce County Corporation
Counsel

8

Rod Webb
Pierce County Land
Conservation Director

9

Brent Halverson, Chair
Town of Salem

10

Gregg Wolf
Breeze Dairy Group CEO



Too Hot, Too Cold – Just Right!

Bond Counsel, Lynda Templen, is very clear in her [August 5, 2024 email](#) to Pierce County officials why PFA is the best route for Pierce County Chair Jon Aubart to save Ridge Breeze "a great deal of angst."

HERE'S A SUMMARY OF TEMPLEN'S EMAILS →

Your community may face similar tactics used by attorneys, underwriters or developers. You can be effective by following "[Steps to Take if Developer Tries to use PFA.](#)"

Credit: Wisconsin Conservation Voters



TOWN OF SALEM SERVING AS FINANCIAL CONDUIT IS NOT RECOMMENDED

1

Because a petition signed by 20 people in the Town of Salem could trigger a referendum and Ridge Breeze would pull the request.

PIERCE COUNTY SERVING AS FINANCIAL CONDUIT IS NOT RECOMMENDED

2

Because a petition signed by 5% of Pierce County electors would trigger a referendum and could cause "a great deal of angst."

PFA SERVING AS FINANCIAL CONDUIT IS RECOMMENDED

3

Because PFA requires only approval by County and Town chairs and one hearing and "even a large group attending and objecting would not derail" a PFA transaction.

Timeline of Events

This timeline was developed using the following public information:

- [Emails from Pierce County](#) related to Ridge Breeze's efforts to finance through PFA;
- Documents from PFA related to Ridge Breeze's efforts to finance through PFA;
- Emails from PFA related to Ridge Breeze's efforts to finance through PFA;
- Local and state media coverage.

Credit: Wisconsin Conservation Voters



JULY 11, 2024

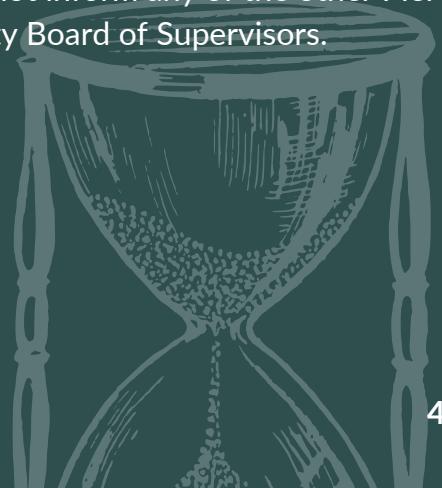
More than 250 people attend a public hearing by the Wisconsin Department of Natural Resources (DNR) to oppose Ridge Breeze Dairy's expansion.

JULY 17, 2024

Templen begins email communication with Aubart, asking that the county benefit Ridge Breeze by serving as a conduit for a tax-exempt bond sale by PFA for "about \$10 million" to finance the expansion in the Town of Salem at lower interest rates. Aubart informs Matthys of Templen's request via email. He does not inform any of the Pierce County Board of Supervisors.

JULY 29-31, 2024

After meeting with Aubart "to discuss the matter," Matthys requests a meeting with Templen to include Lawrence. Matthys informs Lawrence and Webb of the request and a conference call is planned for August 2, 2024. Matthys does not inform any of the other Pierce County Board of Supervisors.



AUGUST 5, 2024

[Templen follows up](#) with Aubart, Matthys, Lawrence, and Webb after the August 2 conference. She clarifies “the desire of Ridge Breeze to use tax-exempt bonds for a portion of the Dairy's proposed expansion and clarify what we are asking of the County and the Town.” Templen also guides them through the three options available to gain approval for the bond sale.

SEPTEMBER 11, 2024

Aubart and Matthys certify their [approvals of Ridge Breeze getting a \\$12 million bond](#) through PFA to finance a loan. They do not inform the Pierce County Board of Supervisors or provide public notice.

SEPTEMBER 16-18, 2024

Ridge Breeze Dairy applies for an [\\$18 million bond sale. PFA board takes official action](#) to issue bonds with proceeds from the bonds to be loaned to Ridge Breeze.

NOVEMBER 14, 2024

Twenty people invited by Grubbs to a November 21 conference call for “The Ridge Breeze Project.”

DECEMBER 5, 2024

Templen's paralegal sends ten documents for the Public Finance Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds, Series 2025 (Ridge Breeze Dairy LLC Project).

JANUARY 9, 2025

Chandler sends IRS documents “to prepare for the upcoming closing in February.”

JANUARY 23, 2025

Aubart and Matthys [increase their approvals to \\$18 million](#) to include \$360,000 in fees to bankers and lawyers from Alabama, Missouri, Minnesota, and Milwaukee. They do not inform any Pierce County Board of Supervisors or provide public notice.

MARCH 11-17, 2025

Local community members present information on Ridge Breeze's bond deal to the Town of Salem Planning Commission. Salem chair cancels public hearing for the PFA financing. Public hearing required under the federal TEFRA law held in Madison. Notice is put in the Milwaukee Journal Sentinel but no local papers.

APRIL 15, 2025

Salem residents propose a resolution at annual town meeting asking the board to "[Take No Action on \\$18 million Bond Sale.](#)" Wolf claims he will withdraw the PFA application at the [Salem Town Board meeting.](#)

APRIL 23, 2025

PFA General Counsel Andy Phillips has "not heard anything" about withdrawal.

MAY 2, 2025

Aubart meets with citizens asking him to reverse approval. Aubart refuses.

MAY 29, 2025

Local citizens [circulate a petition](#) requesting PFA and Frazer Lanier to reject the Ridge Breeze application for \$18 million.

SEPTEMBER 2025

GREAT NEWS!
PFA begins conversations with SRWN members to address community issues. PFA decides not to move forward on the Ridge Breeze project.

Who Benefits?

As documented in Ridge Breeze's application to PFA for a \$18 million bond sale the purpose of the financing was to build solid waste processing facilities for expansion. There are no efforts made to detail public benefit but there is a brief budget. That budget and the economic impacts of the project are summarized in the following two tables.

PFA Application for Ridge Breeze Project

SEPTEMBER 16, 2024

Project description: Solid waste disposal facilities
associated with an expanding dairy farm

PFA bond and loan	\$18,000,000
Bank loan	\$17,000,000
Project funding total	\$35,000,000
Uses of Project Funding	
Construction	\$18,000,000
Equipment	\$14,140,000
Site work	\$2,000,000
Professional fees	\$360,000
Uses of Project Funding Total	\$35,000,000

Potential Economic Impacts of Public Financing for Ridge Breeze's \$18 Million Loan

Economic Impacts	Local Community	Outsiders
Road damage	10,000+ truckloads annually	None
Well pollution	Risk of nitrates, bacteria	None
Dropping property values	26% or more drop	None
Fire department	Risk to local firefighters and equipment	None
Profits from public subsidies and tax credits	None	Breeze Group, Appleton, Wisconsin
Fees from selling bonds, making loan	None	Alabama underwriters, California dealmakers, Milwaukee lawyers, Missouri bond trustees
Interest payments	None	Global and national investors
Tax-free income	None	Global and national investors
Construction and equipment	Noise and traffic from unpermitted commercial cement production	Green Bay construction company, unknown equipment companies

\$10 Million Work-Around to Public Opposition

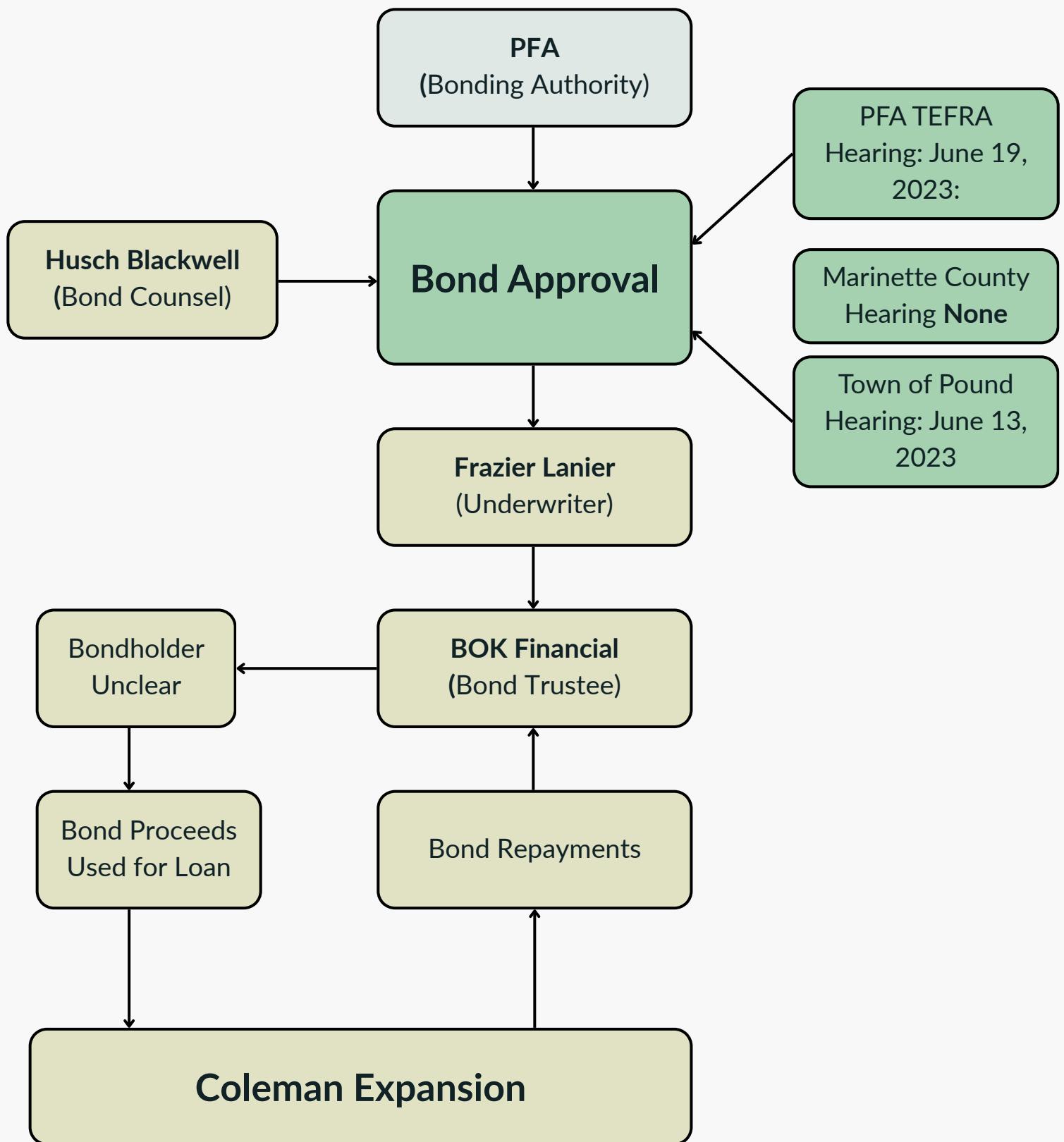
COUNTY CHAIR MAKES SURE IT CAN'T HAPPEN AGAIN

Far northeastern Wisconsin's Marinette County borders Michigan's Upper Peninsula and beautiful Lake Michigan. In 2023, Marinette's Town of Pound found itself at the center of a controversial proposal by Pagel Ponderosa — one of Wisconsin's most influential mega-dairy corporations with seven livestock operations and a cheese plant in several counties.



COLEMAN PONDEROSA CASE STUDY

Town of Pound
Marinette County
\$10 million for a \$23 million project
Public Finance Authority (PFA)
Status: Completed



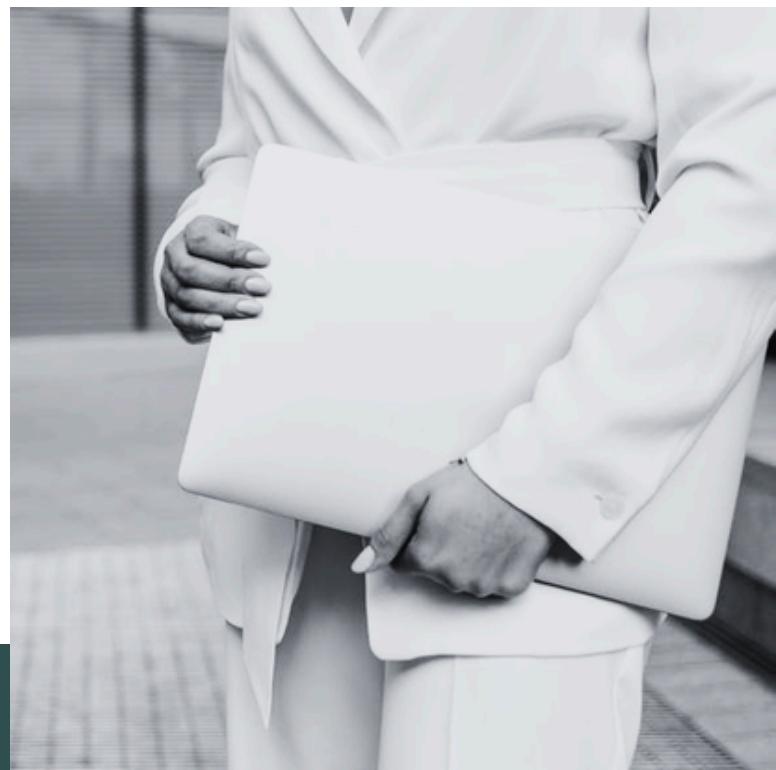
Lessons learned and action taken by the Marinette County Chair to make sure bond deals like this can't happen again provide an excellent example to Wisconsin communities facing similar scenarios.

Under Pagel's proposal, the Kewaunee County-based company would use the Town of Pound as a conduit for a \$14.5 million tax-free bond deal. Proceeds would be used to turn a former family-owned dairy with 684 cows into a 3,000-head mega-dairy with a methane biodigester. To top things off, Pagel would also use some of the money for their main operation, Dairy Dreams, some 70 miles away in Kewaunee County.

Pound residents sprang into action upon learning that their community was in the crosshairs of Pagel's expansion plans. Following the legal public process, they circulated a petition requesting a referendum vote be held. When the petition was submitted to the town board with the necessary number of signatures to trigger the referendum, Pagel moved to an alternative plan. In less than one month, they had a deal in the bag.

PAGEL PURPOSELY CIRCUMVENTED THE REFERENDUM PROCESS, AN IMPORTANT MECHANISM FOR PUBLIC INPUT.

Pagel pulled off the trick by purposely circumventing the referendum process, an important mechanism for public input outlined in Wisconsin Statute **66.0305(6)**. Instead of letting town residents vote for or against public financing, Pagel withdrew their application. Using an opaque workaround, they were able to use the **Public Finance Authority (PFA)**, instead of the Town of Pound, as the conduit issuer for what was now a \$10 million deal.



According to the [local newspaper](#), Pagel worked with three Marinette County officials — Chair John Guarisco, Administrator John LeFebvre, and Counsel Rebecca Lindner — to get county approval.

At the same time, Pagel worked with the supportive Town of Pound Board Chair Curt Tisler to set up a public hearing in the town. [During the hearing](#), Tisler and attorney [Lynda Templen](#) made it clear that no amount of public opposition could derail the deal. Just two people — County Chair Guarisco and Town of Pound Chair Tisler — got to decide.

Realizing how flawed the process was, Chair Guarisco went to work to change it. In just a few months, the [County Board unanimously voted](#) to require full board approval in the future for similar proposals.

The same players who pulled off Pagel's deal are using these same opaque tactics to further consolidate the industry. Wisconsin communities should follow Marinette County's lead and require a public process involving full board approval for future deals going through PFA.

Pound residents worked hard to navigate the process that Pagel purposely circumvented. Other communities can use some of those steps to get ahead of the process.

RESIDENTS USED SEVERAL OF THE STEPS YOU CAN TAKE, INCLUDING:

1

Attended town board meetings and tracked public notice of Pound's Initial Resolution Regarding Solid Waste Disposal Revenue Bond Financing.

2

Obtained signatures from 5% of the town's electors on a [petition](#) requesting a referendum. The petition was due within 30 days of Pound authorizing the bond deal in an [Initial Resolution](#).

3

Contacted state and national organizations with experience and expertise.

4

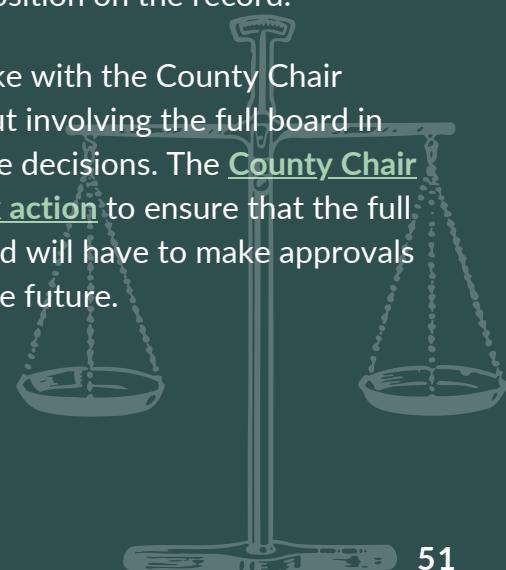
Alerted local media about public resistance.

5

Attended Town of Pound hearings to put public opposition on the record.

6

Spoke with the County Chair about involving the full board in these decisions. The [County Chair took action](#) to ensure that the full board will have to make approvals in the future.



Community Background

The Town of Pound is located some 40 miles north of Green Bay and has a population of about 1,400. Historically a family farming community, Pound also has several rivers and offers hunting and trout fishing.

When news got out that Pagel Ponderosa outbid locals at the Brye Farm auction in March 2022, the community took notice. Pagel is well-known in northeastern Wisconsin for both their mega-dairies, with nearly 13,000 cows, and their political influence. This would be their second operation in Pound as they already ran a 2,225-head heifer facility situated along the Peshtigo River.

[Pagel expanded their new acquisition to 3,000 cows](#) and expects to spread waste on 7,402 acres a year. They also have plans for further construction to produce and treat factory farm gas.

FOLLOW MARINETTE COUNTY'S LEAD

[In a Peshtigo Times](#) article about the June 13, 2025, Town of Pound public hearing where the board approved Pagel using PFA as a conduit, Marinette County Board Supervisor Glenn Broderick “asked if Marinette County also should have had a public hearing before Guarisco signed off and Templen said no, only the town was required to do that. He was concerned that Guarisco had signed without notifying him.”

No amount of public opposition could derail the deal because just two people – County Chair Guarisco and Pound Chair Tisler – had signed off.

However, [Chairman Guarisco made sure](#) that similar deals would have to get full county board approval in the future.

Your county can follow Marinette's lead.





Coleman Ponderosa Players

1

Lynda Templen
Bond and Underwriter Counsel, Husch Blackwell

2

Jason Grubbs
Underwriter, Frazer Lanier

3

Mike LaPierre
Public Finance Authority Manager, GPM Municipal Advisors

4

Michael Chandler
Vice President and Relationship Manager, BOK Financial

5

John Guarisco
Chair, Marinette County

6

Rebecca Lindner
County Corporation Counsel,
Marinette County

7

John LeFebvre
Administrator, Marinette
County

8

Curt Tisler
Chair, Town of Pound

9

John J. Pagel
President, Pagel Ponderosa



Timeline of Events

This timeline was developed using the following information:

- [Documents from PFA](#) related to Coleman Ponderosa's successful financing through PFA. [Here's a summary of the 719 pages of documents.](#)
- Local media coverage.



APRIL 11, 2023

Town of Pound Board unanimously passes [Resolution 2023-01](#) supporting \$14.5 million in solid waste disposal revenue bond financing for Coleman Ponderosa, in the Town of Pound and Dairy Dreams in the Town of Lincoln.

APRIL 19, 2023

Notice to Electors posted in Peshtigo Times by Jessica Olson, Town Clerk providing 30 days for the townspeople to petition for a referendum on the question of issuing the bonds.

MAY 9, 2023

Community resident attends the Town of Pound Board meeting and registers opposition to the bond financing resolution that was passed on April 11.

MAY 13–15, 2023

As allowed under Wisconsin law, the community circulates a petition calling for a referendum on whether the Town of Pound should act as the conduit for \$14.5 million in bonds.

MAY 17, 2023

Petition with 54 signatures filed with the town clerk calling for a referendum so people can vote on whether to have the town act as a conduit for a \$14.5 million bond for Coleman Ponderosa.

MAY 22-31, 2023

Coleman Ponderosa withdraws their request for the Town of Pound to do the bond deal. Templen announces in an email to the Town of Pound Chair Curt Tisler that PFA will serve as the conduit for Coleman Ponderosa's tax-exempt bonds. Peshtigo Times publishes Notice of Public Hearing in the Town of Pound for PFA to serve as conduit.

JUNE 12, 2023

Public notice filed in the Wisconsin Journal Sentinel for PFA to hold a hearing in Madison under the federal Tax Equity and Fiscal Responsibility Act (TEFRA). No public notice was provided in the Town of Pound or Marinette County.

JUNE 13, 2023

- Marinette County Board Chair John Guarisco signs Consent Approval for PFA financing.
- Pound holds a public hearing on the PFA financing attended by more than 60 people. Concerns focused on how an increase in herd size would affect property values and private wells.
- Templen, the Town Board, and representatives on behalf of Coleman Ponderosa answered questions.
- Town Chairman Curt Tisler signs two documents: Approval of Town Chairperson and Certificate of Town Chairperson.

JUNE 19, 2023

- PFA holds and certifies the federally required TEFRA hearing in Madison at 9:00 am. No public comments submitted or given
- Marathon County passes resolution to approve \$10 million bond.

JULY 10, 2023

Fitch rates \$10 million bonds as AA-/F1+, Rating Watch Negative (RWN). The RWN status indicates a circumstance that could cause a credit downgrade in the near future. The rating is based on an irrevocable letter of credit from Agri-Bank.

JULY 11, 2023

Husch Blackwell Paralegal Kate Albrecht sends letter to WI Department of Revenue Income, Sales, and Excise Tax Division, "Enclosed is the Report of Conduit Revenue Bonds Issued for the above-referenced bond issue which closed on July 11, 2023. Please date-stamp the extra copy of the form and return it to us in the enclosed envelope."

Ann Marie Austin, executive assistant to Wisconsin Counties Association (WCA) President and CEO Mark O'Connell, signs Report of Conduit Bonds Issued.

Bond Title: \$10,000,000 Public Finance Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds, Series 2023 (Coleman Ponderosa LLC Project)

CUSIP: 74445M AH2

The bond interest is exempt from federal income tax income but not from Wisconsin income tax.

AUGUST 29, 2023

Executive Committee of Marinette County discusses who should have authority to sign off on documents. According to Peshtigo Times, LeFebvre says Lindner and he both regularly sign off on many documents. Guarisco says in the future he would "not take action without a decision from at least a committee."

OCTOBER 31, 2023

Marinette County Board revises their rules so that the County Chair "shall not sign any document as Chief Elected Officer without County Board approval."



Who Benefits?

Dealmakers' Delight	
<u>CLOSING STATEMENT - JULY 11, 2023</u>	
Bond	\$10,000,000
Frazier Lanier - Underwriter discount	\$65,000
Cost of Issuance Fees	
Husch Blackwell - Attorney	\$75,000
Amundsen Davis - Attorney	\$8,321
Public Finance Authority - Issuer	\$13,750
Attoles Law, s.c. - PFA as Issuer Attorney	\$7,500
Wisconsin Economic Development Corporation	\$10,000
BOKF, N.A. - Bond Trustee	\$4,000
Fitch Ratings - Rating Agency	\$10,293
Quarles - Special Issuers/Town of Pound Counsel	\$2,750
Frazer Lanier - DTC/CUSIP/Clearing	\$1,605
Frazer Lanier - Remarketing	\$1,781
Total Cost of Issuance	\$135,000

\$42 Million Mega-Dairy Factory Farm Gas Deal Defaults

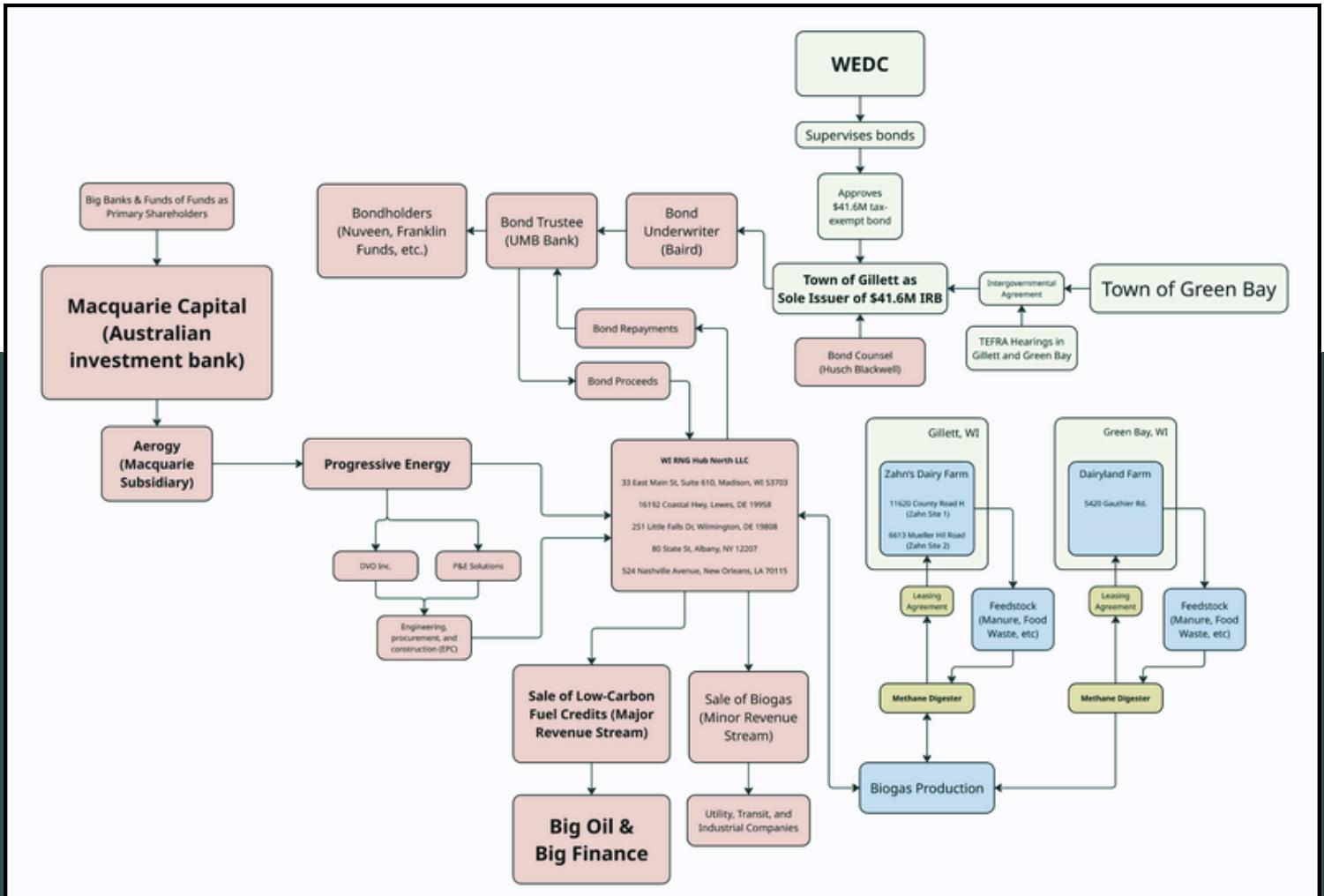
It may be impossible to ever figure out exactly how the tiny Town of Gillett ended up financing a mega-dairy factory farm gas deal with an Australian finance giant for \$41,585,000.

Nonetheless, according to a public [securities filing](#) first reported by [Bloomberg Law](#), the WI RNG Hub North defaulted in June and [December 2025](#) and investors are looking for millions in principal payments.



WI RNG HUB NORTH CASE STUDY

Town of Gillett
Oconto County
\$41.6 million for a \$57 million project
Wisconsin Economic Development Corporation (WEDC)
Status: In default



[DOWNLOAD THE FULL SCHEMATIC](#)



Publicly financed deals such as WI RNG Hub North can be especially difficult for communities to navigate. The deal was financed through an extremely complicated set of players, including Gillett-based Zahn's Farms mega-dairy, the towns of Gillett and Green Bay, Australian-based MacQuarie Capital, Louisiana-based Progressive Energy, Milwaukee-based law firm Husch Blackwell, and Wisconsin Economic Development Corporation (WEDC).

Based on WEDC documents and extensive research, however, it is possible to sketch out the byzantine group of private and public players that put together this \$42 million payday.

WEDC's [preliminary 2020](#) and [final 2021](#) authorization documents map out a deal totaling more than \$57 million. Under this scenario, financing would cover the development of a factory farm gas plant and a gas "hub" at Zahn's 4,500-cow facility in Gillett. Zahn planned to expand to 9,000 cows under the proposal.

Like many dairies, Zahns Farms is located on a natural gas pipeline. Under this plan, gas from Zahns' manure would be collected and then a "scrubber" would clean up the gas and feed it into the pipeline through the hub.

A second location at the Dairyland facility in the Town of Green Bay would possibly ship gas to the hub. In addition, there was talk of [14 other dairies](#) located within a 60-mile radius of Zahns participating. It is known that the Zahns hub was built and has now defaulted. It is not known if any of these other locations ever participated.

Leading the project is [MacQuarie Capital](#), a multi-billion-dollar investment bank with close to 20,000 employees worldwide. Macquarie put together WI RNG Hub North through one of its subsidiaries, [Aerogy](#). Created in 2022, Aerogy looks to do project development, financing, construction, and commercial operation, as well as subsequent project expansions.

ACCORDING TO AEROGY, THE WI RNG HUB NORTH PROJECT COULD THEORETICALLY PRODUCE [200,000 MMBTU OF GAS PER YEAR](#) FROM ZAHNS FARMS. DEPENDING ON MARKET PRICES, THIS COULD BE WORTH MILLIONS OF DOLLARS.

New Orleans-based [Progressive Energy](#) served as the project developer. With a leasing agreement with Zahn's Farm, Progressive contracted with [DVO, Inc](#) for an aerobic digester to make the factory farm gas. [P&E Solutions](#) did the construction on Zahn's Gillett property. According to [WEDC](#), the digester began operations in 2023.

Progressive's [marketing materials](#) describe how the facility receives low-carbon fuel credits from federal and state agencies for gas production. These credits are sold to companies looking to stay in compliance with their pollution permits. Revenue from the sale of credits is used to recuperate costs, repay the bond, and make a profit. [PurEnergy LLC](#) registered WI RNG Hub North for credits under California's tax credit program.

Crucially, this means the WI RNG Hub North digester relies on federal and state fuel credits for revenue, with a negligible amount of money coming from gas sales. For example, one recent [University of Wisconsin-Madison study](#) found that nearly 95% of one dairy's factory farm gas revenue came from government programs instead of gas sales.

CRUCIALLY, THIS MEANS THE WI RNG HUB NORTH DIGESTER RELIES ON FEDERAL AND STATE FUEL CREDITS FOR REVENUE, WITH A NEGLIGIBLE AMOUNT OF MONEY COMING FROM GAS SALES.

One [Wisconsin mega-dairy](#) estimates that gas from each cow is worth \$1,360 a year. Of that only \$100 is from selling gas. For more details on tax credits and other government programs, see [The Rules](#).

Finally, Progressive's partnership with Aerogy appears to include an exit strategy. After three to five years, they plan to cash out. Pointing to multi-billion-dollar sales of similar projects to global asset managers such as BlackRock and oil companies like Shell, BP, and Chevron, these developers look forward to the "[very high valuations](#)" of selling their factory farm gas facilities.



Why Did WI RNG Hub North Default?

None of the players involved have come clean publicly on the reason behind the WI RNG Hub North default. However, in January 2026, the [USDA's Rural Business Cooperative paused all action](#) on loan note guarantees while they investigate the 27% delinquency rate for digesters under the program. Concerns include elevated rates of project underperformance, loan delinquency, operational failures, and underwriting guidelines.

HERE ARE THREE POSSIBLE EXPLANATIONS →

1

Waste from Zahns Farms mega-dairy did not produce enough high-quality gas to meet the projected 200,000 Million British Thermal Units (MMBtu).

2

Prices for the state and federal credits are much lower than projected so the cash flow isn't sufficient to make bond payments.

3

Their "exit strategy" failed because there is no market for a project that's not generating enough gas or cash.

What a Difference a Default Makes

Zahns Farms mega-dairy changed its tune dramatically before and after the default.

[2022 Macquarie Press Release](#)

"We look forward to working with our partners to bring this exciting project to fruition. Macquarie's expertise coupled with DVO technology, one of the leading digester technology providers yielding some of the highest biogas per cow figures in the market, should make for a successful initial project with significant room for growth," said Robert Zahn, owner of Zahn's Farm.

[2025 Sentient Media Article](#)

"Zahn's Farms LLC is not the owner nor the operator of the anaerobic digester, nor is responsible for making bond payments. Aerology [sic] LLC is who you are looking to communicate with."

While the ill-advised WI RNG Hub North deal went through unimpeded, there are [Specific Steps You Can Take](#) to stop developers in your community.

FOR EXAMPLE, WITH A DEAL LIKE THIS, YOU COULD →



1

Alert town officials and citizens of plans to get the town's approval for a bond deal.

2

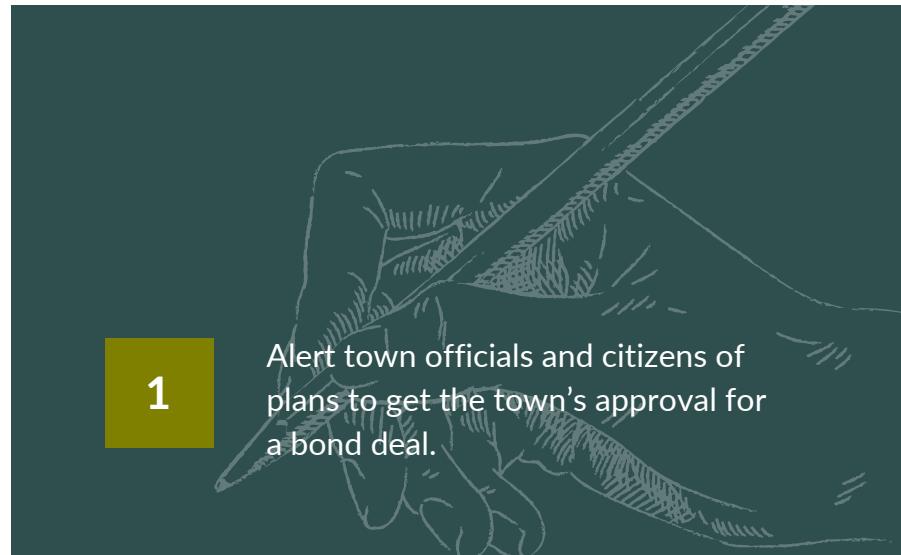
Alert local, state, and national media of the deal and local resistance.

3

Circulate a petition within 30 days of a resolution requesting a referendum.

4

Campaign in your community asking people to Vote No on public financing for privately owned livestock operations.



Community Background

Located about 35 miles northwest of Green Bay, the Town of Gillett in Oconto County has about 1,100 people. Despite having only 36 square miles, Gillett is home to five lakes and the Oconto River, which runs through Oconto County to Lake Michigan.

WI RNG Hub North Players

1

Lynda Templen
Bond Counsel, [Husch Blackwell](#)

2

Jim Rosenberg
Regional Economic Director,
[WEDC](#)

3

Steve Sabatke
Underwriting Manager, [WEDC](#)

4

Cary Dequain
Chair, [Town of Green Bay](#)

5

Andy Schaal
Chair, [Town of Gillett](#)

6

Robert Zahn
Owner, [Zahns Farms](#)

7

Nick Cioll
CEO, [Progressive EnergyCo](#)

8

Michael Miller
CEO, [Aerogy](#)

9

Stephen Dvorak
President, [DVO Inc.](#) & Vice
President, Progressive
EnergyCo



Timeline of Events

This timeline was developed with the following information:

- Public records requests related to the Zahns Farms financing through WEDC;
- Company websites and promotional materials;
- National and local media coverage.



JULY 20, 2020

Gillett Town Board approves resolution supporting bond to finance development of WI RNG Hub North.

AUGUST 5, 2020

The shell company, WI RNG Hub North LLC, is registered with the [Wisconsin Department of Financial Institutions](#).

OCTOBER 13, 2020

Green Bay Town Board approves resolution to support the WI RNG Hub North bond.

NOVEMBER 10, 2020

[Green Bay Town Board](#) holds meeting on bond financing. Templen discusses the bond process and answers questions concerning property taxes, the fire department, and possible odor.

**JANUARY, 2021**

Town of Green Bay holds the federally required TEFRA hearing on bond financing.

**FEBRUARY 17, 2021**

Progressive EnergyCo LLC awarded \$3 million in Qualified New Business Venture (QNV) investor tax credits from WEDC

**NOVEMBER 10, 2021**

Town of Gillett and WI RNG Hub North seek an additional \$8 million, citing “delays and supply chain issues” that bring the project total to \$57.7 million. WEDC approves a bond total of \$43 million.

**JANUARY 11, 2022**

Husch Blackwell notifies WEDC that WI RNG Hub North bonds are sold. Bonds sold at an interest rate of 5.5 percent to mature on December 1, 2032. WEDC receives \$41,585 closing fee.

**JANUARY 18, 2022**

Macquarie Capital officially launches Aerogy and announces Zahns Farms digester project as a success case.

JULY 2022

P&E Solutions moves forward with engineering, procurement, and construction.

AUGUST 21, 2023

“First gas” achieved with many “punch list” items needed for “substantial completion” by September 2024.

DECEMBER 4, 2023

PurEnergy LLC registers WI RNG North Hub with California Air Resources Board (CARB) to begin selling Low Carbon Fuel Standard (LCFS) credits.

OCTOBER 19, 2024

Construction does not meet “substantial completion” due to failure of compressor motors and other issues. Contractor, P&E, projects \$2.49 million in “disputed costs.”

JUNE 2, 2025

WI RNG Hub North defaults on principal payment. Trustee pays \$1.4 million in interest from reserve fund.

DECEMBER 1, 2025

WI RNG Hub North default continues. Trustee pays \$1.4 million in interest from reserve fund with \$3 million balance.

Who Benefits?

WI RNG Hub North's financial structure very clearly shows how public financing can be used to channel profits from local resources to national and foreign investors. Australian-based Aerogy and Louisiana-based Progressive Energy are positioned to capture the largest share of potential profits given their role as primary shareholders in the project.

While the WI RNG Hub North shell company ensures the project generates local tax revenues, money from the sale of low-carbon fuel credits and factory farm gas is primarily retained by Aerogy and Progressive Energy. Unlike development projects owned and operated by state residents, this entails a significant transfer of wealth outside of Wisconsin.

Moreover, these benefits operate as incentives for mega-dairies like Zahns Farms to further accelerate industry consolidation. Simultaneously, smaller farms are squeezed out of the market. Communities miss out on opportunities to prioritize regenerative farming and are left to address the unregulated impacts of water and air pollution, road damage, fire risk, and carcass disposal.

WEDC Authorization Form for RNG Hub North

NOVEMBER 10, 2021

Project description: Financing for an anaerobic digester project in the Town of Gillett and the Town of Green Bay.

Project Funding	
WEDC bond deal	\$43,000,000
Equity	\$14,729,458
Project Funding Total	\$57,729,458
Uses of Project Funding	
Land costs	\$695,000
Building	\$5,531,000
Equipment	\$28,758,641
Miscellaneous	\$22,744,817
Uses of Project Funding Total	\$57,729,458

Is Nothing Sacred?

THOUSANDS OF TRUCKLOADS
OF FEED AND LIQUID WASTE
NEVER STOP ROARING UP AND
DOWN RURAL ROADS.



SEMI-TRUCKS
NOW PARK
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ABANDONED
CHURCH AND
CEMETERY JUST
ACROSS THE
STREET FROM THE
DEFAULTED WI
RNG HUB NORTH
FACILITY.

Work with Us



EMAIL ADDRESS

hello@sustainruralwisconsin.org



WEBSITE

www.sustainruralwisconsin.org

Join rural Wisconsin citizens working every day to rein in consolidation of local food production by the globally financed livestock industry.



SUSTAIN RURAL WISCONSIN
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