

Farmers and farmland are caught in the middle of the Great solar debate

With the push for renewable energy and the increased federal funding available for it, many in Kentucky are concerned about an onslaught of solar power farms.

Some county officials say "big solar" is moving in, getting huge tax credits while taking some of the very best farmland due to the premium leases they can offer aging farmers. But with many companies coming in from out of the country and expecting local county governments to issue millions in bonds for the projects, county officials are worried about taking high risks and believe the issue will divide communities.

John Logan Brent said he's not at all opposed to solar, even describing himself as leaning "slightly left" on environmental issues.

"But I don't think it's our responsibility to sacrifice the best land and people of rural communities to save the world," he said.

Brent is Henry County's judge executive and is definitely not alone with his feelings about large companies coming to the state to lease land from farmers for proposed solar farms.

"Why Kentucky? Here's the deal - it's the perfect storm. We've had this trillion-dollar infrastructure passed with a lot of money for renewable energy, so there's a lot of potential government money out there," Brent said.

So far, there's only one solar company from Utah that has entered into an option with a farmer in Henry County.

"We know of another company that reached out to us ... called to ask if we have planning and zoning and how to go about the process ... but I can't get that company to call me back."

Although Henry County hasn't been greatly impacted by solar farm operations yet, Brent says he's getting prepared; he's concerned about nuisances, including long-term effects to farmland by the equipment.



Photo by Terry Pralner

Ernie Leet, (wearing a mask), speaks to protesters of Industrial Solar in Maysville in August during a ribbon-cut-

Farmers, farmland caught in solar debate

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their front window and see several hundred acres of black panels."

But at this time, Brent's main concern is that the proposed projects will divide local areas due to the big money involved.

"And in some cases, they are out of the country - global companies are trying to make profits without regard for the best land, communities and neighborhoods. It's the perfect recipe to divide people."

Solar companies are overbidding farm lease prices by offering \$600-\$800 per acre to lease land, and Brent said he understands why that would be attractive to landowners or even farmers who are near retirement.

"That's a tremendous, very attractive lease price here for 30 or 40 years. One farm goes, then you potentially have several more ..."

Brent spoke to Harrison County's judge executive, a county where there was a 400-acre site approved, at first.

"It didn't impact a lot of people. But that grew to 1,600 acres. If everyone else is selling out, and you and sever-

al neighbors are the last ones left, the property has been greatly devalued because the land around you has been turned into an industrial site - the only recourse you have left is to join in."

Brent was also aware of two 900-acre lots proposed in Fleming County.

Larry Foxworthy, Fleming County's judge executive, said solar companies began coming to the county back in 2019 to sign leases.

"No one knew they were here except the people who were signing with them, and they were sworn to secrecy - there were clauses in their leases," he said. He thinks that's because of the varying amounts offered to farmers as well as the growing competition in the industry. In Kentucky, it's been reported that solar farms are leasing land at prices ranging anywhere from \$400 to \$1,200 an acre.

One company that came in has already been sold once, which Foxworthy says is a common practice.

"You never know who you're dealing with."

Now, Fleming County has a total of five companies that have signed land-

owner options, with two in the process of applying for a permit through the Kentucky Public Service Commission. They run different sizes, he said, with one being a \$188 million project on 2,500 acres of land.

"There's an exemption for them for state taxes, and then they want to be exempted from local taxes but they will make a payment each year, for instance, for the school districts. But they're not paying tangible property taxes for it. And they want the counties to issue these revenue bonds to finance them," which he said is called a pilot agreement. "That's the big deal, so they're tax exempt from everything if the county does that ... They feel like this payment in lieu of taxes should be sufficient."

Foxworthy said the fiscal court, which issues the bonds, believes it's too big of a risk.

"When the rest of the county popu-

lation finds out you've agreed to help with the financing of these bonds, they'll probably tear the door off of the courthouse. ... We've got a little county with a \$6 million budget. If we bonded each one of them, it'd be a half of a million. But they're exempt in the case of default, if the project doesn't go through."

However, the counties would be exempt from repayment, as well, if the solar companies default.

"That's what they're telling us now, but there's no guarantee. It doesn't make much financial sense to me," Foxworthy said. "And with this 'Green New Deal,' they're getting 30 percent federal tax credits right off the top. So if it's a \$180 million project, they'll get \$60 million, right off the top."

While he worries about his community, he said, "it's all about revenue for them." Foxworthy said they've "picked

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Solar issue divides communities

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some of the best farmland in the county, and it's divided the landowners, because so far, we've refused to write these bonds. The landowners don't understand why we're doing this and are really upset with me because of what's happening."

Foxworthy said many of the solar companies making these land deals are from outside the country.

"One is from Spain, another's offices are in Canada ... It's all a smoke and mirrors game for them, to get all the tax credits they can, then resell it to someone else. One of the clauses (in the pilot agreement) is that it would be transferable, the bonds, to whoever the purchaser is."

He doesn't see the benefit to local governments.

"They took advantage of KRS 103, that allows people to come in and 'make an investment' in your local counties and be exempt from taxes. But there's nothing tangible to these projects - no job creation, which is one of

the reasons that statute was created."

The only jobs created are construction, which the solar companies will bring in the form of subcontractors who already work with them. Foxworthy said he's spoken "very briefly" with state Rep. William Lawrence about local officials' concern, but has never been able to talk to Sen. Steve West.

Neither Lawrence nor West responded to emails for comment.

Foxworthy said he is also worried about the disposal "of all these solar panels. They tell you that they have toxic particles in them, that no landfill in the state will take any of them."

Solar farms are so new to the area, Brent says, that the PSC "doesn't have their arms around it yet. Prior to 2019 - between '13 to '19 - they had one approved. From 2019 to now, they've approved more than 20, and more than 100 applications."

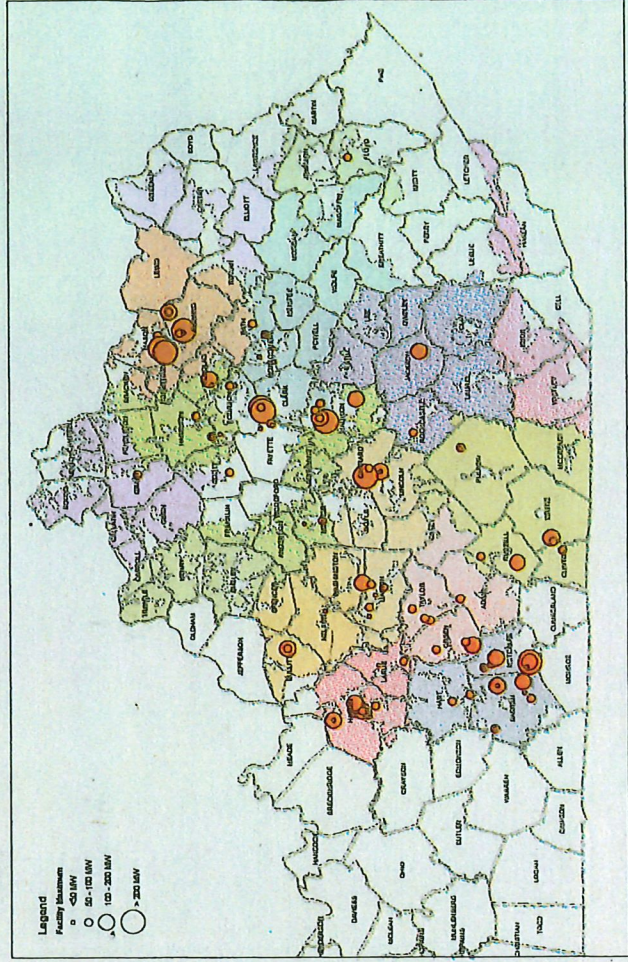
PSC Public Information Officer Karen L. Wilson said that in 2020, the Kentucky Electric Generation and Transmission Siting Board received 29

applications from merchant developers for solar projects. The board does not issue permits, she said, but rather reviews applications to determine whether they comply with applicable

statutes. If approved, the board issues a certificate of construction for a project.

So far, Wilson said of the 29 appli-

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An East Kentucky Power Cooperative map shows proposed solar farms that have requested to interconnect to EKPC's transmission structure.

Counties asked to give perks for solar projects

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cations, 14 certificates of construction have been issued, "with conditions and required mitigation measures."

The remaining projects are in different phases of review, with several not in the complete application phase, she said.

"In other words, there are a number of notices of intent to file an application," she said.

Companies applying for solar projects must include a required site assessment report with applications containing details of potential impacts to the surrounding property during construction and when in operation. Public notification is required by statute, including notifying the landowners who border the proposed sites and holding public meetings.

The siting board conducts site visits and a formal hearing about projects, where it may receive public comments for intervention. The board must then retain a consultant to review the company's proposed mitigation measures.

In the case of Fleming Solar, a subsidiary of Core Solar LLC, based in Austin, Texas, a long list of conditions and mitigation measures were laid out for the company by the siting board. That list included things like maintaining existing vegetation between solar arrays and roadways and homes. It also requires the company to file a decom-

missioning plan, naming Fleming County as a beneficiary, with the bond amount to be reviewed every five years at Fleming Solar's expense to provide any updates to the cost of decommissioning.

All projects must comply with local, state and federal environmental regulations and are subject to local planning and zoning regulations, meaning the local community can review the proposals and voice any concerns.

"I will say one thing for the PSC," Foxworthy said, where protections are concerned. "They're requiring these companies to have a consultant come in and look at the area and talk to the people there and report back to the PSC on the pros and cons. They've come up with a lot of things that these companies never thought they'd have to do."

Foxworthy said all the companies with sights on setting up solar operations in rural Kentucky "make me a bit nervous; the economic benefits just aren't there. The landowners, I can see. They have a chance to make some real good annual revenue, but the local governments are the ones that are taking all the risk."

To see all records in Kentucky for the solar projects from 2020-2021, visit psc.ky.gov/Home/EGTSB.

By Bobbie Curd
Field Reporter

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