

W.Va. landowners argue wind plant detrimental to property values, tourism

BY ANNE ADAMS • STAFF WRITER

NEW CREEK, W.Va. — Seven Grant County residents filed suit in November against wind energy companies in November who plan a 200-turbine wind utility near their properties, with charges similar to those brought against Highland County, Va.'s decision granting a permit for a 38-megawatt plant.

NedPower Mount Storm plans a facility about 14 miles long and half a mile wide near the Mount Storm power plant along the Allegheny Front. The project would be situated in close proximity to the landowners, who understand NedPower has entered into a contract to sell the utility to Shell Windenergy Inc. after it's complete. The landowners allege the plant will be a nuisance, creating constant noise, and eyesore destroying the natural beauty of the area, creating a flicker or strobe effect, and killing migratory birds and bats.

The suit claims local wildlife is part and parcel to the enjoyment of tourists and residents, who thus help sustain property values in a part of West Virginia where the highest and best use of the land is tourism, second homes, and retirement homes.

Interfering with the region's beauty and wildlife, they say, will have a direct negative impact on their property values. The landowners lay out their arguments in a civil action in Grant County Circuit Court, alleging:

- Experience over the past 30 years in both Grant and Tucker counties indicates the best use in the area is for constructing second homes, tourism, and recreation. By making the area less attractive to second home buyers and those who would spend money there on tourism and recreation, the plant

would not only affect these owners' property values, but impact all other property owners in the county who are not close to the site but whose property values are supported by the economic vitality of those industries in the area.

- The landowners claim they have no adequate remedy in the situation because the damage from the plant will be ongoing and indefinite, and claim they are therefore entitled to relief through the courts.

- Compared to the drop in property values, the societal benefits of the turbines are "insignificant." The project would produce very little electricity, and what it does produce will be of lower value than power generated by coal and gas-fired plants. "This means that when the government subsidies ... run out, plaintiffs and others ... are likely to be confronted by a poorly maintained and deteriorating wind energy facility that may one day become derelict because ... there is no provision in any lease or sales agreement for the dismantling of non-operational turbines," the suit states.

- All potential benefits from the project will flow "almost exclusively" to organizations outside West Virginia, while all the detrimental impacts fall on the property owners.

- The plan would reduce property values of tens of thousands of acres of land, they claim, while generating little power. The suit cites Florida Power and Light's 66-megawatt project in Tucker County as an example. That project, with 44 turbines over 4,400 acres, may only achieve an annual capacity of 30 percent. Therefore, it would be equal to only 19/100ths of 1 percent of all electricity produced in the state in 2000 — equal to only 1.5 percent of all the power produced that year

by the Mount Storm coal-fired plant. NedPower's plant may only produce 1.7 percent of all electricity in the state under the same comparison.

- Electricity from wind, they claim, has less real value than from other reliable sources because it cannot be stored in appreciable quantities. Since it can't be stored, the power must be produced at the same time it's needed. Therefore, wind power is lower in value because it's intermittent (only available when the wind blows at the right speed); highly variable (the amount of power varies from minute to minute); unpredictable (the amount at any moment can't be predicted); uncontrollable (subject to wind conditions); and counter-cyclical with demand (wind is strongest during winter months and at night, when demand for electricity tends to be lowest).

- The ecological value of wind energy plants is illusory, and wind plants cannot make a serious contribution to the country's energy needs. "The primary benefit to be derived from wind energy facilities are tax deductions and federal and state subsidies to out-of-state oil companies like Shell Windenergy Inc.'s parent, Shell Oil," the suit claims. It lists all the subsidies available to the developer, including federal accelerated depreciation, production tax credits, reduction in West Virginia's corporate net income tax, substantial reduction in the state's business and occupation tax, and substantial reduction in state property taxes. "When tax subsidies run out, in the sense that all accelerated depreciation has been used, the plaintiffs and other citizens of Grant County are likely to be left with a blight of 200 wind turbines standing 400 feet over the majestic Allegheny Front that are likely to be poorly maintained because

their electricity, on an operating level, is too expensive to sell in an open, non-subsidized market," the claim states.

- Assuming the capital costs of the plant are \$300 million, Shell Windenergy "could shelter \$60 million of profits associated with oil sales" the first year, \$96 million the second year, \$57.6 million the third year, \$34.56 million the fourth and fifth years, and \$17.28 million the sixth year, landowners claim. "Over a six-year period, assuming a 35 percent tax rate, the reduction in out-of-pocket taxes would be \$105 million (for Shell Oil)."

- There are virtually no benefits to the state or to Grant County, because the bulk of the investment consists of equipment manufactured elsewhere and any construction jobs would last less than a year. The construction of only two \$400,000 second homes in the county, by contrast, will provide more full-time jobs that the plant would for a year.

- It isn't necessary to construct a wind facility near the Allegheny Front because there are numerous places where wind conditions are good but where tourism and second homes are not major industries.

The proposed facility was approved by the West Virginia Public Service Authority in 2003.