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Media Contact: Katie DeMuth, katie.demuth@clo.ok.gov or (405) 521-4013

Commissioners of the Land Office Approves Wind Power Production Lease

Oklahoma City, Okla. - The Commissioners of the Land Office (CLO) approved a 3,763-acre Kay County wind turbine power production lease at the April Commission Meeting. A public auction was held at the Commissioners of the Land Office on April 5th, 2021 with Duke Energy Renewables Wind, LLC winning the bid for this long-term lease.

Duke Energy will construct a wind power facility on this lease site at least 24 megawatts in size. Construction will be completed over two phases, resulting in at least 30 years of operation for the facility.

Once fully operational, this project is expected to generate no less than \$98,000 annually in addition to the existing \$135,000 per year in agricultural rents on these parcels. The amount of income generated by this project will be based on the final megawatt rating of the facility.

The CLO is familiar with winning bidder Duke Energy as this will be their second wind project with the Commission. Their first wind power lease commenced in September 2017 and went operational in February of this year. Over \$260,000 in distributable rent from one-time construction costs and per-acre rent has been received on that lease to date. Now that the project is operational, minimum royalty payments of over \$130,000 per year are expected for the next 30 years.

“The Kay County Wind Energy Project is a valuable opportunity to maximize revenue generated by Oklahoma school land assets. This project will significantly increase the revenue generated on this acreage by nearly 75% each year, benefiting public schools across the state,” said Elliot Chambers, Secretary of the Commissioners of the Land Office.

Revenue generated from the project will directly increase CLO distributions to Oklahoma public K-12 schools, resulting in a meaningful impact to Oklahoma students and teachers.