Attachment 2 - Acreage Rent

The Bureau of Land Management (BLM) determines acreage rent by multiplying the number of acres authorized in the right-of-way (ROW), rounded up to the nearest tenth of an acre, by the State-specific per acre rate from the solar or wind energy acreage rent schedule in effect at the time a grant or lease is issued or re-issued. The acreage rent is the minimum yearly payment for a grant or lease and will not be required if the megawatt capacity fee exceeds the calculated acreage rent.

The formula for calculating the annual per acre rate for a solar or wind energy development ROW is:

$$A \times B \times [((1 + C) \wedge D)] = \text{annual per acre rate.}$$

Component	Explanation of Component	Input for Calculation
A	is the per acre value for the year of ROW issuance from the acreage rent schedule and state which the ROW is located.	Per acre value from solar/wind acreage rent schedule.
B	is the encumbrance factor for technology.	**"1"** – Solar **"0.05"** – Wind
C	is the annual adjustment factor.	**0.03**
D	is the number of years after the year the ROW is issued (partial year if any).	**"0"** for first year (whether partial or full). **"1"** for second year and so on.

Components A, B and C are set at the time of grant or lease issuance under 43 CFR 2806.52(a), and do not change during the term of the ROW.

Component D is the number of years after the ROW is issued. Therefore, the first year (whether partial or full year) would be "0", the second year would be "1", the third year would be "2", and so on, when entered into the calculation for acreage rent. The first year (partial or full) is derived from the acreage rent schedule and does not receive an annual adjustment.

Acreage Rent Schedule

The acreage rent schedule is determined using the average per acre value from the National Agricultural Statistics Service (NASS) pastureland rents reported for the previous 5-year period. The acreage rent schedule will be updated once every 5 years, consistent with the timing of linear rent adjustments under 43 Code of Federal Regulations (CFR) 2806.22. The next update to the acreage rent schedule will be in 2026, then every five years after that (i.e., 2031, 2036, etc.). For solar and wind energy, the acreage rent schedule will be set based on the average of the available values from the most recent update using the same calculation as for acreage rent. Once the acreage rent rate is set based on the schedule, it will only be adjusted each subsequent year by the three percent annual adjustment factor for the five-year rent schedule. When setting the acreage rent schedule, the BLM will populate the acreage rent schedule using the acreage rent

calculation, apply the annual adjustment, and then round the yearly value to the nearest penny as follows in the example for Arizona.

Step 1 – Identify and average the NASS pastureland rents for the five-year period.

NASS Pastureland Rents	2017	2018	2019	2020	2021	5-year average
ARIZONA	$ 2.30	No Data	$ 2.00	$ 2.40	$ 1.70	$2.10

Step 2 – Apply encumbrance factor to the 5-year average. "1" for solar and "0.05" for wind.

5-year average	Solar "1"	Wind "0.05"
$ 2.10	$ 2.10	$0.105

Step 3 – Use five-year average as the first year of the schedule and annually adjust by the annual adjustment factor (3%).

Acreage Rent Schedule	2021	2022	2023	2024	2025
ARIZONA (Solar)	$2.100	$2.163	$2.227	$2.294	$2.363
ARIZONA (Wind)	$0.105	$0.108	$0.111	$0.114	$0.118

Step 4 – Round the per acre rates to the nearest penny following traditional rounding.

Acreage Rent Schedule	2021	2022	2023	2024	2025
ARIZONA (Solar)	$2.10	$2.16	$2.23	$2.29	$2.36
ARIZONA (Wind)	$0.11	$0.11	$0.11	$0.11	$0.12

Protocol for Cash Rents Pastureland Survey Values

The BLM uses the NASS Cash Rents Survey to set and update its acreage rent schedules for solar and wind energy development. The most recent 5-year average is used in setting the acreage rent schedule. For the 2024 final rule, the BLM used the Cash Rents Pastureland survey values from years 2017-2021. The next update of state-specific per acre rates will occur in 2025 using most recent full calendar year Cash Rents Pastureland survey data (2020-2024) for the Acreage Rent Schedule for years 2026-2030. Subsequent updates will occur in 2030, using survey data from 2025-2029, and so on.

The protocol for accessing the Cash Rents Pastureland survey data is currently done by accessing it at the following web address - https://quickstats.nass.usda.gov/#24B552BB-CD1B-3EA8-A64F-6FC0BA2C3B00 – and then filtering the data by the following:

1. Program – Survey
2. Sector – Economics

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3. Group – Expenses
4. Commodity – Rent
5. Category – Expense
6. Data Item – Rent, Cash, Pastureland – Expense, Measured in $/acre
7. Domain – Total
8. Geographic Level – State Name
9. Year – year or year range of data
10. Period Type – Annual

The NASS published per acre state values are updated in August each year. The BLM will use the published state-specific values for the acreage rent schedule. County level data while informative, is not as readily available and therefore will not be used.

National Agricultural Statistics Service (NASS) pastureland rents (2017-2021)

Row Labels	**2017**	**2018**	**2019**	**2020**	**2021**	5-year Avg
ARIZONA	$ 2.30		$ 2.00	$ 2.40	$ 1.70	$ 2.100
CALIFORNIA	$ 12.00	$ 13.00	$ 13.00	$ 13.00	$ 12.00	$ 12.600
COLORADO	$ 5.60		$ 6.10	$ 6.20	$ 5.90	$ 5.950
IDAHO	$ 12.00	$ 11.00	$ 11.00	$ 12.00	$ 13.00	$ 11.800
MONTANA	$ 6.30	$ 6.30	$ 6.60	$ 6.70	$ 7.20	$ 6.620
NEVADA			$ 10.00	$ 13.00	$ 10.00	$ 11.000
NEW MEXICO	$ 3.20		$ 2.80	$ 3.00	$ 3.20	$ 3.050
OREGON	$ 11.00	$ 12.00	$ 11.00	$ 15.00	$ 11.00	$ 12.000
UTAH	$ 4.80		$ 4.30	$ 4.90	$ 4.50	$ 4.625
WASHINGTON	$ 8.00		$ 8.00	$ 8.00	$ 8.00	$ 8.000
WYOMING	$ 4.80		$ 4.40	$ 5.00	$ 4.80	$ 4.750