

## Can You Host Renewable Energy AND Keep Your NRCS Program Payments?

*What Landowners Need to Know About Conservation Programs and Renewable Energy Compatibility*

Many farmers and ranchers enrolled in USDA conservation programs wonder if they can also host wind turbines, solar panels, battery storage, or transmission infrastructure on their land. The concern is understandable: these programs represent significant income, and no one wants to jeopardize payments they depend on.

There is no blanket federal prohibition on combining NRCS conservation programs with renewable energy. But the rules vary significantly by program, and some combinations work better than others. Understanding the specifics before signing any lease can help you avoid costly surprises.

### Understanding USDA Conservation Programs

The U.S. Department of Agriculture offers several conservation programs that provide payments to landowners who protect natural resources on their land. Each program has different purposes, different rules, and different implications for renewable energy development.

#### Conservation Reserve Program (CRP)

**Administered by:** Farm Service Agency (FSA)

**What it does:** CRP pays farmers annual rental payments to remove environmentally sensitive land from agricultural production and establish conservation cover, such as native grasses or trees. Contracts typically last 10-15 years.

**Enrollment:** As of December 2024, USDA reports [25,991,883 acres enrolled in CRP nationwide](#) (approximately 26 million acres).

**Why landowners enroll:** Provides stable annual income for marginal or highly erodible land while improving soil health, water quality, and wildlife habitat.

#### Agricultural Conservation Easement Program: Agricultural Land Easements (ACEP-ALE)

**Administered by:** Natural Resources Conservation Service (NRCS)

**What it does:** Provides funding to eligible entities (land trusts, state agencies) to purchase permanent agricultural land easements that protect the agricultural use and conservation values of farmland. Landowners retain ownership but agree to keep land in agricultural use permanently.

**Why landowners enroll:** Provides upfront payment for conservation easement while keeping land in the family and in agricultural production. Protects farmland from development pressure.

#### Agricultural Conservation Easement Program: Wetland Reserve Easements (ACEP-WRE)

**Administered by:** Natural Resources Conservation Service (NRCS)

**What it does:** Provides funding to restore, protect, and enhance wetlands on eligible land through permanent or 30-year easements. NRCS pays for easement rights and restoration costs.

**Why landowners enroll:** Provides payment for marginal or frequently flooded land while restoring wetland habitat. Land remains in private ownership.

**Environmental Quality Incentives Program (EQIP)**

**Administered by:** Natural Resources Conservation Service (NRCS)

**What it does:** Provides financial and technical assistance to farmers and ranchers to implement conservation practices on working agricultural land. Contracts typically last 1-10 years.

**Why landowners enroll:** Covers costs of implementing conservation practices like cover crops, nutrient management, or irrigation efficiency while land remains in active production.

**Conservation Stewardship Program (CSP)**

**Administered by:** Natural Resources Conservation Service (NRCS)

**What it does:** Provides annual payments to farmers and ranchers who maintain and improve existing conservation systems and adopt additional conservation activities across their entire operation. Contracts last five years.

**Why landowners enroll:** Rewards ongoing conservation efforts while supporting adoption of new practices. Works across the entire operation rather than specific fields.

**Program-by-Program Compatibility**

The following table summarizes how different types of renewable energy infrastructure interact with each major conservation program.

Program	Wind Turbines	Solar Arrays	Battery Storage	HV Transmission
CRP	<b>Allowed</b> 25% payment reduction	<b>Not Permitted</b> Likely contract violation	<b>Not Addressed</b> Likely prohibited	<b>Not Addressed</b> Likely prohibited
ACEP-ALE	<b>Deed-Dependent</b> Utility-scale generally restricted	<b>Deed-Dependent</b> Utility-scale generally restricted	<b>Deed-Dependent</b>	<b>Generally Restricted</b>
ACEP-WRE	<b>Generally Incompatible</b>	<b>Generally Incompatible</b>	<b>Generally Incompatible</b>	<b>Generally Incompatible</b>
EQIP	<b>Case-by-Case</b> Land must remain agricultural	<b>Case-by-Case</b> Agrivoltaics may maintain eligibility	<b>Not Addressed</b>	<b>Not Addressed</b>
CSP	<b>Case-by-Case</b> Operation must remain agricultural	<b>Case-by-Case</b> Operation must remain agricultural	<b>Not Addressed</b>	<b>Not Addressed</b>

**Detailed Analysis by Program**

**Conservation Reserve Program (CRP)**

CRP has the most explicit guidance on renewable energy, though it treats wind and solar very differently.

#### Wind Turbines: Allowed with Conditions

According to [7 CFR 1410.63](#), wind turbines and associated access roads may be installed on CRP acreage under specific conditions:

- The number and location of turbines must be approved by the Commodity Credit Corporation (CCC)
- Approval considers land characteristics, threatened or endangered species habitat, and CRP conservation purposes
- **Annual rental payments are reduced by 25%** for acres affected by turbines
- Construction and maintenance are subject to nesting season restrictions
- Access for maintenance must minimize impact on conservation cover

For landowners weighing this option: A 25% payment reduction is significant, but if wind lease payments substantially exceed the lost CRP income, the combination may still make financial sense. Run the numbers for your specific situation.

#### Solar Panels: Not a Permissive Use

Solar installations are [not listed as a permissive use](#) in CRP regulations. The regulations state that "no uses are authorized on CRP acreage unless specifically approved by CCC."

What this means practically:

- Installing solar panels on CRP land would likely constitute a contract violation
- Contract violations can trigger repayment of all rental payments received, plus interest and potential liquidated damages
- This can represent tens of thousands of dollars depending on acreage and contract length

#### Battery Storage and Transmission: Not Addressed

CRP regulations do not specifically address battery storage facilities or high-voltage transmission infrastructure. Given that solar is not listed as a permissive use, these would likely face similar restrictions. Contact your local FSA office for guidance on specific proposals.

#### Early Termination Options

If you want to pursue solar development on CRP land, there are two potential paths for early contract termination:

**General early termination authority:** The [2014 Farm Bill](#) authorized early termination of certain CRP contracts if the land has been enrolled for more than five years and does not contain environmentally sensitive practices. This authority is subject to USDA rules and specific contract conditions. Contact your local FSA office to determine if your contract qualifies.

**2022 one-time termination option:** In response to global food supply concerns, [USDA implemented a one-time voluntary early termination option](#) for certain expiring CRP contracts in 2022. This was a limited-time flexibility, not an ongoing program.

If pursuing early termination, negotiate with the solar developer to cover any repayment obligations and penalties as part of your lease terms.

#### Agricultural Conservation Easement Program: Agricultural Land Easements (ACEP-ALE)

ACEP-ALE easements are more nuanced because they allow certain agricultural activities while restricting others. The key question is whether renewable energy qualifies as an agricultural use.

### Understanding ACEP-ALE Restrictions

According to the [NRCS Conservation Programs Manual](#), ACEP-ALE easements are designed to protect agricultural use and conservation values. The deed must limit nonagricultural uses that negatively affect agricultural viability. Whether renewable energy facilities are permitted—and under what conditions—depends on:

- The specific language in the recorded easement deed
- The eligible entity (land trust, state agency) holding and enforcing the easement
- Whether the proposed use is consistent with the easement's conservation purposes

### On-Farm vs. Utility-Scale Development

Some ACEP-ALE deeds may allow small-scale renewable energy systems for on-farm agricultural and residential use, provided they:

- Are located within designated building envelopes
- Stay within impervious surface limits specified in the deed
- Do not interfere with agricultural productivity

However, commercial or utility-scale renewable energy development faces significant restrictions. According to [7 CFR Part 1468](#), commercial enterprises must be "related to agriculture or forestry" and specifically agreed to in the easement deed. Pre-existing solar or wind leases must typically be removed or subordinated before NRCS will accept the easement.

### Waiver Process

The [ACEP Manual](#) notes that landowners may seek waivers to national policy by sending written requests to the NRCS Deputy Chief. Exceptions may be granted for circumstances deemed "sufficiently extraordinary" that will not adversely impact easement purposes. These waivers are rare.

### Key Advice for ACEP-ALE Landowners

Before signing any renewable energy lease, review your specific easement deed language carefully. Easement terms vary, and what's prohibited under one deed may be allowed under another. Consult with the entity holding your easement (land trust, state agency) to understand your options.

### Agricultural Conservation Easement Program: Wetland Reserve Easements (ACEP-WRE)

Wetland Reserve Easements are the most restrictive program regarding any development, including renewable energy.

### Renewable Energy Infrastructure: Generally Incompatible

WRE easements are focused on protecting and restoring wetland functions and values. According to [NRCS WRE program guidance](#), the easement deed and restoration plan typically restrict:

- Development and infrastructure that would impair wetland hydrology or wildlife habitat
- Activities inconsistent with wetland restoration and protection purposes
- Draining, dredging, or filling of any kind

The specific limitations on structures and infrastructure are governed by the recorded easement deed and restoration plan for each property. However, solar arrays, wind turbines, substations, and battery storage facilities would generally be incompatible with the wetland protection purposes of

WRE easements. Pre-existing solar or wind leases must typically be removed or subordinated before WRE enrollment.

#### What This Means for Landowners

If you have land enrolled in WRE, that specific acreage is generally not available for renewable energy development. However, renewable energy projects on other parts of your property not covered by the WRE would not affect your wetland easement.

#### Environmental Quality Incentives Program (EQIP)

EQIP differs from CRP and easement programs because it supports conservation on working agricultural land rather than taking land out of production.

#### Land Eligibility

According to [EQIP eligibility requirements](#), eligible land includes agricultural land on which resource concerns may be addressed. Land that has been converted from agricultural production may lose eligibility.

#### Renewable Energy Considerations

EQIP does not explicitly prohibit solar or wind on enrolled land, but:

- Land must remain in agricultural production to maintain eligibility
- Costs that have no environmental or conservation benefit are generally ineligible for EQIP funding
- The [On-Farm Energy Initiative](#) addresses renewable energy production "related to a conservation benefit" but focuses on energy efficiency rather than commercial energy generation

#### Agrivoltaics and Dual-Use

Agrivoltaics systems, where solar panels and agricultural production coexist on the same land, may maintain EQIP eligibility if:

- Agricultural production continues (grazing, crop production)
- The land is still considered agricultural land
- Conservation practices can still be implemented

This determination is made case-by-case by local NRCS offices. Contact your local office before signing any lease to understand how a specific project might affect your EQIP eligibility.

#### Conservation Stewardship Program (CSP)

CSP is implemented across a producer's entire operation, which creates different considerations than field-specific programs.

#### Operation-Wide Approach

According to the [Farmers' Guide to CSP](#), CSP contracts cover all eligible land within an operation, including cropland, rangeland, pastureland, and associated agricultural land.

#### Renewable Energy Considerations

CSP does not explicitly address solar or wind development. Key considerations include:

- Land converted entirely from agricultural production to solar would likely affect operation-wide eligibility
- Dual enrollment restrictions prevent receiving payments for the same practice under multiple USDA programs

- Maintaining agricultural production alongside renewable energy may preserve eligibility

### Practical Guidance

Before signing any renewable energy lease that would affect land in your CSP contract, contact your local NRCS office. Ask specifically how the proposed project would affect your CSP eligibility and payments.

### Recent Policy Developments

Federal policy on renewable energy and conservation programs continues to evolve.

#### NRCS Conservation Guidance for Utility-Scale Solar

NRCS published comprehensive [Conservation Guidance for Utility-Scale Solar Projects](#) (posted December 10, 2024; updated April 15, 2025) covering:

- Natural resource conservation during all phases of solar development
- Vegetation management and livestock considerations
- Wildlife habitat protection
- Return to agricultural use after project life

This guidance provides voluntary best practices rather than establishing new program eligibility rules. It signals USDA's interest in promoting compatibility between solar development and conservation.

### Ongoing Research and Development

According to [USDA Economic Research Service analysis](#), federal policy is increasingly focused on finding common ground between agricultural production and solar energy development. Research into agrivoltaics (systems that combine solar energy production with agricultural activities like grazing or crop production) continues to expand through programs at USDA, DOE, and land-grant universities.

### What This Means for Your Decision

If you're considering renewable energy development and you're enrolled in conservation programs, take these steps:

1. **Identify exactly which programs you're enrolled in.** Different programs have different rules. CRP wind allowances don't apply to ACEP-WRE, and vice versa.
2. **Review your specific contract or easement deed.** Generic guidance can only take you so far. The actual terms in your documents control.
3. **Contact your local FSA or NRCS office before signing any lease.** Ask specifically: "How would this project affect my eligibility and payments?" Get the answer in writing if possible.
4. **Factor program impacts into your lease negotiation.** If pursuing solar on CRP land requires contract termination, negotiate for the developer to cover repayment obligations as part of your lease terms.
5. **Consider project design alternatives.** Locating renewable energy infrastructure on non-enrolled acres, or designing projects that maintain agricultural production, may preserve program eligibility.
6. **Don't assume the worst.** The rules are complex but not always prohibitive. Wind turbines on CRP land, on-farm solar for some ACEP-ALE properties, and agrivoltaics on EQIP land may all be options depending on your specific situation.

### Sources

**Federal Regulations and Guidance:**

- [7 CFR 1410.63 - CRP Permissive Uses](#)
- [7 CFR Part 1468 - Agricultural Conservation Easement Program](#)
- [CRP Monthly Summary Statistics](#)
- [EQIP Eligibility Requirements](#)

**CRP Early Termination:**

- [Congressional Research Service - 2014 Farm Bill CRP Provisions](#)
- [USDA FSA 2022 Voluntary CRP Termination Announcement](#)

**NRCS Program Resources:**

- [NRCS Conservation Programs Manual \(Directives\)](#)
- [ACEP Manual](#)
- [ACEP Agricultural Land Easements](#)
- [Wetland Reserve Easements Overview](#)
- [On-Farm Energy Initiative](#)
- [Conservation Guidance for Utility-Scale Solar Projects \(posted Dec. 2024; updated Apr. 2025\)](#)

**Additional Resources:**

- [Farmers' Guide to CSP \(March 2025\)](#)
- [Common Ground for Agriculture and Solar Energy - USDA ERS](#)