

ERS Peer Review Plan

Preliminary Title: The Role of Commercial Energy Development in Agricultural Producer Income

Type of Report (ERR, EIB, EB) EIB

Agency: Economic Research Service [X] Influential Scientific Information
USDA [] Highly Influential Scientific Assessment

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Subject of Review: We analyze leasing and royalty payments made to farmers from oil, natural gas, and wind energy production using ten years of data (2011-20) from the USDA Agricultural Resource Management Survey (ARMS). Historically, payments from energy development, particularly oil and natural gas development, have comprised an important source of income for farmers who were able to benefit from the development of energy resources from their land. Since the 2000s, energy markets have experienced marked shifts, including a dramatic rise and fall in oil prices and a rapid expansion of renewable energy. During the shale oil and natural gas boom from the mid 2000s through 2014, U.S. energy production expanded from on-farm oil and natural gas production. Additionally, wind energy development, which began in the United States in the 1980s, experienced significant growth beginning in the late 2000s, leading to leasing income for farmers. In this study, we examine changes in energy income for farm operators. Specifically, we analyzed who benefited from energy income, how the income was distributed across agricultural producers, regionally and demographically, by race/ethnicity and education level. We also examined differences in the amount of and likelihood of receiving energy payments in areas with predominantly oil and gas or wind development.

Purpose of Review: The purpose of the review is to ensure the high-quality of the economic analysis, transparent explanation of methods, objective interpretation of results, and effective communication to the intended audience.

Type of Review: [] Panel Review [X] Individual Reviewers
[] Alternative Process (Briefly Explain):

Timing of Review (Est.): Start: 2/16/2023 Completed: ---

Number of Reviewers: [] 3 or fewer [X] 4 to 10 [] More than 10

Primary Disciplines/Types of Expertise Needed for Review: Economists

Reviewers selected by: [X] Agency [] Designated Outside Organization

