PEACE RIVER REGIONAL DISTRICT

CHAIR'S REPORT

To: Directors Report Number: DR-BRD-082

From: Chair Sperling Date: July 18, 2024

Subject: Wind Farms in the Peace River Regional District

PURPOSE:

To initiate a discussion by the Regional Board regarding wind farms in the Peace River Regional District; specifically seeking Board approval to approach the Province of BC to request that they consider the cumulative impacts of wind farms in the region and implement regulations to require wind farm proponents to plan for and complete responsible asset disposal and site remediation should a wind farm become obsolete.

RECOMMENDATION #1 *[Corporate Unweighted]*

That the Regional Board request that the Ministry of Energy, Mines, and Low Carbon Innovation undertake a study on the cumulative impacts of wind farms within the Peace River Region to understand the effects of the disturbance to the land base and to inform future decisions on wind farm siting and volume.

RECOMMENDATION #2 *[Corporate Unweighted]*

That the Regional Board request that the Ministry of Energy, Mines, and Low Carbon Innovation require proponents to prepare and submit reclamation and responsible asset disposal plans as part of the approval process for wind farm development to ensure appropriate end of lifecycle planning is in place for wind farms in the Peace River Regional District.

RECOMMENDATION #3 *[Corporate Unweighted]*

That the Regional Board request that the Ministry of Energy, Mines, and Low Carbon Innovation enter into an economic impact benefit agreement with the Peace River Regional District for wind farms located in the Peace River Regional District.

BACKGROUND/RATIONALE:

The Peace River Regional District is actively evaluating the economic benefits of new wind farm projects, with a focus on job creation, increasing local revenue, and improving infrastructure. Discussions have highlighted the ownership transfer to BC Hydro of grid-tied elements, including switching stations, wind farms and associated infrastructure. Concerns have been raised about the lack of regional benefits despite the region being a preferred location for wind farms. This underscores the need for broader dialogue and attention to this issue at a provincial level. The Board has requested a Minister Meeting with the Minister of Energy, Mines, and Low Carbon Innovation while attending the UBCM Conference in September 2024 to discuss the cumulative effects of wind farms on the land base in the region.

Wind energy is now the lowest-cost source of new electricity generation in Canada. There has been more wind energy capacity installed in Canada over the last decade than any other form. The production of electricity from wind energy generates no greenhouse-gas emissions, no air or water pollution, and no toxic or hazardous wastes. Wind turbines have been deployed by corporations, First Nations, municipalities, and community organizations across Canada. Wind energy projects provide significant economic benefits to the hundreds of communities across Canada that host them, through tax payments to municipalities, lease payments to landowners and director financial contributions. Although less common, smaller wind turbines are also being deployed to provide power directly to homes, cottages and small businesses across Canada.

Currently there are approximately 200 Wind Turbines in the Peace River Regional District. This estimate includes Bear Mountain Wind Park, Dokie Ridge Wind Farm, Meikle Wind Farm, Quality Wind Farm, Zonnebeke Wind Energy Project, Sukunka Wind Energy Project, and Moose Lake Wind Farm. BC Hydro is currently the only off taker of all of these wind farms in British Columbia. The life expectancy of wind farm infrastructure is also changing. Turbines initially had an estimated 20-year life span, but may be between 25-30 years, depending on location, how hard the turbines are driven and how robustly they are built. The transmission transformers and the lines have a expected life span of forty years plus. Disposal of wind turbines is a hot topic. Sites should be reclaimed at the end of their life. There is recent discussion of new technologies under development involving reclamation of the blades that are made from fiberglass and carbon fiber, for reuse in ways. The British Columbia government expects the demand for electricity to increase by fifteen percent by 2030. This accelerating growth has been intensified by recent drought conditions. The Call to Power is part of BC Hydro's response to the Province's growing electricity demand.

ALTERNATIVE OPTIONS:

1. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

☒ Not Applicable to Strategic Plan

FINANCIAL CONSIDERATION(S):

Wind farms fall into Property Class 02 – Utilities. The assessed value of a wind generation facility is based on land value and improvement value. Land is assessed based on market value and assessed values of improvements are determined using a prescribed cost manual. Improvements are assessable (except for nacelle (turbine housing), turbines, blades, and generators). In addition, private utilities are required to pay property taxes on properties including rights-of-way for distribution and transmission lines, unlike Crown agents such as BC Hydro which are immune from taxation. BC Hydro instead pays grants in lieu of property taxation. BC Hydro grants for distribution and transmission lines are only paid to municipalities, not regional districts, based on 1% of revenues within the municipality.

COMMUNICATIONS CONSIDERATION(S): None at this time.

OTHER CONSIDERATION(S): None at this time.