

Turbine tax allocations ?unfair?

If preliminary figures compiled by Melancton Township are accurate, could it be that host municipalities for wind farms are actually subsidizing the wind-energy industry?

Melancton at the moment is host to 118 turbines, each with a production capacity of 1.5 MW. Although the true combined value of the turbines and related infrastructure probably totals in the order of \$200-million as a modest estimate, the maximum assessed value for industrial taxation is \$6,000 per turbine ? or \$708,000.

The usual tax rate for occupied industrial property in Melancton is a combined 3.403385, with about half of that going to support school board and the balance virtually split between the township and the county. Specifically, the Education tax rate is 1.59000; the county's, 0.876678; and the township's, 0.936707.

Mayor Bill Hill this week would not comment about a letter he had recently sent to Provincial Treasurer Charles Sousa and Premier Kathleen Wynn, suggesting the assessment cap should be revisited as it now provides ?an unfair advantage to (the wind energy) industry,? beyond saying the township is still awaiting a response from the province.

He did, however, confirm that the information contained in the letter is based on figures taken from the financial statement. (The county and tax rates for those authorities are not set by the township, but by the authorities.)

In the letter, Mayor Hill does state that \$289,000 annually of the tax on the capped assessment is being paid to authorities which are not in any way burdened by the presence of the turbines ? the county and the school boards.

?As a result of the 118 turbines in our municipality, the County will receive for 2013 approximately \$103,000 and the four School Boards in our municipality will receive approximately \$186,000 based on their percentage allocation.

?With all due respect to those bodies, the turbines have no impact on the school system.

?(As well), after the construction phase, there is very little impact on the County as there is minimal traffic to the turbine units. Even during construction, the County issues should be covered by their development charges and permit fees.?

The mayor goes on to say that the township would be much better off financially if it didn't have to send \$289,000 to ?unaffected parties.?

The township does receive, apart from taxation, payments of \$1,000 per turbine in Phase 1 of the Canadian Hydro development and \$4,000 per turbine for Phase 2 and other developments that use 1.5 MW generators.

It is apparently negotiating with Dufferin Wind Power for similar ?amenities? payments based on the larger capacity of its generators ? as is the case with Canadian Hydro's Wolfe Island development.

By Wes keller