

Disadvantages of Wind Farms to municipalities

- 1 Provincially mandated Beneficed Tax assessment which asses Industrial Wind Turbines at 1/25 of their actual value which results in greatly reduced Municipal Property Taxes relative to and normal industry. It also means that any money spent by the Municipality to attract Wind Farms results in a Return on Equity for the Municipality which is many ties less than what it would have been had that money been spent attracting a normal industry.
- 2- Other than short term, temporary construction jobs, most of which are filled by qualified trades from other jurisdictions who work for the developer of his Contractors, Wind Farms create only a couple of jobs in the host community, far fewer on a job per dollar of capital invested than normal businesses.
- 3- The Provincially-mandated setbacks for Industrial Wind Turbines can hamper a municipalities future development plans as it prevents developing subdivisions and industrial parks inside the radius of the mandated setback distance. This results in reduced municipal taxation revenues and business development.
- 4- These same setbacks also mean that undeveloped private property that falls within the radius of the mandated setbacks cannot be subdivided or developed for any uses which require Human Occupancy. This is in effect expropriation without compensation and has already resulted in reductions in property assessments of up to 50% and consequent reduction in Municipal revenue.
- 5- There have been a number of studies done by licensed Professional Appraisers which indicates that property values within a few kilometres of a Wind Farm suffer devaluations of 25% to 50%. This fact has been recognized by MPAC which has reduced property assessments on Wolfe and Simcoe Islands, 6 of which alone totalled \$705,000.00 This also results in a reduction of municipal revenues.
- 6- The construction and maintenance activities of the Wind Farm result in significant damage to municipal roads, ditches and other infrastructure. While the permitting process for the construction phase of the development may compensate the municipality for some of these costs, it has been the experience of other municipalities that damage to infrastructure as a result of heavy equipment used for maintenance operations is not compensated, or if compensation is received it is only for a fraction of the cost and that after the involvement of lawyers and sometimes the Courts.
- 7- While the Province had mandated that the developer must have a decommissioning plan, there is no requirement for a performance bond or escrow fund which will defray the cost to the municipality and Provincial taxpayers in the event of the Wind Farm operator's bankruptcy or default on this obligation. Given that estimated costs for decommissioning Industrial Wind Turbines range from and estimated \$1,000,000.00 per turbine to a quoted price of \$7,500,000,00 per turbine in Falmouth Massachusetts this presents a very large risk to any municipality which hosts a Wind Farm and one for which it receives no commensurate compensation.
- 8- Municipalities that host Wind Farms become responsible for providing Fire Services to the Wind Farm both during construction and thereafter. Fighting Turbine fires requires special training and equipment, which other municipalities have discovered the developer and Wind Farm operator are unwilling to pay for.
- 9- Municipalities that are hosts to both Wind Farms and/or Solar Farms have discovered that the

need for new transmission lines results in their Jurisdiction with the accompanying loss of visual amenity, land for development and loss of planning authority to decrees by the Ontario Energy Board.

10- Despite proponent propaganda to the contrary, which claims as did the Tobacco Industry's that there are no proven direct links between their product and human health impacts, it is an undeniable fact that a significant percentage of people residing near Wind Farms suffer adverse health effects. This leads to a greater strain on local health services, social services as well as the abandonment of homes which have become unsaleable, resulting in a further impact on municipal revenues.

11- The inevitable lawsuits and the acrimonious community divisions which arise when a very small minority benefit disproportionately at the expense of the majority of residents only serves to weaken a community and waste its resources.

12- The building of wind Farms, driven by Ontario's Green Energy Act (GEA) will soon result in the Province having the highest electricity costs in North American, with serious consequences for the province's economic growth and competitiveness. "The manufacturing and mining sectors will be hit hardest by rising energy costs, with returns to investment in manufacturing likely to decline by 29 per cent, mining by 13 per cent, and forestry by less than one per cent. In an effort to shield these industries the Provincial Government has instituted energy subsidy programs. However these only transfer the costs onto Ontario taxpayers, who are already dealing with skyrocketing residential electricity prices. The result of these energy cost increases for industries and the loss of disposable income for consumers will be a net loss of investment and employment in Ontario. Marginal operations in rural areas will be the first to suffer even though these industries are often the major employer in a Municipality. The resulting unemployment coupled with reduced consumer incomes will result in increased poverty, lower municipal revenues and greater demands on municipal services.

13- The GEA's drive to develop large amounts of wind generation in the Province is particularly wasteful as 80% of Ontario's wind generation is badly mismatched with electricity demand so that often the entire output is surplus and must be dumped on the export market at a substantial loss. The Auditor General of Ontario estimates that the province has already lost close to \$2 billion on surplus wind exports, and figures from the Independent Electricity System Operator (IESO the operator of the Ontario grid) show the ongoing losses are \$200 million annually. Even if, as has been promised, wind generation is made dispatchable, the 20 year contracts the Province has signed with wind generation companies will require that the generators be paid for what they would have produced had they not been dispatched off the grid. While this may save the Province money in the not infrequent cases where we pay other Jurisdictions to take our excess power, it will in fact increase the cost in the majority of cases where the small amount recovered through the sale of electricity to other jurisdiction at least helped defray some small portion of the cost of buying that excess electricity from the Wind Farms. What this policy will do in effect is reduce transparency and accountability while increasing the opportunities for Wind Farms to 'game' the system. It will also reduce any revenues based on Wind Farm production output which may be shared with municipalities through Community Vibrancy Funds or other such instruments, while actually increasing the revenues to the Wind Farm operators.