

Subject: **Renewable Energy Reclamation Security Engagement**
 Meeting Date: Tuesday, October 22, 2024
 Prepared By: Mike Haugen, CAO
 Presented By: Mike Haugen, CAO

STRATEGIC PLAN ALIGNMENT: (Check all that apply)

	<input type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input type="checkbox"/>
High Quality Infrastructure		Economic Resilience		Quality of Life		Effective Leadership		Level of Service	

RELEVANT LEGISLATION:

Provincial (cite)- N/A

Council Bylaw/Policy (cite)- N/A

BACKGROUND/PROPOSAL:

Council’s consideration of this item has been requested by Councillor Cunningham.

The Province is currently undertaking an engagement regarding security deposits related to renewable energy developments. They will accept any feedback; but are particularly specifically requesting feedback on the following questions”

1. *What are some challenges and opportunities related to implementing mandatory security, including your thoughts on the option for landowners to choose either negotiating security directly with developers, or taking part in a new program for government-held security?*
2. *What should government consider when implementing a government-held program for wind and solar reclamation security?*
3. *How should security be calculated and when should it be required by Environment and Protected Areas for wind and solar renewable energy operations? Specifically:*
 - a. *Should the value of any scrap or salvage value be considered in the cost estimate for wind and solar reclamation security? If so, should there be a maximum amount, for example, should it be limited to a percentage of the estimated value or estimated reclamation costs?*
 - b. *Should there be alignment between types of renewable energy development, for example, should the amount of security required at time of application for solar and wind projects be aligned with geothermal?*

The deadline for response is October 15th, 2024.

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES/OTHER CONSIDERATIONS:

Administration offers the following notes for Council’s consideration (contained under each question)

1. *What are some challenges and opportunities related to implementing mandatory security, including your thoughts on the option for landowners to choose either negotiating security directly with developers, or taking part in a new program for government-held security?*



Security for renewable energy developments should be assessed, administered, and collected by the Province. The Province has the capacity and expertise to do this where individual landowners likely do not. Additionally, the Province has the greatest enforcement tools regarding securities.

2. *What should government consider when implementing a government-held program for wind and solar reclamation security?*

The security taken should be determined by the Province, payable upon commencement of construction, and updated regularly to ensure that security held is sufficient to cover complete reclamation costs.

3. *How should security be calculated and when should it be required by Environment and Protected Areas for wind and solar renewable energy operations? Specifically:*
 - a. *Should the value of any scrap or salvage value be considered in the cost estimate for wind and solar reclamation security? If so, should there be a maximum amount, for example, should it be limited to a percentage of the estimated value or estimated reclamation costs?*
 - b. *Should there be alignment between types of renewable energy development, for example, should the amount of security required at time of application for solar and wind projects be aligned with geothermal?*

Security should be taken prior to the liability being incurred, so prior to the commencement of construction. Securities for different developments should be looked at based on this principle, not solely in their alignment with each other. When security is taken for geothermal has no bearing on when a liability is accrued for wind or solar projects.

Salvage value is irrelevant to the cost of reclamation (restoring the land to an equivalent capacity) and should not be used to reduce the security required. What a developer does with salvageable material should be left as an internal matter to them.

FINANCIAL & STAFFING IMPLICATIONS:

There are none other than staff time which can be accommodated within existing work plans.

RECOMMENDED ENGAGEMENT:

Directive Decision (Information Sharing, One-Way Communication)

Tools:	Individual Notification	Other:	
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ATTACHMENTS:

NA

COUNCIL OPTIONS:

1. Council may opt to submit the suggested responses or submit amended responses.
2. Council may opt to not submit a written response.

RECOMMENDED MOTION:

That Council direct Administration to submit a written response as part of the Renewable Energy Reclamation Security Engagement based the amended answers discussed.



FOLLOW-UP ACTIONS:

Administration will submit a written response based on Council's direction.

APPROVAL(S):

Mike Haugen, Chief Administrative Officer

Approved-

