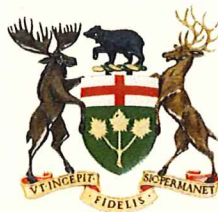


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Minister of Finance | Ministre des Finances
PETER BETHLENFALVY

880-2022-1918

Mr. Tom Allwood
Chair, Multi-Municipal Wind Turbine Working Group
Councillor, Municipality of Grey Highlands
councillorallwood@greyhighlands.ca

c/o Julie Hamilton, Deputy Clerk, Municipality of Arran-Elderslie
deputyclerk@arran-elderslie.ca

Dear Councillor Allwood:

Thank you for your letter regarding the property assessment and taxation of wind turbine towers. We appreciate the opportunity to respond to your group's concerns about the assessment methodology for these projects.

As you have noted, the assessment of wind turbine towers is determined by the Municipal Property Assessment Corporation (MPAC) based on a regulated amount per megawatt of the turbine attached to the tower.

It is important to note that wind turbine towers operated by corporate power producers are taxed at the industrial property tax rate. It is also important to emphasize that this regulated methodology applies only to the assessment of the tower itself. Land and any other associated buildings or structures are assessed using established methodologies and are also taxed at the industrial rate.

Machinery and equipment used in generating electricity, including the turbine and generator, are exempt from property taxation. The tax exemption for the equipment is not unique to wind projects, but rather, is consistent with the treatment of machinery and equipment used in all forms of electricity generation.

I appreciate you sharing your group's perspective regarding the assessment of wind turbine towers.

.../cont'd

Thank you again for writing.

Sincerely,



Peter Bethlenfalvy
Minister of Finance

c: The Honourable Rick Byers, Parliamentary Assistant to the Minister of Finance
Lisa Thompson, MPP, Huron-Bruce
Sylvia Jones, MPP, Dufferin-Caledon
Sam Oosterhoff, MPP, Niagara West
Rob Flack, MPP, Elgin-Middlesex-London