

An Overview: Sharing Benefits From Natural Resources with Local Stakeholders in British Columbia

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1. Introduction

This paper provides an overview of the major agreements in British Columbia related to natural resources and benefit sharing between local stakeholders and others such as the Province and industry. The paper was produced for Columbia Basin Trust on behalf of the Columbia River Treaty (CRT) Local Governments' Committee, which had expressed an interest in this subject matter.

To the degree possible, each type of agreement described in the paper includes:

- a description of the agreement;
- benefits and/or concerns; and
- additional notes or recent developments.

In summary, the following agreements are described in the paper:

Table: Summary of Agreement Types

Agreement Type	Annual Revenue
The Fair Share Agreement	The amount of annual revenue is equal to the base year grant of \$20 million, multiplied by the rate of change in the rural industrial assessment base between the last completed taxation year and 2004.
Elk Valley Property Tax Sharing Agreement	The allocation of taxes to each local government depends on a fixed percentage determined by the level of each government's dependence on the coal mining industry and their ability to diversify their assessment base. In 2008, the industrial coal mining property tax allocation to the Elk Valley local governments was the following: Elkford (\$3,000,000), Sparwood (\$2,800,000), Fernie (\$2,600,000) and Regional District of East Kootenay Area A (\$500,000).
Grants in Lieu of Taxes for Columbia Basin Hydroelectric Facilities	The total grants were \$5.6 million in 2012, \$5.4 million in 2011, and \$4.8 million in 2010.
Regional TrustsRegional Trusts	The Northern Trust has committed \$110.4 million in funding to 1,000 projects and attracted more than \$1 billion in new investments since 2004. The Southern Trust has funded over \$31 million in development initiatives since 2006. Since 1996, Columbia Basin Trust's total delivery of benefits to communities has been approximately \$90 million.
Benefit-sharing Agreements	Benefit sharing in BC is conducted on a case-by-case basis. Therefore, every negotiation is unique and must be tailored to the parties and resources involved.

This paper is based almost entirely on available literature; hence interviews were not used to solicit additional information.

2. Types of Agreements

This section outlines five types of agreements ranging, from strictly “government-to-government” agreements to “government-industry-First Nations” agreements, and from sharing property taxes that are rightfully due to a level of government, and sharing a broad range of benefits to support community development.

- 2.1 The Fair Share Agreement
- 2.2 Elk Valley Property Tax Sharing Agreement
- 2.3 Payments in Lieu of Taxes for Columbia Basin Hydroelectric Facilities
- 2.4 Regional Trusts
- 2.5 Benefit-sharing Agreements

2.1 The Fair Share Agreement

The Fair Share Agreement (FSA) is a unique multi-year agreement that reallocates provincial royalties from the oil and gas sector to support infrastructure development and help mitigate social and infrastructure impacts from the oil and gas sector. There is only one example of this type of agreement in BC and it is found in the Peace River Regional District (PRRD).ⁱ The agreement is also referred to as “grants in lieu of taxes” in a historical overview paper written by Colin J Griffith & Associates (2012). The total to grants in lieu provided to Peace Regional municipalities since 1994 is \$354 million, and over a 26-year lifetime of these Fair Share Agreements, approximately \$694 million in provincial grants will be transferred to Peace River municipalities and electoral areas. (Reference 3 in the endnotes.)

Background About the Peace River Regional District

The PRRD, located in the northeast corner of BC, is 117,761 square kilometres in size and home to about 60,700 people. The region has two main population centres, Fort St. John and Dawson Creek, and several smaller rural settlements, including Chetwynd, Hudson’s Hope, Pouce Coupe, Taylor and Tumbler Ridge. It is part of the Western Canada Sedimentary Basin (WCSB). The WCSB is where the majority of oil, gas and crude bitumen in Canada are located; it is also the only location in BC where production of commercial quantities of oil and gas takes place. The oil and gas sector experienced tremendous growth (40 per cent) from 2001 to 2006, and is now representing 30 per cent of the regional economy.¹

The Origin of the Fair Share Agreement

Despite the obvious economic benefits of job creation and revenue contribution, the negative impacts of the oil and gas sector are far-reaching in the region. Firstly, the largely transient workforce places severe pressures on social services (e.g. policy services, health facilities and public service amenities). Secondly, the additional demands on fresh water, energy, road access and other physical infrastructure add stress to the environment, transportation infrastructure and cost to the municipalities. Thirdly, since much of the oil and gas industry is located on private land or crown land outside of municipal boundaries, the industry is not subject to municipal taxes and the local planners have no jurisdiction over the operation of the industry.^{1,2}

Municipal boundary adjustments, inter-municipal tax-sharing arrangements, and regionalization of services cannot adequately address the latter issue. The traditional tax structure serves the region well in the context of forestry and mining activities within municipal boundaries, but limits the region’s access to the property tax base of the oil and gas industry, as well as the municipalities’ abilities to address historical and emerging infrastructure deficits.²

In the early 1990s, the region started a campaign, including commissioning a series of reports to gather information on the oil and gas sector and the impacts on the area, to tackle the fiscal imbalance and negotiate a greater share of provincial revenue. The reports, authored in 1992 by Peter Adams, a former Director of Tax Policy for the Province, analyzed the disconnect resulting from the vast majority of the oil and gas industry tax base being located in the rural and remote areas of the region and not being an accessible property tax base to support North Eastern BC (NEBC) municipalities, which house the majority of the oil and gas workforce and act as the service centres for the industry.³

In 1993, the Province recognized the fiscal imbalance facing the region and began negotiations for what would become the Fair Share Agreement (FSA). The first version of the Fair Share Agreement (FSA1) was in place in 1994 and provided \$4 million to the region (\$2 million from a tax on industry and a \$2-million provincial grant). The \$2-million tax levy to industry was on three industrial classes. This provincial property tax levy is referred to as the Peace River Local Government Infrastructure Tax and is still levied and collected by the Province today. The Fair Share Grant funds were transferred to the Peace River Regional District, which distributed the funds to the respective municipalities and regional districts (i.e. rural areas) based on allocation formulas developed by the Peace Region Local Governments and signed off by the Province. The formulas (described below in this section) were used in subsequent agreements and are included in the 2005 MOU between the Province and the Peace Region.³

In signing the 1994 MOU, the local governments also served notice that it was a good first step but insufficient to meet their long-term needs. In 1997 the region pressed for a revised agreement and was met with resistance from the Province. Municipalities once again requested authority to directly tax industry and were rejected.³ It was at this point that the region escalated their position, appearing before the National Energy Board approval process to inform them that they would reject any further developments.¹ The Province responded with a \$12-million agreement in 1998 (FSA2) in which they continued the \$2-million provincial industrial property tax and increased the Provincial budget grant from \$2 million to \$10 million. The \$12 million was transferred to be distributed to municipalities according to their agreed-upon formula.³

Given considerable increases in the region's oil and gas activity, discussions opened with the Province in 2002/03 to establish a formal process to examine the oil and gas industrial property tax issue in northeastern BC, with the agreed objective to identify a permanent solution to the oil and gas property tax base issue in North Eastern BC.³ Negotiations took place during fall 2004 and on February 1, 2005, the Province offered the Peace Region Municipalities what is now known as the Fair Share Agreement 3 (FSA3), effective from 2005 to 2020. FSA3 provided a starting contribution of \$20 million, with indexing in place (described below) to deliver up to \$28 million per year.^{1,2} The funding provided to each participant to date and projected through to 2019 is shown on the table following.

Table: Total Fair Share Grants to Peace River Municipalities³

Total Fair Share Grants to Peace River Municipalities 1994 - 2019 (In Millions)							
	Fair Share 1 1994-97	Fair Share 2 1998-2004	2005 - One Time Grant	Fair Share 3 2005-2012	Total to Date Aug-12	Fair Share 3 2013 -2019	Total Grants 1994-2019
Fort St.John	\$7.49	\$39.06	\$16.07	\$100.21	\$162.83	\$156.48	\$319.31
Dawson Creek	\$5.10	\$26.63	\$10.96	\$68.69	\$111.38	\$107.03	\$218.41
Chetwynd	\$1.02	\$5.35	\$2.20	\$13.93	\$22.50	\$21.62	\$44.12
Tumbler Ridge	\$0.67	\$3.51	\$1.44	\$9.71	\$15.33	\$14.73	\$30.06
Taylor	\$0.00	\$0.00	\$0.64	\$4.18	\$4.82	\$4.63	\$9.45
Hudson Hope	\$0.34	\$1.78	\$0.73	\$4.30	\$7.15	\$6.87	\$14.02
Pouce Coupe	\$0.40	\$2.07	\$0.85	\$5.49	\$8.81	\$8.47	\$17.28
Total Municipal	\$15.02	\$78.40	\$32.89	\$206.51	\$332.82	\$319.83	\$652.65
Peace River Rural	\$0.98	\$5.10	\$2.10	\$13.18	\$21.36	\$20.53	\$41.89
Total PRRD	\$16.00	\$83.50	\$34.99	\$219.69	\$354.18	\$340.36	\$694.54

Beneficiaries and Allocation Formula of the Fair Share Agreement 3 (FSA3)

The FSA3 received unanimous consent of the PRRD, its member municipalities and the Province of BC, represented by the mayors of the District of Chetwynd, the City of Dawson Creek, the City of Fort St. John, the District of Hudson's Hope, the Village of Pouce Coupe, the District of Taylor, the District of Tumbler Ridge, the Chair of the Peace River Regional District, and the Minister of the Ministry of Community, Aboriginal and Women's Services.²

Under FSA3, the Province paid the sum of \$20 million to the PRRD for the fiscal year 2005/06. For each year after 2005/06 for the duration of the term of FSA3, the Province will pay the PRRD an amount equal to the base year grant of \$20 million, multiplied by the rate of change in the rural industrial assessment base between the last completed taxation year and 2004.²

$$\text{Payment} = \$20 \text{ million} \times \frac{\text{Rural Industrial Assessment Base (Previous Taxation Year)}}{\text{Rural Industrial Assessment Base (2004)}}$$

The distribution formulas among municipalities are included in the 2005 MOU between the Province and the Peace Region.² There are two allocation pools:

- Pool 1 Criteria: Based on a) total converted assessment for municipalities and b) municipal population. This allocation formula was first approved by the Province in 1997; was utilized for all of the FSA2 period ending in 2004; and reapproved for use in Pool 1 for FSA3.
- Pool 2 Criteria: During the 2004/05 discussions, the Province demanded the introduction of equalization measures to equalize total industrial tax base support between the Peace River Municipalities. Pool 2 criteria are based on a) incorporated industrial assessments and b) other sources of industrial revenues provided to the sub-regions.

The Province also outlined criteria to govern the design of the allocation formula as follows:³

“The allocation systems should weight the allocations toward local governments that:

- *do not have adequate industrial tax base support, as evidenced by comparisons to a representative group of resource-oriented communities elsewhere in the Province;*
- *have historically not benefitted from industrial tax base support resulting in infrastructure deficits;*
- *are experiencing high levels of population growth and demand for services, due to growth of the oil and gas industry; and*
- *play a vital service centre role in supporting both the oil and gas industry and a large contiguous rural population.”*

The Challenges of Effective Implementation of FSA3

The FSA represents a precedent form of non-property tax revenue sharing with the provincial government. Along with the benefits that this agreement brings to the region come several challenges: how the fund is used, how to monitor the progress, how to balance future investment with short-term gain and how to facilitate collaboration between different municipalities and grow the region as a whole.¹

While the original agreement outlines spending priorities for FSA funds, being mainly for the provision of regional infrastructure (i.e. and not for operations or to off-set local taxes), in reality, spending patterns of agreement funding are not adequately monitored and enforced by the Province according to researchers and local newspapers.¹ Despite the original priorities for FSA funds being mainly for infrastructure investments, the municipalities are also using the funds for operations. Recently, the City of Dawson Creek issued an RFP for an independent analysis and review of the use of Fair Share Funding. It notes that at present the funding represents 27 per cent of its operating revenue.⁴

Since oil and gas are finite resources, the industry is volatile in nature, and the future of the FSA funds is uncertain, it is in the region and the municipal actors’ best interest to continue engaging in collaboration and building capacity for long-term prosperity.¹

Recent Developments and Summary

Several northern municipalities and Regional Districts have shown interest in exploring a similar model. For example, the City of Terrace and the Regional District of Kitimat-Stikine (RDKS) joined forces to fund a study that would lay the groundwork for a Fair Share Agreement, based on five areas, in their region of northwest BC. In addition, the City of Prince George recently called on the UBCM (Union of British Columbia Municipalities) to support a resolution to clear the way for any community wishing to enter into such an agreement with the Province. Its council is currently developing a strategy to negotiate a natural resource revenue-sharing agreement with the Province. There hasn’t been any significant outcome based on available literature to date (Internet search February 5, 2013).

It’s also interesting to note the formation of the Northern Rockies Regional Municipality (NRRM), incorporated on February 6, 2009. It is the first regional municipality in BC officially combining the former entities of the Town of Fort Nelson and the Northern Rockies Regional District. The regional municipality encompasses about 10 per cent of the province of BC’s landmass, an area of 85,149 square kilometres, at the northeastern corner of the province. The Fort Nelson First Nation and Prophet River First Nation traditional territory resides within the municipality and in addition to proximity they work together on regional development issues. NRRM is the only one in the province with the purpose of transforming into a municipality to capture taxes. The Province, in the form of an MOU, has agreed to look at their infrastructure needs and how those might be funded in the future given projected growth in

natural gas extraction and processing. In a news article published online in July 2012, the Province said it is important to ensure that communities that host industry are able to sustain the associated population growth and demand for services (www.250news.com/blog/view/25128/1/fort+nelson++region+working+with+province+on+possible+fair+share+agreement?id=143&st=1679).

In summary, the provincial policy on industrial property taxation has remained consistent since 1994. In that year, along with 1997 and 2004, the Province decided not to accept the arguments advanced by NEBC municipalities that they be given direct access to levy property taxes against the oil and gas industry for operations outside their municipal boundaries. The reason stated was that the Province was concerned with creating and maintaining a competitive, low cost, investment climate that would attract international investments. Still, the Province has acknowledged that the municipalities in NEBC do act as service centres for the oil and gas industry and should have a form of property tax support from the industry they service.

2.2 Elk Valley Property Tax-sharing Agreement

Elk Valley Mines and local governments reached a new property tax-sharing agreement in October, 2007 (signed in 2008), updating an agreement that began in 1982, to share the property taxes levied on the industrial coal mining properties in the Elk Valley. The key parties of this agreement include the District of Elkford, the City of Fernie, the District of Sparwood, Area A of the Regional District of East Kootenay, the Elk Valley Coal Corporation and the BC Ministry of Community Services.⁵

Background About the Elk Valley Communities

The Elk Valley communities are the product of the coal mining industry: Elkford was constructed in the 1970s to house the employees of Fording Coal, and Sparwood grew from the relocation of two mining towns in the 1960s. Unions, mining companies and their employees made significant contributions to the development of the communities. The diversification of the local economy has been very slow due to the heavy reliance on these industrial taxes. Therefore, the ability of the local governments to carry out initiatives that improve the well-being of the communities is directly affected by the taxes paid by the mining industry.⁵

The Origin of the Elk Valley Property Tax-sharing Agreement

On March 21, 1982, the District of Elkford, the City of Fernie and the District of Sparwood entered into an agreement to tax the coal industry a common property tax rate, and to distribute the tax revenue generated among the parties.⁶ Under the original agreement, the division of the taxes was based on a formula that considered the number of mine employees residing in each municipality, the assessment base and the per capita expenditures of each municipality. Based on this formula, the tax requisition to Sparwood did not increase from 1984 to 2007. Increases between 1984 to 1991 were distributed to Elkford and Fernie. The tax levy from this agreement was frozen in 1991 and each community had received the same property tax revenue from the mines from 1991 to 2007.⁵

In 2007, the parties (Elkford, Fernie and Sparwood) of the original agreement and the Regional District of East Kootenay acknowledged that the 1982 agreement no longer represented an equitable distribution of tax revenues generated from the coal mines, coal processing works and coal related infrastructure. The four parties started the negotiation for a new agreement that would ensure the taxation of, and distribution of tax revenues derived from, the coal industry, would be stable, predictable, equitable, fair and adaptable to changing circumstances of the Elk Valley region.⁶

The new agreement was signed in March 2008. Under the new agreement, allocation of taxes to each local government depends on a fixed percentage determined by the level of each government's dependence on the mines and its ability to diversify its assessment base.^{5,6} In 2008, the industrial coal mining property tax allocation to the Elk Valley local governments was the following:⁵

Elkford	\$3,000,000
Sparwood	\$2,800,000
Fernie	\$2,600,000
RDEK Area A	\$500,000
TOTAL	\$8,900,000

After accounting for administration fees, the following table illustrates the 2008 allocation of the property tax levy, as well as projections for 2009 thereafter (i.e. based on percentage distribution):⁶

	2008	2009 thereafter
Elkford	\$2,998,315	33.7%
Sparwood	\$2,798,427	31.4%
Fernie	\$2,598,539	29.2%
RDEK Area A	\$499,719	5.6%
Adminstration	\$5,000	0.06%
TOTAL	\$8,900,000	100%

Impacts of the New Agreement

The new agreement brought changes to both local governments and the coal mining companies in the Elk Valley region. For the local governments, the base property tax increased from \$6.9 million to \$8.9 million, which were then adjusted annually for inflationary effects. In addition, all properties with a Class 4 industrial assessment within the confines of the Regional District of East Kootenay Area A were subject to the agreement. For the coal mining companies in the area, the changes from the new agreement included: an increase of their tax burden of \$2 million (the annual adjustment of the tax levy would likely be an increase equal to the BC Consumer Price Index Periodical, the amount of base taxes would be unaffected by adding or deleting industrial properties, and the inflationary adjustments would have a reasonable cap so as to protect the industry from large property tax increases).⁵

2.3 Payments in Lieu of Taxes⁷

The following information on Payments in Lieu of Taxes/Grants in Lieu of Taxes (PILT/GILT) is strongly based on *A Review of the Range of Impacts and Benefits of the Columbia River Treaty on Basin Communities, the Region and the Province*, prepared for the Province's Columbia River Treaty Review Team, December 5, 2012, by consultant George Penfold

Background

Although publicly owned power facilities in the Basin generally do not pay municipal property taxes and school taxes, they do pay municipalities and regional districts grants in lieu of taxes. The exception is Brilliant Dam, which continued to pay property taxes after it was acquired by Columbia Power Corporation and Columbia Basin Trust from Cominco in 1996. The Province's grants in lieu formulas (also known as payments in lieu) provide funds to local governments impacted by reservoirs, in addition to the local jurisdiction in which a dam and powerhouse is located. The GILT amounts are established by the province on a formula basis that is not tied to either inflation or the increase in municipal expenditures.

Origin and Distribution of Payments (or Grants) in Lieu of Taxes

BC Hydro and Columbia Power pay property Payments in Lieu of Taxes (PILT) rather than property taxes on generating, transmission and dam facilities across the province. Due to the size and location of the facilities, basing grants on what the tax would be if the facilities were privately owned would mean no payments would be made for several of the dams because they are not within municipal boundaries, but BC Hydro would pay extraordinarily large amounts to a few municipalities.

The grant is calculated based on a formula that is *not based* on assessed values or tax rates. An exact formula isn't readily available online; however, GILT is referred to as special grants in lieu of general taxes on dams, reservoirs and powerhouses. These grants are based on installed capacity, or imputed nameplate generating capacity in the case of storage dams (i.e. Duncan and Hugh Keenleyside dams). Grants increase annually based on an indexing formula set by the Province. Also, adjustments are made when there is a change in generating capacity, such as the additional unit added at Revelstoke.

In order to create a fairer distribution of payments to local governments impacted by generating facilities, the formula requires BC Hydro and Columbia Power to pay grants to impacted municipalities and regional districts that do not have generating assets within their boundaries, as well as to the local governments in which the generating assets are located.⁸ A grant in lieu of taxes is similar to a property value tax but is collected from provincial and federal governments and their associated agencies and Crown corporations. The most recent grants in lieu of taxes payments are shown in the table below. Note that BC Hydro dams on the Columbia River (with the exception of Kootenay Canal Generating Station) are exempt from paying school taxes.

Table: Grants in Lieu of Taxes Payments (by Dam)

BC Hydro-Mica (Treaty)	2010	2011	2012
Columbia-Shuswap RD	\$1,055,779	\$1,108,660	\$1,154,726
Fraser-Fort George RD	\$405,682	\$426,006	\$443,711
Valemount Municipality	\$218,380	\$229,321	\$238,849
Total for Mica	1,679,841	\$1,763,987	\$1,837,286
BC Hydro-Duncan (Treaty)			
Central Kootenay RD	\$35,502	\$37,271	\$38,831
BC Hydro-HL Keenleyside (Treaty)			
Central Kootenay RD	\$31,210	\$32,774	\$34,125
Castlegar Municipality	\$42,756	\$44,896	\$46,761
Nakusp Municipality	\$4,138	\$4,346	\$4,527
Total for HL Keenleyside	\$78,104	\$82,016	\$85,413
BC Hydro-Revelstoke (Non-Treaty)			
Revelstoke Municipality	\$1,742,459	\$2,175,395	\$2,265,783
Columbia-Shuswap RD	\$57,602	\$71,916	\$74,903
Total for Revelstoke	\$1,800,061	\$2,247,311	\$2,340,686
BC Hydro-Kootenay Canal (Non-Treaty)			
Central Kootenay RD	\$454,598	\$479,365	\$499,282
Nelson Municipality	\$303,064	\$319,572	\$332,850
Total for Kootenay Canal	\$757,662	\$798,937	\$832,132
Columbia Power-Arrow Lakes Generation (Non-Treaty)⁹			
City of Castlegar	\$143,802	\$150,992	\$157,372
Central Kootenay RD	\$104,975	\$110,224	\$114,881
Nakusp	\$13,923	\$14,619	\$15,237
Total for the Arrow Lakes Generating Station	\$262,700	\$275,835	\$287,490
Columbia Power-Brilliant Dam Expansion (Non-Treaty)			
City of Castlegar	\$170,400	\$178,920	\$186,400

Table: Grants in Lieu of Taxes Payments (By RD/Municipality)

RD/Municipality	Grants in Lieu of Taxes Payments/Dam	2010	2011	2012
Castlegar Municipality	BC Hydro-HL Keenleyside (Treaty)	\$42,756	\$44,896	\$46,761
	Columbia Power-Arrow Lakes Generation (Non-Treaty)	\$143,802	\$150,992	\$157,372
	Columbia Power-Brilliant Dam Expansion (Non-Treaty)	\$170,400	\$178,920	\$186,400
	Total Annual Grants	\$356,958	\$374,808	\$390,533
Central Kootenay RD	BC Hydro-Duncan (Treaty)	\$35,502	\$37,271	\$38,831
	BC Hydro-HL Keenleyside (Treaty)	\$31,210	\$32,774	\$34,125
	BC Hydro-Kootenay Canal (Non-Treaty)	\$454,598	\$479,365	\$499,282
	Columbia Power-Arrow Lakes Generation (Non-Treaty)	\$104,975	\$110,224	\$114,881
	Total Annual Grants	\$626,285	\$659,634	\$687,119
Columbia-Shuswap RD	BC Hydro-Mica (Treaty)	\$1,055,779	\$1,108,660	\$1,154,726
	BC Hydro-Revelstoke (Non-Treaty)	\$57,602	\$71,916	\$74,903
	Total Annual Grants	\$1,113,381	\$1,180,576	\$1,229,629
Nakusp Municipality	Columbia Power-Arrow Lakes Generation (Non-Treaty)	\$13,923	\$14,619	\$15,237
	BC Hydro-HL Keenleyside (Treaty)	\$4,138	\$4,346	\$4,527
	Total Annual Grants	\$18,061	\$18,965	\$19,764
Fraser-Fort George RD	BC Hydro-Mica (Treaty)	\$405,682	\$426,006	\$443,711
Nelson Municipality	BC Hydro-Kootenay Canal (Non-Treaty)	\$303,064	\$319,572	\$332,850
Revelstoke Municipality	BC Hydro-Revelstoke (Non-Treaty)	\$1,742,459	\$2,175,395	\$2,265,783
Valemount Municipality	BC Hydro-Mica (Treaty)	\$218,380	\$229,321	\$238,849

BC Hydro does pay school taxes and grants in lieu (2012) at the Mica Dam switchyard (\$307,249) and the Revelstoke Dam switchyard (\$673,637). It also pays school taxes for Kootenay Canal Generating Station of \$2,699,831. Brilliant Power Corporation also paid \$264,653 property taxes to the City of Castlegar for Brilliant Terminal Station in 2012.

The grants in lieu of taxes that are paid to regional districts are reallocated based on regionally specific policies that are decided upon by each regional district. In some cases, areas outside of the Basin benefit from these revenues. In the Columbia Shuswap Regional District, the apportionment policy is shown in the table below:

Table: Columbia Shuswap Regional District GILT Apportionment¹⁰

a) An apportionment to the following functions:	
General Government	20%
Electoral Government	10%
Area B Recreation	4%
Golden and District Arena	4%
Area B Fire Protection	3%
Area A Community Parks	3%
Sicamous Rec Centre	3%
Area E Community Parks	2%
b) An apportionment payable directly for the following:	
Revelstoke Community Centre	1%
c) Balance of GILT apportioned to those members deemed to be in the Impact Area as follows:	
Golden and Electoral Area A EOF	20%
Revelstoke and Electoral Area B EOF	20%
Sicamous and Electoral Area E EOF	10%

The Impact Area component is for the purpose of establishing Economic Opportunity Funds (EOF). The EOF was created specifically as a means of compensating for the loss of economic opportunities on those lands affected by the dams and reservoirs and the resultant economic impacts to the affected communities. As such, the EOF are to provide funding assistance for projects deemed by the participating members and ratified by the corporate board to be worthy of support in an effort to stimulate economic development within the impacted areas.

The Regional District of Fraser Fort George (RDFFG) allocates its GILT funds to three region-wide services: corporate services, economic development and community services.¹¹

The Regional District of Central Kootenay (RDCK), under policy 300-09-01, allocates all GILT funds to a Community Development Grant Program.¹² In 2008, the funds were allocated as follows:

- \$70,000 annually to electoral areas D, E, H, J and K;
- \$20,000 annually to each remaining electoral area and municipality with a population of over 1,000; and
- \$8,000 annually to each remaining electoral area and municipality with a population of under 1,000.

Allocation of the funds for specific uses within each municipality and electoral area are approved by the RDCK Board.

The cities of Castlegar and Nelson are not included in this program as they retain their individual GILTs for municipal purposes.

(Note from author: It has been nearly impossible to find the formula; however, one source from CSRD says it's based on total municipal taxes contributed in a year (and the years before) and is a percentage increase from one year to the next. No one knows what they will get in advance so planning for it is difficult. The following is taken from a document titled "Order in Council No. 796," dated November 6, 2008 by the Order of the Lieutenant Governor in Council [see Appendix 1]: "...the authority may make an annual grant, to a municipality or regional district... that equals the amount paid under this order in the previous calendar year for that municipality or regional district, multiplied by a fraction:

- (a) with a numerator that equals the total municipal property tax revenue for the calendar year that is two years before the calendar year in which the grant is to be paid; and
- (b) with a denominator that equals the total municipal property tax revenue for the calendar year that is three years before the calendar year in which the grant is to be paid.

Given the ambiguity and lack of available information online, further investigation with the Province and/or a separate research project is suggested.)

2.4 Regional Trusts

Common features of regional trusts are that they begin with the Province investing a substantial amount of funding and use the profits from these investments to support initiatives focused on funding programs, research and community/economic development initiatives that benefit the region.¹³ Three specific examples in BC are provided below.

Northern Development Initiative Trust

Early in 2003, the Province of BC undertook the initiative to restructure the British Columbia Railway Company. The aim of this initiative was to seek investment by third-party operators in the freight railway. In November 2003, the Province announced that the Canadian National Railway Company was the successful proponent to invest in the railway and would pay the province about \$1 billion for its right to operate the freight railway. As a result of this investment partnership, the Province was in the position to directly invest in northern communities and provide opportunities for First Nations along the railway line to undertake economic development initiatives. The Northern Development Initiative Trust (Northern Trust) was among the development initiatives that were established using the proceeds from the investment partnership.¹⁴

The Province of BC introduced Bill 59, the *Northern Development Initiative Trust Act*, on October 6, 2004, and Bill 6, the *Northern Development Initiative Trust Amendment Act 2005*, on September 21, 2005. Under these acts, Northern Trust was established in October 2004 with a mandate to be a catalyst for strategic economic development at the local and regional level, and to help Northern BC communities create and sustain world-class industries and diversified economies. Receiving two deposits totalling \$185 million (\$135 million in 2004 and \$50 million in 2005) from the BC government, Northern Trust currently delivers a total of 14 funding programs and is focusing on attracting up to \$2 billion in investment to the region by 2015.¹⁵

Northern Trust has a team comprising a volunteer board of 13 directors supported by a team of professionals centrally located in Prince George, BC. Of the 13 directors, eight are elected local government representatives, two from each of the four regions. Five of the directors are appointed by the Province based on their previous business leadership abilities to round out the board.

The board is a policy-governance board responsible for strategically setting the policy and program framework for the operations of Northern Development. It ensures that there are effective internal systems in all areas of corporate activity and is charged with the task of defining the corporate mandate, its mission, vision and objectives, its operations, and its by-laws. The board is a group of volunteers who do not receive any remuneration from Northern Development, other than reimbursement for reasonable travelling and out-of-pocket expenses necessarily incurred by a director in acting out his or her board duties.¹⁶

The mission of Northern Trust is *“to be a catalyst for northern BC to grow a strong diversified economy by stimulating sustainable economic growth through strategic and leveraged investments.”*

Northern Trust’s primary goal is *“to directly and through leveraged investment, bring between \$1 and \$2 billion into communities of the region to aid in realizing their economic potential by 2020, and to have a sustainable base of \$185 million to do it again every decade.”*

The Northern Development board is also advised by four Regional Advisory Committees (RACs) that each elect two directors to the board. The four RACs are Cariboo-Chilcotin/Lillooet, Northeast, Northwest and Prince George, comprising 16, 11, 22 and 12 elected representatives respectively. These representatives are elected local government leaders from each of the regions, which ensures that local knowledge is incorporated into Northern Development’s strategic plan, as well as all funding approval processes. The current list can be found at northerndevelopment.bc.ca/our-team/regional-advisors. Regional advisors meet quarterly to review funding applications, policy recommendations, and strategic plans, and to discuss regional economic development issues. Local and regional intelligence, a low level of bureaucracy, and a strong focus on engaging communities as partners, enable Northern Development’s highly effective funding delivery model.¹⁶ It’s not clear from the weblink whether there are four separate funds; however, there are 10 areas of investment (www.northerndevelopment.bc.ca/about/strategic-plan-and-board-governance)

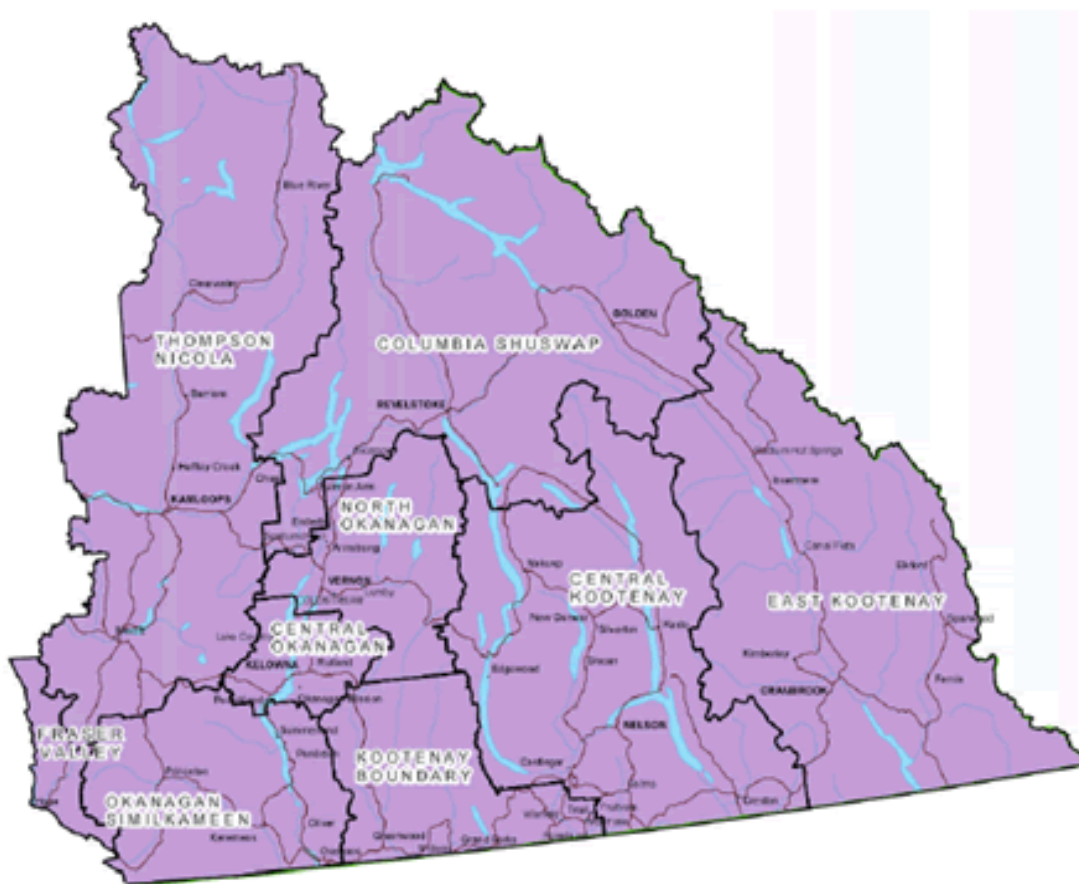
Some of the successful stories to date are:¹⁶

- \$110.4 million in funding has been committed to 1,000 projects in communities throughout central and northern BC;
- 5,154 jobs have been created;
- Funding has been partnered with 1,778 organizations, attracting more than \$1 billion in new investment;
- 74 per cent of investments are in small communities with populations less than 5,000;
- \$198.8 million has been invested in new capital and employee training by supported companies; and
- More than 2,979 grant writers have been trained and 274 hired by communities, including 124 by First Nations since 2007.

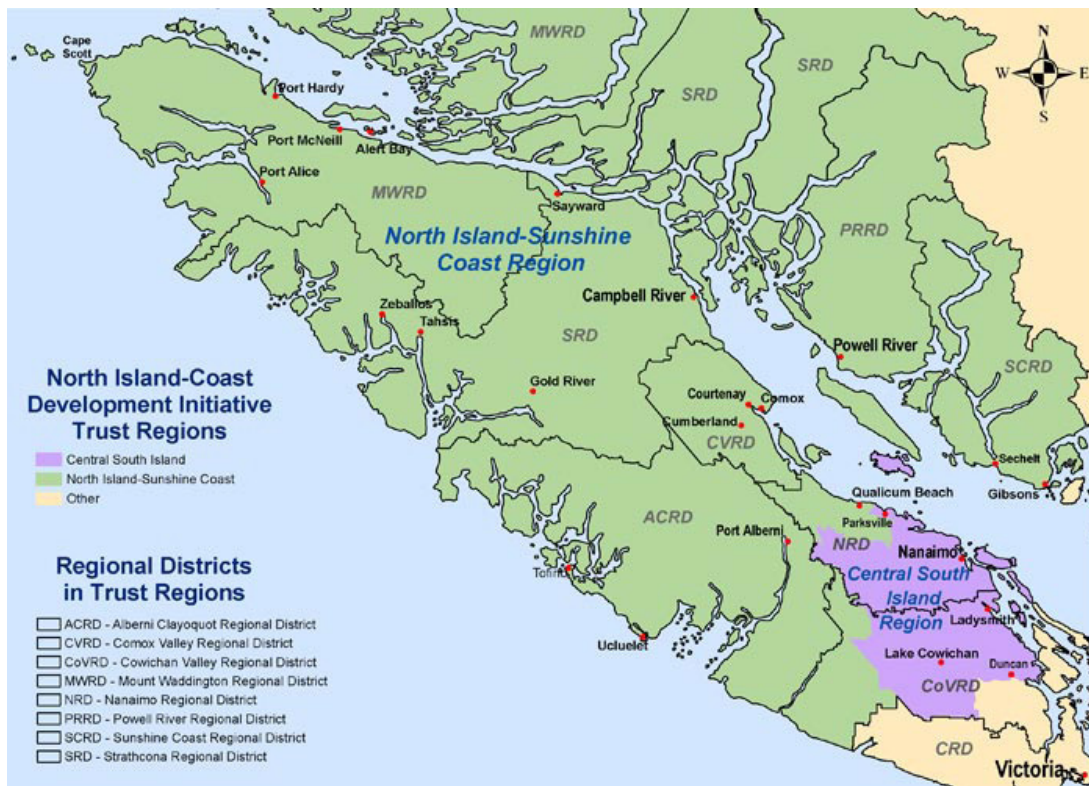
Southern Interior Development Initiative Trust

A year after the establishment of Northern Trust, three more trusts were introduced to provide equity of economic development opportunities across the province: the Southern Interior Development Initiative Trust (Southern Trust) (see Map 1: Columbia Kootenay and Thompson Okanagan Regions), the New Relationship Trust (dedicated to strengthening First Nations in all of BC) and the Island Coastal Economic Trust (see Map 2: Central Southern Vancouver Island, Northern Vancouver Island and Sunshine Coast).

Map 1: Columbia Kootenay and Thompson Okanagan Regions (Map of Southern Interior Development Initiative Trust Regions)



Map 2: Central Southern Vancouver Island, Northern Vancouver Island and Sunshine Coast (Map of North Island-Coast Development Initiative Trust Regions)



On February 27, 2006, the Government of BC introduced Bill 8-2005, the *Southern Interior Development Initiative Trust (Southern Trust) Act*, and launched Southern Trust with a \$50-million one-time allocation paid into a regional account.¹⁷ The service area for Southern Trust includes Blue River to the north, Hope to the west, and the United States and Alberta borders as southern and eastern boundaries respectively. The objective of Southern Trust is to help grow and diversify the economy of the Southern Interior of BC through economic development initiatives in 10 key sectors: energy, forestry, mining, Olympic opportunities, agriculture, transportation, small business, tourism, pine beetle recovery and economic development.¹⁸

Governance of Southern Trust is the responsibility of a 13-member board of directors. Four directors are appointed by each of two Regional Advisory Committees (RACs) representing the Columbia Kootenay and Thompson Okanagan regions. The remaining five directors, all of whom are from the Southern Trust area, are appointed by the provincial government. RAC membership comprises local government elected officials and members of the Legislative Assembly from the region.¹⁸

The role of the RACs is to:

- appoint members as directors to the Southern Trust board;
- provide advice to the Board on projects suitable for Southern Trust funding;
- establish the terms of office for RAC membership; and
- provide an opportunity for communities and regional district areas with populations under 500 to be represented on the RAC.

The board is responsible for identifying the strategic direction of Southern Trust, policy decisions, investment decisions in support of a variety of regional economic priorities and other opportunities that contribute to the economic diversity of the Southern Interior. The board meets quarterly in person, by telephone conference or electronically, as required.

Accomplishments to date include:

- Created 1,766 jobs;
- Funded over \$31 million in development initiatives, grants and education rewards;
- Leveraged \$3.06 from other sources from every \$1 invested; and
- Based on the total cumulative initiative values of \$127.4 million, received \$96 million from other funders.¹⁷

Columbia Basin Trust

Columbia Basin Trust (CBT) was created in 1995 to support efforts by the people of the Basin to create “social, economic and environmental well-being” in the Canadian portion of the Columbia River Basin—the region most affected by the Columbia River Treaty. During the creation of the CRT, Basin residents weren’t adequately consulted for their views, concerns or solutions. In the early 1990s, the people of the Basin seized the opportunity to get involved.

Residents, local officials and representatives from regional districts and tribal councils joined together to coordinate efforts, forming the Columbia River Treaty Committee. Reflecting the desires of Basin residents, the committee approached the Province of BC in order to negotiate:

- that funds be allocated to the region, representing a fair share of the ongoing benefits being realized outside of the Basin as a result of the CRT; and
- that a regional organization, governed by a board of Basin residents, be created to manage those funds.

Negotiations were successful on both counts, and in 1995 the *Columbia Basin Trust Act* was passed through the BC legislature and CBT was established. A binding agreement was also established, which resulted in the following for the residents of the Basin through CBT:

- \$276 million to finance power project construction;
- \$45 million, which CBT used as an endowment; and
- \$2 million per year from 1995 to 2010 for operations.

Using the income earned from the Investment Program, from both the endowment and power project investments, CBT’s Delivery of Benefits activities supports programs and initiatives that focus on fostering quality of life and addressing critical issues in the Basin. In 2011/12, CBT disbursements to communities were more than \$18 million. CBT initiatives include community development, water, environment, economic, social and youth. Since 1996, CBT’s total delivery of benefits to communities has been approximately \$90 million.

Current levels of benefits are expected to continue at about the same level, until 2015/16, when the Waneta Expansion Project begins to produce power. Those additional revenues and increased revenues from a new sales agreement for the Arrow Lakes Generating Station will mean that by 2017/18 projected annual benefits to communities are expected to be double the current levels.

The Community Initiatives and Affected Areas Programs—CBT’s longest running programs—support projects identified as priorities within individual communities. These programs foster activities that each community deems important, which might not have been undertaken otherwise. The Affected Areas Program (AAP) provides additional funding, above and beyond the Community Initiatives Program (CIP), to the areas most affected by dam construction under the Columbia River Treaty (those near the Arrow Lakes, Kinbasket, Duncan and Koocanusa reservoirs). AAP has been in existence since 1998 and is currently in year two of its most recent five-year contract.

This funding is delivered through a partnership with the following Basin local governments:

- The Town of Golden;
- The City of Revelstoke;
- The Regional District of East Kootenay (RDEK);
- The Regional District of Central Kootenay (RDCK);
- The Village of Valemount; and
- The Ktunaxa Nation Council

These local governments administer both CIP and AAP through processes that have been designed at the local level and meet certain key performance criteria as outlined in the delivery contract.

AAP funding is based on calculations that include a base amount, a population consideration and distance from the reservoirs. Funding for the current contract is as follows:

Affected Areas Funding (2011/12–2015/16)	
Golden	\$106,115
CSRD Area A	\$77,667
Revelstoke	\$159,777
CSRD Area B	\$77,667
RDEK Area B	\$103,383
RDEK Area C	\$77,667
Nakusp	\$94,121
RDCK Area K	\$102,787
RDCK Area J	\$77,667
RDCK Area D	\$77,667
Valemount	\$78,232
RDFFG Area H	\$77,667
Total Affected Areas Program Allocation	\$1,110,418

2.5 BC Aboriginal Benefit-sharing Agreements

Benefit-sharing Agreement (BSA) in Canada is a general term to describe a written document from a consultation process about a proposed resource extraction, project or development that has the potential to impact the Aboriginal rights or interests of one or more Aboriginal groups in Canada.¹⁹ The following section is specific to BSAs with First Nations in British Columbia.

Core Features and Common Terms for BC BSAs

The core features and objectives of a BSA consist of:¹⁹

- The parties include at least one First Nation and a private company or a government agency or both;
- The BSA acknowledges a project or development's impact on a First Nation's interest; and
- The BSA includes one or more of the following to address First Nations' interests: engaging First Nations in decision-making, clarifying the roles and expectations of the parties regarding the project or development, providing capacity for First Nations, and sharing expected benefits with potentially affected First Nations.

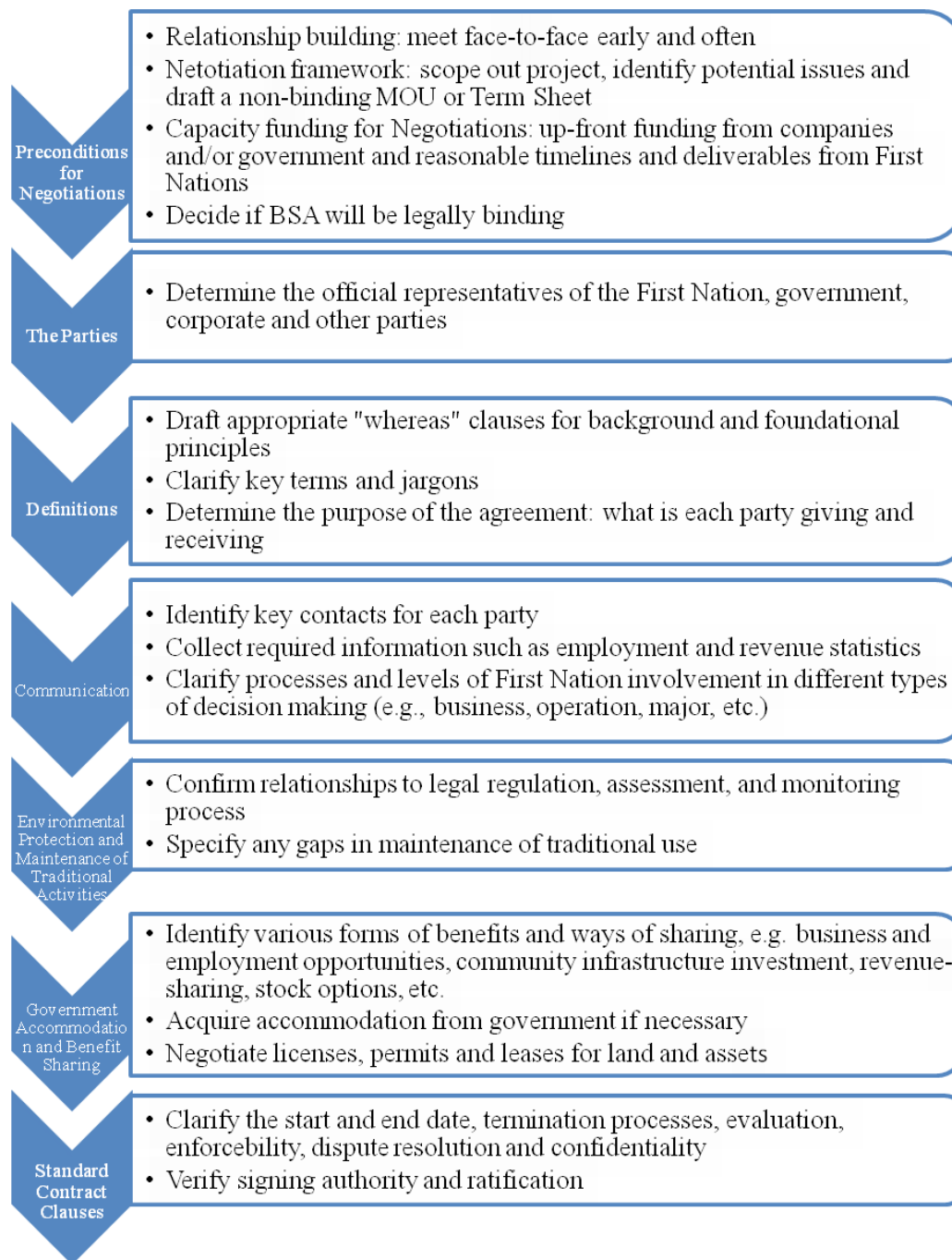
Additional common terms for a BSA include (depends on the parties involved):¹⁹

- Resource Revenue-sharing Agreement;
- Impact Benefit Agreement;
- Interim Measures Agreement;
- Project Support Agreement;
- Cooperation Agreement;
- Development Agreement;
- Protection and Benefit Agreement;
- Market Access Agreement;
- Standard-setting or Certification Agreement;
- Participation Agreement; and
- Accommodation Agreement.

Aspects of Treaties, Joint Ventures, Land Claims Agreements and litigation settlement agreements with First Nations may also be considered BSAs.

Key Elements of BSAs

Benefit sharing in BC is conducted on a case-by-case basis. Therefore, every negotiation is unique and must be tailored to the parties and resources involved. However, the following checklist shows the key elements that many BSAs will include:¹⁹



Examples of BSAs in BC

Revenue sharing is an important tool to ensure the socio-economic needs of First Nation communities in BC are properly addressed. As the first province to share revenue from mining, forestry and other resources with First Nations, BC has introduced various sector-specific agreements to stimulate investment, create jobs and provide economic benefits for First Nations and all British Columbians.

For example, the Forest Consultation and Revenue-sharing Agreement is a new type of agreement between the Province and First Nations. It provides First Nations communities direct economic benefits based on forestry harvest activities in their traditional territories. As a result, communities can see more direct return of benefits from what is happening on the ground, and use the benefits to support socio-economic programs that they identify as priorities. There is a comprehensive negotiation matrix with six levels of consultation that the parties follow when negotiating the agreement (shown above).²⁰

The Province also collaborates with companies such as BC Hydro to address historic issues and provide First Nations with tools to build a prosperous future for their members. (See table below.) For instance, in 1999 the Tsay Keh Dene First Nation commenced litigation against BC Hydro, the Province and Canada for infringement of Aboriginal rights and damages related to the construction and operation of the W.A.C. Bennett Dam and Williston Reservoir. After 10 years of negotiation, a final agreement received ratification in July 2009. To address the socio-economic impacts of the construction of the dam and reservoir, BC Hydro made a one-time payment of \$20.9 million to the Tsay Keh Dene First Nation, most of which was placed in an endowment fund. In addition, the First Nation receives annual payments of approximately \$2 million, adjusted every year to offset inflation. After 10 years, BC Hydro has the option to pay all its financial obligations at once, in which case, a capitalization fund will be established by the First Nation, and BC Hydro would calculate the amount paid into the fund to ensure the First Nation receives comparable amounts each year in the future. The funds can be used to support a wide range of social, cultural and government programs.²¹

Table: List of Example Agreements between BC Hydro and First Nations

First Nation	Negotiation Time Frame	Benefits	Motives for Agreement
St'at'imc ²²	1993 – 2011	\$200 million as a trust fund spread over 99 years. ²²	To compensate for the damage done to the communities and the environment when three hydroelectric power projects—the first dating back to the 1920s— were built in their collective backyard. ²²
Tsay Keh Dene ²¹	1999 – 2009	A one-time payment of \$20.9 million and an annual payment of about \$2 million, adjusted every year to offset inflation. ²⁰	To address the socio-economic impacts of the construction of the dam and reservoir. ²⁰
Kwadacha ²³	2001 – 008	An initial payment of about \$15 million and an annual payment of about \$1.6 million with future adjustments for inflation. The majority of the initial payment will be used to establish an endowment fund to secure future economic returns. ²³	To settle the lawsuit from the Kwadacha First Nation against the Province and BC Hydro and to address the significant economic and social problems due to the construction of the W.A.C Bennett Dam and Williston Reservoir more than 40 years ago. ²³
Lax Kw'alaam ³⁴	N/A	Training, employment and contracting opportunities. ²⁴	To address contentious disagreements over BC Hydro's Northwest Transmission Line plans. ²⁴
Kitselas ²⁵	2007 – 2010	A payment of \$500,000 as an economic opportunity to develop business partnerships and initiatives related to the Northwest Transmission Line project. ²⁵	To provide the First Nation with economic development funds and training related to the construction of the Northwest Transmission Line project. ²⁵

3. Discussion

As stated in George Penfold's draft report for the Province of BC,⁷ the responsibility for dealing with impacts in Canada is addressed in the CRT. Treaty Article XVIII (Liability for Damage) states that neither country is liable to each other for any damages resulting from acts undertaken under the CRT, and that each "shall exercise due diligence to remove the cause and to mitigate the effect of any injury, damage or loss" resulting from the CRT.²⁶ This means that the responsibility for impacts in Canada rests with the Province, through its agreement with Canada and BC Hydro, as the designated entity under the CRT.

The topics of compensation, mitigation, recognition and benefit sharing have developed since the signing of the CRT as part of a broader discussion in the region, and in other areas of the province, as mechanisms to address growth and impacts of large-scale development.

When discussing the topics of compensation, mitigation, benefit sharing and/or recognition, it would be helpful to have common terminology for discussion, despite none of these terms being used in the CRT or subsequent agreements. The following definitions as found in the Oxford Dictionary online (oxforddictionaries.com) can be used as a first attempt:

Compensation: something, typically money, awarded to someone in recognition of loss, suffering, or injury.

Replacement (i.e. as opposed to market) value compensation in cash and kind, is essential for dealing with tangible assets such as houses, land and common property resources. Still, the question of how to fairly compensate people for non-tangible assets such as stress, ties to the land and customs, as well as occupational and business loss, cannot be done. It has been suggested the only equitable procedure is to also provide new development opportunities.²⁷

Mitigation: the action of reducing the severity, seriousness, or painfulness of something.

According to the Canadian Environmental Assessment Agency,²⁸ "As defined in the Act, 'mitigation' means, in respect of a project, the elimination, reduction or control of the adverse environmental effects of the project, and includes restitution for any damage to the environment caused by such effects through replacement, restoration, compensation or any other means."

According to the Canadian Environmental Assessment Agency,²⁸

"As defined in the Act, "mitigation" means, in respect of a project, the elimination, reduction or control of the adverse environmental effects of the project, and includes restitution for any damage to the environment caused by such effects through replacement, restoration, compensation or any other means."

Recognition: the action or process of recognizing or being recognized, in particular:

- *identification of a thing or person from previous encounters or knowledge; and*
- *acknowledgement of the existence, validity, or legality of something.*

Benefit Sharing: no definition is found in the Oxford Dictionary for this term.

However, as noted earlier, this term in BC is specific to agreements with Aboriginal peoples. More broadly the term Access and Benefit Sharing or ABS—fair and equitable benefit sharing and access to genetic resources—is one of the three fundamental objectives of the Convention on Biological Diversity (CBD). The CBD recognizes the rights of States over their native natural resources, including genetic resources, and parties to the CBD are also obliged to take appropriate measures to share the benefits of using them.

In considering the relevance of different methods and agreements to share CRT benefits within the Basin, it's also important to note existing efforts in place to partially address and/or recognize impacts to the Columbia Basin by the creation of the dams. Some are mentioned briefly in this overview report, such as Grants in Lieu of Taxes and Columbia Basin Trust. Others include the Fish and Wildlife Compensation Program (FWCP) and Water Use Programs (WUP). The FWCP invests \$4.5 million annually (2012) with \$67 million invested in about 700 projects in areas affected by BC Hydro facilities in the Columbia River region since 1995. The Columbia River WUP estimates spending \$115.5 million over 12 years (2008 to 2020) with expenditures to date of \$47.4 million (about \$10million/year). The Duncan Dam WUP estimates spending \$13.4 million over 10 years (2008 to 2018) with expenditures to date of \$5.5 million.

Still, in 2008, members from the Mica 5 and 6 Core Committee wrote to the president of BC Hydro expressing concerns that the mechanisms addressing impacts from CRT dams were not commensurate with the magnitude, scale and duration of the impacts in the Basin. Furthermore, they were interested in a study BC Hydro was undertaking, which looked at the issue of community benefits associated with electricity-generating developments (described below).²⁹

In addition, the letter stated, "We can no longer just look at compensation for just concrete when the ongoing problems associated with power production cause impacts to the entire river system and the reservoirs therein."²⁹ They included suggestions such as the following:

- The grants in lieu program should be amended to properly consider the lost industrial tax base caused by reservoir flooding;
- A larger portion of CRT downstream benefits should be directed to communities in the Basin where impacts occurred and a tax or resource rental fee that would allocate more resources to the Basin should be considered;
- More local hire provisions for compensation work should be made available;
- Select reservoir areas should be made available for private development;
- There should be funding alternatives for economic development projects;
- Scholarships and bursaries for students related to long-term management of the Columbia River system should be made available; and
- A body to oversee and coordinate environmental management efforts should be created.

The BC Hydro funded study, *Cross Jurisdictional Review: Impact and Benefit Arrangements*,⁸ reviewed different regions in Canada, the United States and several countries in Europe. In the Canadian jurisdictions reviewed, different approaches were taken with respect to benefit sharing:

- In Alberta there is no policy to guide compensation and mitigation of impacts or benefit arrangements, and companies negotiate, as necessary, arrangements on their own;
- Manitoba doesn't have a specific policy on impact and benefit arrangements but has undertaken specific mitigation work to address the impact of the diversion of communities of Thompson and Churchill;
- Ontario did not have any mitigation or benefit arrangements with local communities at the time of the study;
- Quebec made direct contributions to local non-Aboriginal communities affected by a major hydroelectric project on the Romaine River involving construction of four large dams; an agreement established that compensation would include paying property owners for easements, presence of support structures, crop loss and inconvenience; and
- Saskatchewan was not included in the report.

Norway is likely the most successful example of benefit sharing outside of BC and has extensive legislation relating to hydropower. Under the regime, obligatory sales of power and annual license fees to the central government and to the local authorities in which the watercourse is located are imposed on licensed power producers. Fees, as well as a local business fund, are intended to compensate for any adverse effects caused by the development and ensure local authorities enjoy a share of the economic benefits, as does the entire country. When a licence is granted, the legislation requires the surrender by any person of land and improvements in the affected area subject to compensation based on value of the land plus 25 per cent.⁸

Further discussion is needed with respect to how the different agreements to share revenues from natural resources may apply in the Columbia Basin.

4. Appendix

PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 796 , Approved and Ordered NOV - 6 2008



Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that order in council 510/2007 is repealed and approval is given to grants made by British Columbia Hydro and Power Authority in accordance with the attached Schedule.



Minister of Finance
and Minister Responsible for the Olympics



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- *Hydro and Power Authority Act, R.S.B.C. 1996, c. 212, s. 34*

Other (specify):-

October 7, 2008

O/965/2008/4

SCHEDULE

Definition

1 In this Schedule:

“**authority**” means British Columbia Hydro and Power Authority;

“**total municipal property tax revenue**” means the total revenue in the Province resulting from taxes paid for a calendar year under the following:

- (a) sections 197 (1) (a), 200 and 216 of the *Community Charter*;
- (b) sections 373 and 459 and Part XXIV of the *Vancouver Charter*.

Grants made to municipalities and regional districts

- 2 (1) For the 2008 calendar year, the authority may make an annual grant of an amount set out in column 3 of the attached table to a municipality or regional district set out opposite in column 1 of that table for the generating facilities set out opposite in column 2.
- (2) For the 2009 calendar year and each subsequent calendar year, the authority may make an annual grant, to a municipality or regional district set out in column 1 of the attached table, that equals the amount paid under this order in the previous calendar year for that municipality or regional district, multiplied by a fraction
- (a) with a numerator that equals the total municipal property tax revenue for the calendar year that is 2 years before the calendar year in which the grant is to be paid, and
 - (b) with a denominator that equals the total municipal property tax revenue for the calendar year that is 3 years before the calendar year in which grant is to be paid.

Other grants made by British Columbia Hydro and Power Authority

- 3 The grants referred to in section 2 of this order are in addition to grants approved under order in council 1218/65.

TABLE

Column 1 Municipality or Regional District	Column 2 Generating Facility	Column 3 Grant Amount
Alberni-Clayoquot Regional District	Ash River	\$34,507
Village of Anmore	Buntzen Burrard Thermal	\$45,497
Village of Belcarra	Burrard Thermal	\$7,965
District of Campbell River	John Hart Ladore	\$213,205
Capital Regional District	Jordan River	\$209,508
City of Castlegar	Keenleyside, H.L.	\$37,104
Central Coast Regional District	Clayton Falls	\$2,465
Central Kootenay Regional District	Duncan Keenleyside, H.L. Kootenay Canal Whatshan	\$518,965
Columbia-Shuswap Regional District	Mica Revelstoke Spillimacheen Walter Hardman	\$978,022

Column 1 Municipality or Regional District	Column 2 Generating Facility	Column 3 Grant Amount
Comox Valley Regional District	Puntledge	\$29,578
City of Coquitlam	Buntzen	\$53,418
East Kootenay Regional District	Aberfeldie Elko Spillimacheen	\$23,961
Fraser-Fort George Regional District	Mica Shrum, G.M.	\$505,294
Fraser Valley Regional District	Alouette Stave Falls Waleach	\$80,986
District of Hudson's Hope	Peace Canyon Shrum, G.M.	\$923,347
Kootenay Boundary Regional District	Seven Mile	\$858,677
District of Lillooet	Seton	\$59,155
District of Mackenzie	Shrum, G.M.	\$1,098,941
District of Maple Ridge	Alouette	\$8,658
District of Mission	Alouette Ruskin Stave Falls	\$243,104
Village of Nakusp	Kennleyside, H.L.	\$3,592
City of Nelson	Kootenay Canal	\$263,013
North Okanagan Regional District	Shuswap	\$7,394
Northern Rockies Regional District	Fort Nelson Thermal	\$60,388
Peace River Regional District	Shrum, G.M.	\$838,727
District of Port Edward	Rupert Thermal	\$56,690
City of Port Moody	Burrard Thermal	\$930,943
City of Revelstoke	Revelstoke	\$1,512,184
Skeena-Queen Charlotte Regional District	Falls River	\$8,627
Squamish-Lillooet Regional District	Bridge River 1 Bridge River 2 Cheakamus La Joie	\$812,151
Strathcona Regional District	Strathcona	\$78,874
Sunshine Coast Regional District	Clowhom	\$40,669
Village of Valemount	Mica	\$189,520

5. Endnotes/References

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