

Wind Power Policy Agricultural Crown Land February 2018

A. Overview of Policy Objectives

The Wind Power Policy reflects the Ministry's support for the development of renewable energy on agricultural Crown land through a co-operative procedural framework. Authority to establish wind power leases is provided under subsection 3-1(2) of *The Provincial Lands (Agriculture) Regulations*.

The impact of wind power development on agricultural lessees is recognized through one-time cash payments in the year that a new wind power lease is issued or additional leases are issued for the construction of wind towers on the existing agricultural lease. Agricultural lessees receive annual rent reduction in subsequent years for as long as the wind power lease is active.

Protection of the environment and productivity of the land are of paramount importance. Co-operative partnerships with other governmental ministries and agencies are used to safeguard the land.

All those involved with wind power development on agricultural Crown lands are expected to respect the land and those who make their living from the land.

B. Eligibility

Individuals, partnerships or corporations whose line of business consists of, or includes, the exploration, development, production or transmission of wind generated power are eligible to apply for a wind power lease on agricultural Crown lands. Applications for a wind power lease are available through Lands Branch, Ministry of Agriculture.

C. Compensation to Agricultural Lessees

The Ministry will make a one-time payment of \$500 for each wind power lease that is issued on an agricultural lease. The agricultural lessee will receive an annual rental reduction of \$200 for each wind power lease on the agricultural lease. The rental reductions begin in the calendar year following the issuance of the wind power lease or the construction of the second or subsequent wind tower.

The maximum aggregate annual agricultural lease rental reduction will not exceed 30 per cent of the annual rent otherwise payable for the agricultural lease.

The agricultural lessee remains responsible for the municipal taxes applicable to any land withdrawn from an agricultural lease for a wind power lease.

D. Procedures and Charges for Exploration Permits

1. With each application, a proposal is required that includes the legal description of the lands involved; the scope of the operation and a reclamation plan for the land disturbed by the exploration.
2. The applicant is required to obtain the consent and conditions of entry from the agricultural lessee of the land, if the land is subject to an agricultural lease. Conditions of entry should include location of any roadways, fencing and gates. The applicant is responsible for negotiating compensation for any damages directly with the agricultural lessee.
3. Annual charges for exploration and project expansion permits are:
 - \$0.50 per acre non-refundable land use fee to a maximum wind shed development area of 10,000 acres.
 - \$500 per quarter for reservations on adjacent lands for the potential expansion of an existing wind power project.
 - Both fees are payable in advance.
4. Exploration permits expire 365 days after issuance.
5. Following completion of exploration operations, the permittee must recondition the affected area as described in the reclamation plan to the satisfaction of the Ministry.

E. Procedures and Conditions

1. Obtaining a wind power lease

Applicants for a wind power lease or their agents should provide a completed application including a legal description of all the lands in a proposed wind power project, the scope of the operation and a reclamation plan for the disturbed lands. The development plan shall define such conditions as setbacks, noise emission rates, term of lease required, etc., and the details of proposed rental rates for both revenue sharing and wind power leases offered to other land owners within the wind power project. The application shall include all required permissions at least 10 working days prior to the projected entry date on to the land. Incomplete applications may slow the approval process. A wind power lease or the Ministry's permission must be received prior to the start of any development of the site.

A wind power lease will not be issued unless the reservations and requirements of the various agencies having an interest in the land have been satisfactorily addressed.

The agricultural lessee is to be contacted prior to the application for a wind power lease to discuss proposed sites and to obtain the lessee's consent to access the lease, if a wind power lease is to be located on leased agricultural Crown land. The Ministry will endeavor to mediate the situation to the mutual satisfaction of both parties, if a lessee does not consent to entry onto the leased land. However, the Ministry may grant permission to enter after establishing requirements based on the legitimate concerns of the agricultural lessee.

2. General Conditions

Wind power lease documentation will be as prepared by the Ministry. No other lease documentation will be accepted without the prior consent of the Ministry. The maximum length of the lease shall be up to 60 years, renewable in 10 year terms.

Rental rates for both revenue share and wind power leases are negotiated at levels received by other land owners within the wind project and approved by the Minister. The Ministry may charge an annual minimum flat rate of up to \$2,500 revenue share per wind tower. Other charges relating to the issuance and ongoing operation of a wind power lease are calculated according to *The Provincial Lands (Agriculture) Regulations*.

Wind power leases may be assigned only with the prior approval of the Ministry.

Wind power leases located on lands protected by *The Wildlife Habitat Protection Act*, or defined as environmentally sensitive, may result in the Ministry of Environment stipulating additional terms and conditions that will be included in the wind power lease document.

Before any work is started on a wind power lease, a survey and development plan must be provided which details all development activities to be carried out on the leased land.

The wind power lessee must negotiate and pay the agricultural lessee directly for any crop damage arising from development and temporary workspace, including any area outside of the area within the wind power lease. The Ministry will determine the value of any damage to growing crops on land withdrawn from an agricultural lease if the wind power lessee and the agricultural lessee cannot agree. The value of the damage will be added to the rental and other charges due with the issuance of a wind power lease. The Ministry will pay any crop damage so determined to the agricultural lessee.

The wind power lessee is to use the lands in an environmentally responsible manner in keeping with the wind power lease document and all applicable legislation and regulations.

The wind power lessee is responsible for any damages to the facilities and other improvements of the agricultural lessee that arise from the operation of the wind power lease by the wind power lessee or a lessee's agents.

Prior to the surrender or abandonment of a wind power lease, the wind power lessee must provide written confirmation of compliance with the development reclamation plan and that any pollutants on the site are within acceptable levels. The wind power lessee must also carry out the restoration plan, which will return the surface of the land to its original condition or as near to its original condition as practicable.

Rent on the wind power lease after surrender or abandonment will be at one half the normal rate from the date of provision of:

- Confirmation of compliance to development reclamation plan;
- Confirmation pollutants are within acceptable levels; and
- A restoration plan satisfactory to the Ministry to the date the lands are in a condition satisfactory to the Ministry.

The rental related to the access roadway portion of a wind power lease may be subject to review and adjustment where circumstances exist that result in the rental for the roadway being higher than might otherwise be applicable.

For more information, visit www.Saskatchewan.ca/crownlands or contact your local regional office found here www.saskatchewan.ca/ag-regional-offices or listed below:

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