



SunMine Solar Project Referendum

Voter Information – Frequently Asked Questions

The City of Kimberley is collaborating with Teck Resources Limited and the EcoSmart Foundation to explore the feasibility of developing a one-megawatt peak (“MWp”) solar power plant on a brownfield site (south face of Concentrator Hill, former industrial lands for the Sullivan Mine) in Kimberley. The project would be the first on-grid large solar plant in BC and the largest in Western Canada.

Electors will have an opportunity to vote on borrowing for the SunMine Project on Saturday, November 19, 2011 and at Advance Polls on November 9th and 16th. The question submitted to electors will be:

Referendum Question:

Are you in favour of the City of Kimberley adopting Bylaw No. 2429, The SunMine Project Loan Authorization Bylaw, No. 2429, 2011 to authorize the City to borrow an amount up to Two Million Dollars (\$2,000,000) to construct the SunMine Project – a Grid-Connected Solar Photovoltaic Power Plant with a 1 Megawatt Peak (MWp) capacity?

What happens if a majority of electors vote “Yes” to the referendum question?

With a majority “Yes” vote on the referendum question, the SunMine Project will only move forward to construction if, and only if, all of the financial and technical assumptions have first been fully confirmed and approved by the City of Kimberley. If we do not receive the other project funding (e.g. Federal grant) or if the construction costs, operating expenses and projected revenue from sale of electricity to BC Hydro significantly change from the current estimates and the project is no longer self-sustainable, then the project will not proceed to construction.

What happens if a majority of electors vote “No” to the referendum question?

With a majority “No” vote on the referendum question, the project cannot proceed unless other funding sources can be found to cover the \$2 million loan portion of the \$4 million project budget.

If the project proceeds, how will the loan be paid back? Will my taxes increase?

The City of Kimberley anticipates that this project will be self-sustaining and pay for itself through the sale of the solar-generated electricity to BC Hydro through their Standing Offer program. Since the revenue received from the sale of energy will more than cover the loan payments and the annual operating costs there will not be any increase to City of Kimberley property taxes.

What is Teck’s involvement in this project?

Teck Resources Limited has allowed use and access to their land as well as provided materials, equipment, engineering and seed capital for the pilot project test site (two test panels have been installed on the site over the past year). Teck is currently reviewing all the data collected and the financial model for the project to determine their long-term role in the project. Teck owns the land where the SunMine Project is proposed to be located so the City of Kimberley will need to negotiate an agreement for long-term use and access to those lands if the project is going to proceed. The City has other facilities located on Teck land and has had a long and successful history of running these facilities through long-term agreements with Teck.

Who is EcoSmart?

EcoSmart is a Vancouver-based non-profit organization that works to establish collaborative partnerships between governments, industry experts and funders to implement green practices and clean technologies. EcoSmart is a partner in the pilot project and has been instrumental in identifying funding sources, monitoring the test site and researching the technical and financial feasibility of the project. If the project proceeds, they will be paid a project management fee for their services as part of the overall project budget.

Who has reviewed the financial model and completed a risk analysis?

Independent analysis has been completed by the Provincial Government through the Innovative Clean Energy Fund program prior to their approval of \$1 million ICE funding as well as the Municipal Finance Authority as part of their review and approval of the referendum question. Western Economic Diversification completed their first stage review for funding eligibility and is proceeding with the detailed second stage review. The Federation of Canadian Municipalities has reviewed the project and has pre-approved loan funding through the Green Municipal Fund subject to the referendum question being approved by the community.

Are these solar panels proven technology? Is there a warranty?

Long considered a fringe technology, solar is now a proven and reliable technology for clean alternative energy production. As the technology continues to improve and production costs continue to decrease solar is becoming more mainstream and is being used in many countries throughout the world. Typically, solar panels carry a 25-year warranty.

Do we get enough sunshine to generate solar electricity?

Thirty-six years of weather data compiled at the Cranbrook airport indicates this region ranks as one of the highest solar intensities in Canada. The data collected over the past eleven months at the Kimberley test site shows a higher reading than the airport even though the weather over this past year had a greater incidence of cloud cover than typical years. The solar data from the airport and the SunMine site demonstrate that the available solar supply exceeds that required to efficiently and profitably operate the SunMine power plant.

Who is going to build this facility?

A contractor will be selected through an open procurement process to build this facility within the allotted budget. If the bid prices exceed the project budget, the project will not proceed.

What are the benefits to Kimberley?

The SunMine project demonstrates leadership and a commitment toward a more sustainable future for Kimberley. Other benefits include:

- The project will provide a long-term reliable revenue source for the City from the sale of solar-generated electricity (a clean and perpetually-available energy source!) to BC Hydro.
- The SunMine will strengthen Kimberley's reputation as an innovative and dynamic community that is attractive to new businesses and investment.
- The project will help to diversify and improve resiliency in the local economy by inspiring innovative research and business opportunities based on clean energy and efficient technologies.
- The project will generate unique educational opportunities that attract researchers and educators to the community to study and learn from this innovative project.
- As the largest solar power plant in western Canada, the project will attract interest from other communities and organizations interested in using a clean natural resource to generate power.
- The SunMine will ensure that Kimberley stands out from other communities giving us a unique competitive advantage to attract new businesses, residents and visitors.
- There is significant potential to increase these benefits through future expansion of the project beyond the initial 1MWp stage.

"This valley is one of the best sites in the province for solar renewable energy and it is just the right road to head down. Having lived off the grid with solar for over 30 years now I know solar works! I feel good when I turn on the lights!" - Margie Jamieson (long-time local area resident)