

## Frequently asked questions

### How is compensation determined?

For the granting of an easement, landowners are eligible to receive one-time payments for up to four types of compensation:

- Land compensation for the transmission line right-of-way;
- Construction damage compensation for damages caused by construction, operation and maintenance of the transmission line;
- Structure impact compensation for each tower located on agricultural lands;
- Ancillary damage compensation where Manitoba Hydro's use of the right-of-way directly or indirectly impacts the use of the property.

### Are landowners eligible for a buyout?

Easements are preferred to allow landowners the ability to continue farm operations. However, in special circumstances, a buyout can be offered to provide compensation to landowners for all related and reasonable relocation costs where the proximity of the transmission line is within 75 m of the landowner's residence.

### What are the benefits of a one-time compensation payment?/How was this method of payment arrived at?

The benefits to landowners for one-time compensation payments are:

- Allows the landowner the opportunity to leverage the investment;
- Payment is made regardless of weather or production limitations;

- Payment maximizes exceptional crop management practices;
- Calculation maximizes the one-time payment.

A one-time compensation payment was chosen based on feedback obtained from the following:

- Feedback from previous transmission line projects;
- Public engagement activities;
- Comparisons with other public electric utilities.

### As a tenant, what can I expect for compensation from the transmission line?

Tenants may be eligible for construction damage compensation for damages caused by construction of the transmission line.

### When can landowners expect to receive payments?

Land compensation will be paid based on the current land values and escalated to 150 per cent of fair market value. A \$225 advance payment will be made at the time of signing the easement with the balance being paid at the time of easement registration at the appropriate Land Titles office.

Structure impact compensation, for towers located on lands classed as agriculture, will be paid once towers are installed and construction is complete.

Ancillary damage compensation will be paid at the time of easement registration at the appropriate Land Titles office, if such damage has occurred.

Construction damage compensation will be identified, negotiated and paid during and/or after towers are installed and construction is complete, if such damage has occurred.

### Does Manitoba Hydro have an agricultural biosecurity program?

Manitoba Hydro developed a biosecurity policy in consultation with government and industry. The policy outlines the requirements of employees and contractors who carry out work on cultivated agricultural lands.

For more information, please contact:

#### Manitoba Hydro Property Department

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For information on the Manitoba-Minnesota Transmission Project, please visit [www.hydro.mb.ca/mmtp](http://www.hydro.mb.ca/mmtp)

# Manitoba-Minnesota Transmission Project Landowner Compensation Information



## Manitoba-Minnesota Transmission Project Landowner Compensation

Landowners whose properties have the Manitoba Minnesota Transmission line located on or crossing their properties will be compensated. Four types of compensation are available:

- Land Compensation: to landowners granting an easement for the right-of-way;
- Construction Damage Compensation: to landowners for damages caused by construction activities;
- Structure Impact Compensation: to landowners for each tower located on agricultural lands;
- Ancillary Damage Compensation: to landowners where Manitoba Hydro's use of the right-of-way directly or indirectly impacts the use of the property.

### Land Compensation

In Manitoba, rights-of-way for transmission lines are normally obtained by way of easement. Land compensation is a one-time payment to landowners for granting of an easement for a transmission line right-of-way.

The following factors are used to determine land compensation:

- Total area (acres) of easement required by Manitoba Hydro for the transmission line right-of-way;
- The current market value of the land (per acre);

- The easement compensation factor, which is determined based on the size and type of the transmission line. For the 500-kilovolt (kV) Manitoba-Minnesota Transmission Line, the easement compensation factor is 150 per cent of the current market value.

For example, if the easement area required for the 500-kV transmission line is 1,609 metres (m) long and 80 m wide, the total area of the easement is approximately 31.81 acres. If the land is assessed at \$2,300 per acre, the following compensation formula will apply:

$$\begin{aligned} & \$2,300 \text{ (current market value per acre)} \\ & \times 150 \text{ per cent (easement compensation factor)} \\ & \times 31.81 \text{ (acres)} = \$109,745. \end{aligned}$$

### Construction Damage Compensation

Construction damage compensation is provided to landowners who experience damage to their property due to the construction, operations and maintenance of the transmission line. A one-time payment for construction damage is negotiated on a case-by-case basis. Manitoba Hydro will:

- Compensate or be responsible for repairing, to the satisfaction of the landowner, any damage to a landowner's property;
- Compensate a landowner for damages such as the reapplication or rejuvenation of compacted top soil where the remedial work requires farm machinery and the expertise of the landowner.

In the instance of damage to cultivated agricultural lands, a landowner would be compensated as follows:

If crops were in place prior to the construction of the transmission line, the crop owner will be compensated for the amount of loss due to damage. This compensation is based on the current value of the harvested crop (Manitoba Agricultural Services Corporation [MASC] insured value in dollars per bushel), multiplied by the acres of damaged area and multiplied by the crop owner's yield of that same crop (based on MASC Area bushels per acre yield).

The following compensation formula will apply:

$$\begin{aligned} & \$7.48 \text{ per bushel for 2013: Red Spring Wheat} \times 4.25 \\ & \text{(acres damaged)} \times 55.7 \text{ (bushels per acre yield)} = \$1,771. \end{aligned}$$

### Structure Impact Compensation

Structure impact compensation is a one-time payment to landowners for each transmission tower placed on land classed as agricultural. Structure impact compensation covers:

- Crop losses on lands permanently removed from production;
- Reduced productivity in an area of overlap around each tower structure;
- Additional time required to manoeuvre farm machinery around each structure;
- Double application of seed, fertilizer and weed control in the area of overlap around each tower structure.

Structure impact compensation takes into consideration:

- the four types of agricultural lands;
- the type of tower structure constructed on the land;
- the location of the tower structure in relation to property lines.

Manitoba Hydro prepares a compensation schedule semi-annually based on current data provided by MASC. For example, for a tower structure with a base size of approximately 10 m x 10 m (in accordance with the current (June 2013) compensation schedule) the compensation rates are:

- Natural hay land/\$6,640 each;
- Seeded hay land/\$12,730 each;
- Cereal crop land (wheat, canola)/\$17,930 each;
- Row crop land (corn and potatoes)/\$25,520 each.

Assuming the land is classed as cereal crop land and one mile of transmission line with four towers is to be located on the property (the average space between towers is 400 m), the compensation would be:

$$\begin{aligned} & \$17,930 \text{ (structure payment)} \\ & \times 4 \text{ (number of structures)} = \$71,720. \end{aligned}$$

### Ancillary Damage Compensation

Ancillary damage compensation is a one-time payment when Manitoba Hydro's use of the right-of-way directly or indirectly impacts the use of the property. Ancillary damage compensation is negotiated. Landowners may be compensated for the following:

- Agricultural impacts such as irrigation and drainage;
- Constraint impacts such as restricted access to adjacent lands;
- Traditional impacts such as highest and best use of land.