

November 4, 2025



District of Clearwater
Box 157, 209 Dutch Lake Road
Clearwater, BC V0E 1N0

Honorable Brenda Bailey
Minister of Finance
PO Box 9048 Stn Prov Govt
Victoria, BC V8W 9E2
Via Email: FIN.Minister@gov.bc.ca

Dear Minister Bailey:

Re: Immediate Action Required – 2026 Assessment Roll Transmission Line Valuations

The District of Clearwater is writing to register its strong objection and deep dissatisfaction with BC Assessment's recent decision to significantly alter the valuation of transmission lines for the 2026 Assessment Roll, as communicated to the District in September 2025.

According to the information provided, the assessed values for transmission line properties within the District will decrease by 30%—a reduction of \$6,363,949, from \$21,385,598 to \$15,021,649. This reassessment results in a redistribution of approximately \$255,000 in property taxation, shifting the burden away from pipeline corporations (Class 2 Utilities) and directly onto residential and small business taxpayers in our community. This represents an unjustifiable and inequitable 8% tax increase for local taxpayers.

The District of Clearwater already taxes Class 2 Utilities at the maximum rate permitted under provincial legislation. Consequently, the District has no legislative means to mitigate this abrupt and disproportionate shift in taxation impacts through rate adjustments. This situation is unacceptable and undermines local fiscal stability.

While BC Assessment has reportedly been reviewing the valuation methodology for transmission lines since 2016, a process spanning nearly a decade, the District received only three months' notice of the outcome. This failure to provide adequate notice and consultation represents a serious breakdown in communication and due process. Furthermore, no transitional supports or compensatory measures have been offered to assist affected communities in absorbing these unexpected fiscal impacts.

The District understands that BC Assessment intends to extend the utility class valuation initiative to other major sectors, including railways and telecommunications. While it has been suggested that future assessments may offset the impacts of the transmission revaluation, such uncertainty cannot justify proceeding with a methodology that disproportionately harms smaller communities. Implementing these changes without assessing their cumulative impact is fiscally irresponsible and contrary to the principles of equity and fairness.

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The District of Clearwater asserts that the core principles of British Columbia's assessment and taxation system—transparency, fairness, and equity—have been compromised by this process. Reducing the tax contribution of large utility corporations while increasing the financial burden on residents and small businesses violates the spirit and intent of a balanced and just property tax framework.

Accordingly, the District of Clearwater requests that the Province of British Columbia immediately suspend the implementation of the 2026 transmission line valuation changes. These changes must not proceed until their full fiscal and policy implications for small and rural communities have been properly assessed and addressed.

Should the Province choose not to suspend implementation, the District insists that the following actions be taken without delay:

1. Reconsider and extend the implementation timeline for the new transmission line valuations to provide affected communities adequate time to plan and adjust;
2. Introduce transitional or compensatory measures to offset the immediate fiscal impacts, including the removal or adjustment of the legislated cap on Class 2 tax rates; and
3. Undertake direct and formal consultation with all impacted local governments to ensure that future reassessment processes are transparent, accountable, and equitable.

The District of Clearwater fully supports the principle of accurate and equitable property assessments. However, accuracy must not come at the expense of fairness, nor should it impose unsustainable financial burdens on smaller communities that rely on stable and predictable assessment bases to fund essential services.

The District expects an immediate and substantive response from the Province outlining the actions that will be taken to address these concerns and to prevent further inequitable tax shifts.

Sincerely,

Mayor Merlin Blackwell

Cc: District of Clearwater Council
Honourable David Eby, Premier of British Columbia
Ward Stamer, MLA Kamloops-North Thompson
Peter Milobar, MLA Kamloops Centre
Christopher Whyte, BC Assessment
City of Kamloops
District of Hope
District of Barriere
City of Merrit
Thompson-Nicola Regional District
TNRD Area "A" Director Usoff Tsao

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