

# \$850M wind farm touted

## Irish company poised to lead southern Alberta project

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CALGARY HERALD

**A** new international energy player has entered the energy market in Alberta, proposing \$850 million in wind generation projects to power up both local and export markets.

**Mainstream Renewable Power** has joined **Alberta Wind Energy Corp.** in an 80-20 joint venture to build up to 408 megawatts of generation in southern Alberta. The projects include a 46-megawatt wind farm set to flow electricity by 2010, a 62-MW farm planned for 2012, and a massive 300-MW project near Waterton for 2013.

The partnership will be Mainstream's first entry into the Canadian wind power market since being launched as a private entity by Irish energy maven Eddie O'Connor, former chief executive and founder of **Airtricity**, a year ago.

Alberta was singled out because of its excellent resources, strong growth trend in power demand, and because of its deregulated market, said Sherra Zulerons, Mainstream general manager for Canada.

"Alberta's market supports renewable energy, it has plans and understands the necessity of expanding transmission," Zulerons told the Herald on Thursday.

"It's a market where you can sell your power and there also is an established offset market."

Two years ago Alberta became the first jurisdiction in North America to establish a carbon offset market in which large emitters could meet mandated greenhouse gas reduction targets by buying compliance credits. Wind-powered electricity systems are one of 23 approved government protocols, which includes biomass, enhanced oil recovery, and tillage.

For Stewart Duncan, president of privately owned Alberta Wind Energy, the opportunity to partner with a company rather than be acquired was a strong pull when approached by Mainstream.

"This was an opportunity for our shareholders to participate in completing the developments and see them through to fruition," Duncan said. "This

was also an opportunity to develop other projects that may present themselves. We felt there was a match there in technical aspects such as engineering and construction."

Industry looked favourably on the entry of a new player in the provincial power market.

Southern Alberta represents a world-class resource for wind and the province's deregulated marketplace provides fertile ground for developers, according to David Huggill, Alberta policy manager for the Canadian Wind Energy Association.

"Any time you have interest and significant investment in the Alberta market place, it has to be viewed as a positive," Huggill said. "Certainly the recent announcement by the AUC approving the Pincher Creek to Lethbridge line, as well as the formal hearings for the needs application for southern enhancement are extremely positive signs that wind development is very much alive and well in Alberta's deregulated market place."

"It certainly speaks to what CANWEA has been advocating for some time and that's wind needs to be a component of a diversified generation mix," he said. "This certainly speaks to those scenarios moving forward."

The joint venture is being launched with the \$100-million, 46-megawatt Old Man River 2 wind farm near Pincher Creek, now in the final development stage. Alberta Wind Energy expects construction to start in late 2009 with first power sometime in 2010, and has an interconnection proposal in with the provincial transmission grid operator.

About 70 wind development projects totalling about 12,000 MW are in line to gain access to provincial transmission lines, mostly in southern Alberta.

Access to transmission remains one of the greatest challenges for any power generator in Alberta and across North America where aging grid systems require billions of dollars in expansions and renewal to deal with increasing loads. Battles between power companies, regulators and landowners anxious to keep high-voltage lines off their properties have stall development of lines.

On Tuesday, Alberta's utilities watchdog gave the go-ahead for a \$133-million power line between Pincher Creek and Lethbridge.

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