

CALGARY SUN

Business

Cash blows in for Alberta wind farm

MARKUS ERMISCH
Sun Media

With St. Patrick's Day less than a week away, an Alberta wind-farm developer truly had the luck of the Irish after inking a multimillion-dollar deal with a company from the Emerald Isle.

Calgary-based Alberta Wind Energy Corp. has entered into an \$840-million joint venture with Dublin-based Mainstream Renewable Power to build wind farms capable of generating 400 MW of power by 2013 (it takes 7 MW to

power an average home for one year).

Under the agreement, Mainstream holds an 80% share, with AWEC holding the remaining 20%.

"We feel that the structure of this deal is going to work to the benefit of both our shareholders," said Stewart Duncan, CEO of AWEC.

AWEC had looked at a number of funding sources to advance its wind-power project near Pincher Creek and had even toyed with the idea of selling it altogether, Duncan said.

After meeting with Mainstream representatives at a renewable energy conference last year, the two companies started working toward a joint-venture deal.

Two parts of the project — a 46 MW windfarm at Old Man River and a 62 MW windfarm called Windy Point — are in various stages of development.

Construction at Old Man River will start late this year and Windy Point is scheduled to go into operation by 2012.

Ottawa, under the ecoENERGY program, could chip in

"We feel the structure of this deal is going to work to the benefit of both our shareholders."

Stewart Duncan, CEO of AWEC

some funding for the project should AWEC's application succeed. That source, however, will dry up once the government terminates the program in 2011.

Given the financial constraints of limited cash from the government and tight credit markets, the deep pockets of Mainstream are a

welcome source of funds for AWEC.

Spokeswoman Sherra Zulerons said Mainstream has had no difficulties raising money from private sources since the company was founded last year, adding there's no public cash on the company's books.

Zulerons said the empha-

sis on clean energy in Canada and the U.S. — the two countries agreed to a "clean-energy dialogue" last month — is "very encouraging."

She said U.S. President Barack Obama, who has vowed to push for renewable energy, could act as a "catalyst" for the industry.

Duncan said he also has high expectations.

"We are an exporter of oil and natural gas," he said. "We could be an exporter of clean energy as well."

markus.ermisch@sunmedia.ca