



Canada: Green Energy from New Wind Power Projects

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Summary

On March 12, 2009, Alberta Wind Energy and Corporation Mainstream Renewable Power announced the signing of a joint-venture agreement to build wind energy farms with total installed power of over 400 MW and a combined investment value of \$850 million. The Old Man River 2 project, located in the Pincher Creek area of south western Alberta, is anticipated to be ready for construction in late 2009 and producing 46MW of energy by mid 2010. This project is expected to coincide with the new 240kV line being constructed from Lethbridge to Pincher Creek by AltaLink. A future joint-venture project between Mainstream and Alberta Energy includes the 62MW Windy Point Wind Park (due to be fully operational by 2012) and the 300MW Waterton Wind Farm (planned for 2013).

There are currently 48 wind-energy projects across Canada, in various stages of development with a total installed power of 5292MW.

Government Incentives

Government agencies continue to support the renewable energy sector, including wind-power projects. On March 6, 2009, Sustainable Development Technology Canada (SDTC), a not-for-profit foundation established by the Canadian Government, granted \$ 53 million to 16 new projects for clean energy. Besides this current round of grants, SDTC has already launched the following 3 rounds scheduled for 2009 – 2010, using the \$550 million SD Tech Fund.

The Ontario Government recently proposed the Green Energy Act, which is aiming to fuel more renewable energy projects and to sustaining long-term investment in the renewable energy sector. The Green Energy Act includes a “Feed-In Tariff” that would guarantee alternative energy producers certain prices for production. Wind energy is guaranteed a price of 13.5¢/kWh for onshore production, 19.0¢/kWh for offshore production and 14.4¢/kWh for Community Based production, all reaffirming the government’s commitment to create incentives for sustained green-energy production. (See the Ontario Power Authority [website](#) for details).

Market Insight

Ontario, one of Canada’s leaders in wind-power, is projected to go from 589 turbines today to 975 by 2012. Canada’s two largest wind farms are located here, and in 2009, more than 1,200 megawatts will be online. Investments in renewable energy projects which have come online since 2003, or are currently under construction in Ontario, total \$3.5 billion. Quebec has already planned up to 2015 a total number of 25 projects.

Wind-energy represents a major industrial development with important contributions for the Canadian economy. Industry Canada forecasts that federal and provincial government initiatives, currently being considered or implemented in Canada, could result in a cumulative installed wind power capacity of up to 10,000 MW by 2015. This represents an incremental investment of C\$18 billion.

The following table presents a summary of the current wind-power projects in Canada (source: CANWEA).

Province	Number of Projects	Total Size (MW)	Projected Completion
Alberta	4	313	2009 - 2010
British Columbia	1	100	2009
Manitoba	1	300	2011
New Brunswick	3	213	2009
Nova Scotia	6	214	2009
Ontario	7	1239	2010 - 2012
Quebec	25	2888	2009 - 2015
Saskatchewan	1	25	2009 - 2010

Opportunities for U.S. Companies

The Green-Energy sector has created a strong demand for wind turbines and related components leaving manufacturers challenged to keep up with such demand. There is also great demand for a wide range of products and specialized services in areas such as construction, steel fabrication, transportation, engineering, and operations and maintenance. Industry Canada predicts major opportunities for the manufacturing of gear-boxes, castings for rotor hubs and main frames, large forgings for main shafts and large bearings.

Besides the turbines, tower and foundation components, opportunities are also related to power-grid connections. Almost all new wind-power projects are located in remote areas, far from populated areas and far from the current electrical grid. New electrical transmission lines will be required. Almost every wind-power farm needs electrical equipment and materials, transformers, switchgear and cabling for transmission and connection to the electrical grid.

The announcement of the Joint-Venture program is available at [Alberta Wind Energy Corporation](#). Further information on SDTC programs is available at [SDTC website](#). Further information on proposed Feed-In Tariff is available at [Ontario Power Authority website](#). Further information on Canadian wind projects is available at [CanWEA website](#). Further information on the wind-power sector is available at [Industry Canada-Wind Power website](#).

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Comments and Suggestions: We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to: Customer.Care@mail.doc.gov. Please include the name of the applicable market research in your e-mail. We greatly appreciate your feedback.

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