



Media Release

AgriEnergy Producers Welcome Green Energy Act

(Ottawa, Feb. 24, 2009) The AgriEnergy Producers' Association of Ontario applauds the introduction of the Green Energy Act tabled yesterday in the Ontario Legislature.

“It is heartening to see this shift in priorities. The government is to be commended for recognizing the considerable benefits of renewable energy, not only for our economy, with the potential of thousands of green jobs, but also for energy security and for our environment, with the reduction of greenhouse gases,” said Nicole Foss, executive co-ordinator.

The expressed intention to remove the barriers currently preventing renewable energy from being both produced and distributed are especially welcome. At present, many of the farmers who are members of the AgriEnergy Producers' Association are having severe difficulties in gaining permission to connect a proposed biogas project to the electricity grid, without which they cannot begin construction. The cost of connection is also escalating, with some farmers being asked to pay over a million dollars, and the technical justification for those costs is very weak. The funding programme that is available for biogas project construction may therefore expire unused as a result of unjustifiable costs and delays in the connection process.

“It is good to see that the Act is moving towards giving renewable energy producers the ‘right’ to be connected to the grid. This is essential if the full potential of renewable energy is to be developed,” said Foss. “However, the specifics are lacking. We need to see technical standards for connection, a realistic cost-risk basis for connection costs, and defined limits to the costs attributable to specific projects, as opposed to spread across the rate-base as a whole.

The second reading of the government's Green Energy Act today opens up the consultation period. The AgriEnergy Producers' Association will be looking for a rapid release of detailed proposals for feed-in tariffs, in addition to specific proposals for clearing connection roadblocks. The suspension of the RESOP programme has left renewable energy in limbo since May 2008, and we need to revive the industry as soon as possible by reinstating a realistic renewable tariff regime. The APAO will be advocating a more sophisticated programme than RESOP, with a tariff regime reflecting the different costs of electricity generation using different technologies, and also between projects of different sizes.

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The AgriEnergy Producers' Association of Ontario (APAO) is a member of the Ontario Sustainable Energy Association, one of the founders of the Green Energy Act Alliance, which has been campaigning for a green energy act for the last six months.