

Minister
of Natural Resources Canada



Ministre
des Ressources naturelles Canada

Ottawa, Canada K1A 0E4

AUG 20 2002
AOUT

Mr. Bill Eggertson
Executive Director
Canadian Association for Renewable Energies
435 Brennan Avenue
Ottawa, Ontario K1Z 6J9

Dear Mr. Eggertson:

Thank you for your letter of July 2, 2002, on behalf of the Canadian Association for Renewable Energies, requesting that my department assess Canada's current renewable energy capacity and its potential.

Since becoming Minister of Natural Resources Canada, I have been impressed by Canada's potential and capacity to further develop our renewable energy resources. Canada is already a world leader in this regard, ranking as the second largest producer of renewable energy among countries of the Organisation for Economic Cooperation and Development (OECD), mainly due to hydroelectricity and the use of industrial wood waste. In fact, renewable energy contributes to about 17 percent of Canada's energy production, compared to an average of 6 percent for OECD countries.

Natural Resources Canada, under the leadership of my predecessors, the Honourable Anne McLellan and the Honourable Ralph Goodale, has taken significant actions over the past years to increase federal support towards emerging sources of renewable energy. These included:

- the release of the Renewable Energy Strategy in 1996;
- the implementation of the Renewable Energy Deployment Initiative in 1998, to encourage heating and cooling from renewable sources;
- the development of pilot projects in Alberta, Saskatchewan and Prince Edward Island, to purchase carbon-free electricity from emerging sources for federal offices; and
- the development of a 20-percent federal purchase commitment, to build on the success of the pilot projects, and of a related incentive to stimulate leveraging in the marketplace, which the Government of Canada announced as part of *Action Plan 2000 on Climate Change*.

Canada

I was pleased to build on these efforts with the recent launch of the Wind Power Production Incentive, which will lead to the installation of 1,000 megawatts of new wind energy capacity in Canada. In total, the Government of Canada has announced about \$350 million of new federal initiatives over the past two years to help develop markets for emerging renewable energy sources.

My department recognizes the need for accurate data on renewable energy, and we have begun to address this need. We work with the International Energy Association (IEA) to provide information on various forms of renewable energy, including wind, solar electricity, and solar heating. The information provided includes capacity to date and trends, and is available on the IEA Web site (<http://www.iea.org>). The Department uses the information on solar electricity to produce a technology status and prospects annual report, which is available on <http://cedrl.mets.nrcan.gc.ca>. We also produce various case studies that are available on our renewable energy Web page (<http://www.canren.gc.ca>).

Again, thank you for writing. We will continue to improve the data related to renewable energy capacity and potential, and appreciate your Association's support in this endeavour.

Yours sincerely,

A handwritten signature in black ink that reads "Herb Dhaliwal". The signature is written in a cursive, flowing style.

The Honourable Herb Dhaliwal, P.C., M.P.