

# Irish like 'wind-rich' Alberta

'You have terrific wind,' Mainstream Renewable says

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CALGARY • Ireland's green energy developer, Mainstream Renewable Power, chose for its first Canadian deal the country's leading province in fossil fuel production with an \$850-million wind-power investment with **Alberta Wind Energy Corp.**

Alberta may be a large producer of oil and gas, but "you have terrific wind," Sherra Zulerons, Canadian manager for Mainstream, said yesterday. "Alberta is probably the energy-rich province in many forms, wind being one of them."

The Dublin-based company said it purchased an 80% interest in projects with an initial capacity of more than 400 megawatts under development by Calgary-based Alberta Wind Energy, which will retain the remaining 20%.

The two companies, both private, will develop as joint venture partners the Old Man River 2 project in the Pincher Creek area, which is in

the final development stages and is expected to be ready for construction later this year; the Windy Point Wind Park, which is due to be in full operation by 2012; and the Waterton Wind Farm, which is planned for 2013.

Mainstream was founded in Ireland last year to develop wind, solar and ocean current plants on the belief that: "There's a global transition from fossil fuels to sustainable fuels. It's not a question of if or when. It's a race against time," it says on its Web site.

While many Albertans in the oil and gas industry would dispute that view, Alberta is a national leader in wind generation, thanks to the deregulation of its power market in the last decade and abundance of wind in areas like Pincher Creek in the southwestern part of the province. About 5% of Alberta's power is derived from wind farms.

Also, the province requires large emitters of greenhouse gases like oil sands developers to find offsets, or pay a tax, creating a market for green energy.

Stewart Duncan, CEO of AWEC, said his company, the largest private wind developer in the province, was approached repeatedly in the last year by potential purchasers because of the advanced stage of its projects.

They have obtained or are in the process of obtaining grid connection agreements.

It decided to do a deal with Mainstream because it offered a partnership.

"We really wanted to participate in these projects until we are finished," he said. "We feel it's a better opportunity for shareholders to get better value for their investments." AWEC has approximately 55 shareholders, primarily Albertans.

In addition to its wind resource, Mainstream was attracted to Alberta because it supports building new transmission infrastructure and because wind energy can be sold directly into the pool.

In other jurisdictions, like Ontario or B.C., the company would have had to wait longer to benefit from its investment, Ms. Zulerons said.

Energy produced from the wind projects will be initially sold in the province, but could eventually be exported to the United States.

While some say renewable energy has become less attractive due to the collapse in oil and gas prices, Mr. Duncan said Alberta Wind Energy's projects will start producing next year, when energy prices will likely have recovered.

"It's our position that sustainable development is profitable," Ms.



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**Mainstream believes "There's a global transition from fossil fuels to sustainable fuels. It's not a question of if or when."**

Zulerons added. "The attraction to the Alberta Wind Energy portfolio is that these are very well developed projects in prime wind resource areas and will be profitable."

The deal is one of the largest for Mainstream so far. The company is also active in Chile, Scotland's offshore, the U.S., South Africa, Ireland and Germany.

*Financial Post*

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