



Canadian Electricity Association
Association canadienne de l'électricité

December 8, 2004

Tom Wallace
Director-General
Natural Resources Canada
Energy Resources Branch
580 Booth Street, 17th Floor C7-2
Ottawa, ON K1A 0E4

Dear Mr. Wallace:

The Canadian Electricity Association is pleased to deliver the attached policy paper entitled "An Assessment of the Prospects for Wind Power Development in Canada".

The paper presents our member companies' views in respect to the possible contributions of wind to the generation supply mix in Canada. As is noted in the paper, CEA member companies are amongst the largest supporters of wind power in Canada. The paper does not endorse a specific target, but rather assesses the viability of the Canadian Wind Energy Association's (CanWEA) 10,000 MW by 2010 target. It notes that integrating 10,000 MW of wind energy into Canada's electrical grid will mark a dramatic shift from wind's current place in the generating portfolio, and will bring a number of technical challenges. If the costs of meeting those challenges can be offset, the target can be achieved.

On balance, CEA members do not feel it appropriate to commit to a target, any more than they would commit to a growth target for other technologies. Rather, the paper makes the point that the focus should be on continued development with an idea to improving reliability, reducing costs, and maintaining high environmental performance standards. These are CEA member company priorities with all technologies, and we believe a diverse generation portfolio – including wind power, is the best guarantor for maintaining them.

An accompanying appendix canvases a number of wind analysis studies presently being conducted by CEA member companies to help determine regional solutions to the challenges posed by intermittency and system stability.

I look forward to hearing from you and collaborating with your department on this most worthwhile initiative.

Yours,

A handwritten signature in black ink, appearing to read 'Hans R. Konow', with a long horizontal flourish extending to the right.

Hans R. Konow
President
Canadian Electricity Association

Cc Lisa Jackson, Acting Assistant Director of Electricity Policy, NRCan
Ram Sahi, Acting Assistant Director of Renewable Energy Policy, NRCan
Rick Patrick, Vice-President, SaskPower & Chair, CEA EPP Task Group
CEA EPP Task Group