



The Last Word

Alberta leads the way with new renewable resource ministry

By Tony Kryzanowski

Alberta's new Electricity and Renewable Resource Ministry is the first standalone provincial government ministry in Canada aimed directly at renewable resource development and regulation—in this case, framed primarily around using renewable resources like woody biomass for potential power generation.

In my view, as master of its own destiny, this new ministry has the potential to have a significant impact on the local forest industry. It also marks a defining moment where a Canadian government has elevated the profile of renewable resource development to standalone status. Let's hope it leads to other ministries being created in other provinces—and maybe even by the federal government, thereby elevating the profile of bio-energy and bio-product development across Canada.

It's about time, and could open the door to changing Alberta's image from solely being a producer of greenhouse gas-causing fossil fuels and fossil fuel-based petrochemicals, to that of an 'energy' province and a leader in the production of bio-based energy and bio-chemicals.

For the first time, a renewable resource ministry has been created outside of the shadow of an Energy Department, and the decision by Alberta to lead in this area is significant. Development of renewable energy and bio-products from sources such as the forest sector will not have its initiatives and issues overshadowed by a massive fossil fuel sector, specifically, coal, oil or gas. It is a recognition that renewable energy development and production, while it can include strategic alliances with fossil fuel producers, has its own needs and issues. And they are separate from the noise from oil and gas producers and coal power generators that have had a century to bend the ears of politicians and bury their roots into the development of government policy.

Alberta is known for promoting the idea of the development of a Canadian energy strategy. But perhaps someone had the wisdom to discover that before you can have a national energy strategy, you might want to develop a provincial one first. Just saying ...

One question that came to mind in a province so dependent on the fossil fuel industry is whether this Electricity and Renewable Resource Ministry was created so that the movers and shakers in the oil and gas industry could actually better control growth in this sector. It does represent competition to their industry. Biomass competes with natural gas and coal as a feedstock for energy and with petrochemicals as a feedstock for materials such as plastics. I hope I'm wrong about this.

In the final analysis, it really comes down to the competency of the minister in charge and the collection of deputy ministers tasked with implementing government policy on renewable resource development. The jury was out on the appointed Associate Minister, Donna Kennedy-Glans, and it turns out my spider sense was right. She recently resigned from the Alberta Progressive Conservative Party to sit as an independent.

Firstly, she was a politician elected from a Calgary constituency, where many of the fossil fuel industries' head offices are located. Secondly, she was described as a lawyer with 28 years experience in the energy sector and a "recruited star

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candidate heavily supported by the oil and gas industry.” That raised a couple of serious red flags for me. Hopefully, Alberta’s Premier does a better job of finding a less-connected MLA to lead this important initiative in future.

Having had a front row seat to the evolution of bio-energy and bio-product development by the Canadian forest sector over the past decade, I’m not really sure that Alberta’s government fully understands what it has done by creating this ministry. It has opened the door to the future from a province that has often been accused of living in the past. The question is, will the provincial cabinet and new minister realize it?

Having also written about alternative energy for the past decade, there is no doubt in my mind that the trend related to anything ‘renewable’ and ‘bio’ has taken hold. Investment growth, technological development and the launch of new companies to service this sector is phenomenal. One need look no further than the recent launch of the 2.8 megawatt Lethbridge Biogas facility in Alberta, which is using manure and commercial organic waste to create biogas to produce power for up to 2800 homes. It is the largest privately-owned biogas power production facility in Canada. What’s interesting is that they have decided not to sign a power purchase agreement with an existing power company but instead have chosen the much riskier path of selling power directly on the open market.

I have no doubt that there is considerable interest within the province’s forest sector to further develop their power production and bio-product development potential. However, the question for years has been: does anyone care and is anyone listening?

Well, in Alberta, now they do care—and they are listening. Let’s hope the trend continues across Canada.