

Canadian District Energy Association Association Canadienne des Réseaux Thermiques 555 Richmond St. W., Ste. 402 PO Box 612

> Toronto, ON M5V 3B1 Canada Tel: (416) 365-0765 Fax: (416) 365-0650 cdea@canurb.com www.cdea.ca

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The Hon. George Smitherman, MPP Minister of Energy and Infrastructure 900 Bay Street, 4th Floor Hearst Block Toronto, Ontario M7A 2E1

Dear Minister Smitherman:

I am writing to you in my capacity as chair of the Canadian District Energy Association (CDEA) to offer our congratulations and endorsement of your government's Green Energy Act, to be tabled before the end of February. The CDEA is an industry association representing member utilities, government agencies, building owners, consulting engineers, suppliers, developers, bankers, and investors who share a common interest in promoting the growth of district energy in Canada.

The stated intent of the *Green Energy Act* to remove policy and regulatory constraints that currently stand in the way of accelerating the uptake of renewable and alternative energy sources such as biomass, wind and solar projects will benefit consumers throughout Ontario. The discussions that will follow release of the proposed legislation will, we hope, also begin to address barriers affecting the implementation of complementary approaches to energy generation such as district energy. As documented by organizations like the National Round Table on the Environment and the Economy, district energy can help the government achieve its goals for reducing greenhouse gas emissions while at the same time complementing important land use policy initiatives such as the Growth Plan by promoting compact urban form. As documented in research carried out recently by the CDEA, Natural Resources Canada and Infrastructure Canada, there are examples across the country of district energy projects that have successfully integrated renewables into the mix.

In the interest of promoting reduced reliance on the electricity grid, the CDEA works with a variety of stakeholders to enhance the capacity of municipalities, and other institutions in the MUSH sector to develop district energy and undertake integrated energy planning. We also acknowledge the government's responsiveness to fiscal issues such as establishing fair pricing

for technologies associated with district energy, including combined heat and power, and initiatives such as maintaining the PST rebate for district energy systems.

We look forward to the opportunity to provide your Ministry with detailed comments on the *Green Energy Act* as part of the formal response process once the legislation has been tabled.

Sincerely,

Bruce Ander

Chair, Canadian District Energy Association

Cc: CDEA Board of Directors