

Dear Minister McCuaig-Boyd,

I write to you in regards to the letter addressed to the Lethbridge Chamber of commerce on small-scale renewable energy policy (see attached).

I am the Director Operations Lethbridge Biogas, a 2.85MW anaerobic digestion (biogas) facility, which processes organic waste to produce 24/7 base load, renewable and low-carbon power. We divert organics from landfills, reduce the emission of greenhouse gases, diversify and grow the economy, provide value-added services for the agriculture and agri-food industry and create good long-term jobs in a sustainable industry. The picture you see below happens to be our facility in Lethbridge.

I personally applaud the GoA for the Climate Leadership Plan, the strategy to de-carbonize the economy and the direction this Government has taken on the renewable energy file. Unfortunately the current market prices for electricity, or energy in general, are not sustainable for any kind of renewable power (energy) production in Alberta, at least not in the private sector. The AESO did recognize this and both, the REP program as well the change of direction to a capacity market are a result of this recognition.

Biogas facilities like ours are currently being overlooked by the GoA in the push for renewables and the 'Thirty by 30' goal. Let me explain in more detail:

- **Facilities like ours do not qualify for participation in the REP as we are a) smaller than 5MW and b) existing capacity**
- **Facilities like ours do not qualify under micro-gen as we are not intended for load displacement but are designed for net export to the grid**
- **Of course, none of the great solar initiatives mentioned apply to us (it should be noted that facilities like ours produce 24/7 base load power and would be a perfect fit in combination with any intermittent source of generation like wind and solar)**
- **It remains to be seen whether private initiatives like ours will have a place under the Community Generation Policy that is currently being worked on**
- **It remains to be seen whether small-scale generators <5MW will be able to participate in the capacity market at all**
- **The temporary Bioenergy Producer Program (BPP) was a very important support for facilities like ours, but the program recently expired on September 30, 2017. The GoA's intent was to replace the short-term program with longer term policies (see attached), but nothing to this extent has been announced**

I also represent the biogas producers in Alberta and happen to be a Director on the Board of the Canadian Biogas Association (CBA). We participated in all of the above stakeholder consultations and voiced our concerns about the policy gap for our industry many, many times...so far without any result. I have personally been in over 30 meetings over the last 24 months with various departments and representatives of the GoA on this topic. The creation of a small-scale energy program as suggested by the Lethbridge Chamber has also been a key recommendation in a recent White Paper commissioned by Alberta Innovates and representatives by the University of Calgary in February of 2017 (see also attached).

I hope you can understand that from our perspective there clearly is a policy gap in the renewable technology landscape that needs to be addressed. As recommended in your letter to the Lethbridge

Chamber, I have cc'ed Mr. Thibault from your office and we would appreciate an update on future policy steps addressing this issue.

I would like to discuss this further can be reached at [stefan@ecbna.com](mailto:stefan@ecbna.com) or [\(403\) 382-8409](tel:(403)382-8409).

Thanks for consideration.

Stefan Michalski  
Director Operations  
Lethbridge Biogas