

Minister of Finance



Ministre des Finances

Ottawa, Canada K1A 0G5

Mr. Richard L. George
President and CEO
Suncor Energy Inc.
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Calgary, Alberta
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Dear Mr. George:

Thank you for your letter dated October 11, 2001 in which you outlined the Clean Air Renewable Energy (CARE) Coalition's budget proposals. In your letter, you describe two specific options that CARE would like to see go forward in the short-term. The first is a Consumer Green Energy Credit to cover the premium consumers may pay to purchase green power. The second option would support the supply of low impact renewable energy technologies through a broader Canadian Renewable and Conservation Expense definition, an investment tax credit for capital costs or a production tax credit.

In the recent 2001 Budget, the federal government announced a new production incentive for electricity produced from qualifying wind energy projects. The government hopes that this incentive will result in further investments in wind energy projects in all regions of Canada, which will help address climate change and improve air quality. Natural Resources Canada will be conducting consultations and will release final program details before April 1, 2001. I read CARE's December 10, 2001 news release with interest and was greatly encouraged by the positive reaction to this measure.

I would like to thank CARE for its interest in the environment and in renewable energy. CARE's recommendations with respect to green power and low-impact renewable technologies were helpful in the budget planning process. Both I, and my officials, welcome your ideas and look forward to future work with your coalition.

Sincerely,


The Honourable Paul Martin, P.C., M.P.

c.c.: The Honourable Herb Dhaliwal, P.C., M.P.