



Atlantic Canada Sustainable Energy Coalition News Release

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New England Power Markets Shaky Without Cap and Trade

A coalition of Atlantic Canadian environmental groups say the future of power exports to New England depends on Eastern Premiers cooperating to regulate greenhouse gas emissions through a cap and trade system.

Electrical utilities in New England are already constrained by a regulated cap and trade system, but Eastern Canadian Premiers have been unable to agree on instituting a comparable arrangement. Quebec has been negotiating with Ontario to establish a bilateral cap and trade system with that province.

“Nova Scotia is the only the province to establish absolute caps on its electricity sector,” said Cheryl Ratchford, Energy Coordinator for the Ecology Action Centre. “It’s time for the other four eastern Canadian provinces to step up to the plate,” she said.

All five eastern Canadian provinces are looking to export renewable-based electricity to the New England market. However, the Obama administration has said it could impose tariffs on imports from countries lacking comparable cap and trade regulation.

“There is an uneven playing field in the regional electricity market at the moment as cap and trade regulation requires New England utilities to internalize the cost of carbon emissions while Canadian utilities face no such requirement,” said Piotr Trela from the Newfoundland office of the Sierra Club of Canada.

“We see a huge potential to green our economy with renewable energy development, but getting wind power from PEI to the mainland needs more than new transmission capacity,” said Matthew McCarville, Energy Coordinator for EcoPEI. We need the market demand that cap and trade regulations would create in the fossil fuel dependent provinces of New Brunswick and Nova Scotia,” he said.