



NEWS RELEASE

\$95,000 GREEN MUNICIPAL FUND GRANT HELPS AQUATERA UTILITIES INC. MOVE AHEAD ON THE CITY OF GRANDE PRAIRIE'S COMMUNITY ENERGY PLAN

August 9, 2006, Grande Prairie, AB – City of Grande Prairie Mayor Wayne Ayling, Reeve Tim Stone of Saddle Hills County, representing the Federation of Canadian Municipalities' (FCM) National Board of Directors, and Chris Warkentin, MP (Peace River), representing the Honourable Gary Lunn, Minister of Natural Resources Canada, announced today a \$95,000 Green Municipal Fund (GMF) grant to Aquatera Utilities Inc. Based on a previously funded GMF feasibility study, Aquatera will undertake the business development work required to establish a Community Energy System (CES) in Grande Prairie. The work includes securing access to the heat source; establishing a business model to build, market, and operate the district heating system; and developing a marketing strategy to attract potential customers.

"The benefits of a CES include reduced greenhouse gas emissions, conservation of valuable natural gas, local energy security, and local job creation," said Mayor Wayne Ayling. "Completion of this project will let us implement a full-scale CES. It will be capable of distributing heat to approximately 30 buildings – including public municipal and provincial facilities, schools, and the hospital – located close to the heat source, a recently completed biomass-fuelled Combined Heat and Power (CHP) plant owned by Canadian Gas & Electric."

The Government of Canada has endowed the Federation of Canadian Municipalities with \$550 million to establish and manage the Green Municipal Fund. The Fund supports partnerships and leveraging of both public and private sector funding to reach higher standards of air, water and soil quality, and climate protection.

"By providing heat for non-industrial buildings from a central source based on biomass fuelled CHP, this project represents innovation in adopting an advanced technology new to the region for this application," said FCM's National Board of Directors Member Reeve Tim Stone. "Without the CES it would not be practical for the buildings to use biomass or CHP as a source of energy due to the small scale and difficulties in operating and maintaining such equipment over the long-term."

"Through the Green Municipal Fund, the new Government of Canada is demonstrating its commitment to clean air, clean water, clean land, and clean energy. This government is showing also its dedication to combining community support with stronger accountability and transparency practises," said Chris Warkentin, MP. "Investments based on GMF feasibility studies allow project partners to be confident that taxpayers' dollars are being spent efficiently and effectively."

"Aquatera Utilities Inc. is very pleased to be developing this service opportunity, with the assistance of FVB Energy Inc., for the City of Grande Prairie, Aquatera's majority shareholder," said Mark Simpson, Operations Coordinator. "As the first regional utility corporation in Alberta, Aquatera symbolizes a fresh approach to conservation and innovation."

FCM has been the national voice of municipal governments since 1901. It is dedicated to improving the quality of life in communities by promoting strong, effective and accountable municipal government.

For information:

Mark Simpson,
Operations Coordinator
Aquatera Utilities Inc.
Tel: (780) 538-0442
Fax: (780)-538-4667
Email: msimpson@aquatera.ca

Lucille Hodgins
Manager, Community Liaison
Green Municipal Fund
Centre for Sustainable Community Development
Federation of Canadian Municipalities
Tel: (613) 241-5221 Ext. 299
Cell: (613) 447-0051
Fax: (613) 244-1515
Email: lhodgins@fcm.ca

Emma Welford
Director of Communications
Minister's Office
Natural Resources Canada
Tel: (613) 996-2007
Fax: (613) 943-0663
Email: Emma.Welford@nrcan-rncan.gc.ca

For information on Aquatera Utilities Inc., visit <http://www.aquatera.ca>

For information on the City of Grande Prairie, visit <http://www.cityofgp.com>

For information on the Green Municipal Fund, including details of other approved projects and studies, visit www.sustainablecommunities.fcm.ca

For information on the Federation of Canadian Municipalities, visit <http://www.fcm.ca>

For information on Natural Resources Canada, visit <http://www.nrcan-rncan.gc.ca>

For information on Environment Canada, visit <http://www.ec.gc.ca/>