

'Perverse' Subsidies Hamper Green Energy

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TORONTO -- Ontario government policies protect major electricity producers and make it all but impossible for eco-friendly power producers to gain a toehold in the province, an environmental group said Thursday.

In a complaint to the federal Competition Tribunal, the Canadian Institute for Environmental Law and Policy said 'perverse government subsidies' have thrown up substantial barriers for green power producers.

"The electricity system overwhelmingly supports and facilitates traditional fuel sources of coal, large hydro and nuclear power and injures the emerging green power producers in Ontario.

One key problem is the "distorted domestic power cap" imposed on the province's dominant producer, publicly owned power producer, Ontario Power Generation.