Community Renewable Energy in Nova Scotia

Réseau de recherche pour mesurer la DIFFÉRENCE COOPÉRATIVE

Measuring the Co-operative Difference

Wayne Groszko - March 14, 2012
Community wind turbine in Nova Scotia

What is different about this wind turbine?

Colchester-Cumberland Windfield

Photo courtesy of Colchester-Cumberland Windfield
What is different about this wind turbine?

It is owned and operated by the local community in Tatamagouche, Nova Scotia

Colchester-Cumberland Windfield

Photo courtesy of Colchester-Cumberland Windfield
Beneficial Features of the CCWF Spiddle Hill Wind Energy Project

• It is proudly owned and operated by several hundred members of the local community in the Tatamagouche area and Nova Scotia.

• Profits from the sale of electricity are distributed to local member shareholders – money that stays circulating in the local community.

• Local individuals and companies are empowered to participate in the implementation of this project and future projects.
The Colchester Cumberland Windfield is a success story in community renewable electricity (Community Power).

What factors led to its success, and how can we facilitate more such projects?
Community Renewable Electricity (Community Power) – success factors

• To be successful, Community Power needs:
  – Affordable access to the electricity grid to sell the renewable electricity it will generate.
  – An acceptable selling price for renewable electricity, to cover costs and a moderate return.
  – A regulatory environment that is conducive to raising the capital for the project, in equity and debt financing.
  – Access to expertise, support and advice.
The Nova Scotia Community Feed-in Tariff program (COMFIT):
- Offers pre-determined rates for selling community-based renewable electricity into the grid.
- Defines a process for projects to connect to the distribution grid.
- Allows Community Economic Development Investment Funds (CEDIFs) to be used to raise equity.
- Has an application process with some guidance, but does not provide comprehensive advising on projects.
Nova Scotia COMFIT
(Community Feed-in Tariff Program)

• Eligible energy types are:
  – Wind energy
    (49.9 ¢/kWh small, 13.1 ¢/kWh large)
  – In-stream tidal electricity
    (65.2 ¢/kWh)
  – Run-of-river hydroelectricity
    (14.0 ¢/kWh)
  – Biomass combined heat and power (CHP)*
    (17.5 ¢/kWh)

* CHP projects must use their heat on the same property, but have relaxed project ownership rules.
Nova Scotia COMFIT
(Community Feed-in Tariff Program)

• Eligible proponent groups are:
  – Co-operatives*
  – Community Economic Development Investment Funds (CEDIFs)*
  – First Nations
  – Municipalities
  – Universities
  – Non-profit organizations*

* with a majority of members residing in Nova Scotia and at least 25 members residing in the municipality where the project will be located.
What is a CEDIF?

• Community Economic Development Investment Fund:

“A CEDIF is a pool of capital, formed through the sale of shares (or units), to persons within a defined community, created to operate or invest in local business. It cannot be charitable, non-taxable, or not-for-profit, and must have at least six directors elected from their defined community.”*

* http://www.gov.ns.ca/econ/cedif/background/
Nova Scotia COMFIT program: How is it going so far?

- Started in 2011
- 95 project applications so far
- 20 have been approved, as of Feb. 27, 2012, amounting to a capacity of ~ 51 MW
- Mostly wind energy projects to this point
- Total projects submitted to date amount to a capacity of ~ 250 MW (if all were built)
Nova Scotia COMFIT program: Who has a project approved so far?

- University: 1
- First Nation: 1
- Not-for-profit: 1
- Private Corporation: 1 (CHP)
- Municipality: 3
- CEDIF: 6
- The 20 projects approved so far are led by 13 organizations, the largest portion of which are CEDIFs. 12 of the 20 projects are CEDIF-owned.
- There are no co-operatives on this list.
Nova Scotia COMFIT program: How about co-ops?

- The program seems to be successful so far.
- It is open to participation by co-operatives.
- Co-operatives are eligible to run CEDIFs too.
- This represents an opportunity for co-ops.
Co-ops and renewable energy

- There are also many other ways for co-ops to engage in the community renewable energy movement.
How can co-ops engage in the renewable energy opportunities in Canada today?

- As co-operative project leaders / developers
- As land owners
- As investors
- As workers
- As purchasers of equipment, services and energy
How can a co-op engage in the renewable energy opportunities in Canada today?

- As co-operative project leaders / developers
  - e.g. Coopérative d’ énergie renouvelable Acadie, NB
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- As workers
  - Consultants, manufacturers, installers, retailers
- As purchasers of equipment, services and energy
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  – e.g. Val Éo – Lac Saint Jean, Québec

• As investors
  – e.g. SolarShare, Ontario

• As workers
  – Consultants, manufacturers, installers, retailers

• As purchasers of equipment, services and energy
  – Neighbourhood solar co-op, housing co-op, dairy, etc.
Conclusion

- Community renewable energy is a rapidly growing field, with supportive policies in Nova Scotia.

- There are many opportunities for co-operatives to work in community renewable energy.
Thank you for participating!

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