Benefits of Renewable Energy Co-operatives

Summary of literature review from the Measuring the Co-operative Difference Research Network

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Réseau de recherche pour mesurer la DIFFÉRENCE COOPÉRATIVE

Measuring the Co-operative Difference RESEARCH NETWORK

Introduction

J.J. McMurtry of York University partnered with Judith Lipp of the TREC Renewable Energy Co-operative to study the status of the Renewable Energy co-op sector in Canada and internationally, with a focus on regulatory processes related to grid-connected electricity generation from low-impact renewable sources including solar, wind, biogas and small hydro.

As part of their research, McMurtry and Lipp conducted a literature review on the positive impacts that renewable energy co-ops can bring to communities. This summary is a brief overview of the impacts identified in that research.

Benefits Cited in Literature

1. RE Co-ops contribute to domestic energy security and energy price stability, by reducing dependence on imported fuels and on energy sources that are subject to volatile pricing.
2. A community-owned model maximizes local citizen engagement in energy projects, and promotes social innovation and social entrepreneurship.
3. A community-led project helps citizens acquire new skills and knowledge, and also builds capacity within the community for the realization of future citizen-led initiatives.
4. A community-owned model maximizes the local community's ability to reap benefits from RE projects, including direct financial benefits, and increased employment and regional development opportunities.
5. Research by the National Renewable Energy Laboratory has calculated that wind projects with 100% local ownership generate twice the long-term jobs and one to three times the economic impact of absentee-owned wind projects.
6. RE Co-ops deliver 'triple bottom line' returns, addressing environmental and social issues while also generating economic benefits for members and/or for members' communities.
7. RE co-ops work to educate people on energy issues and build local support for renewable energy projects. Because of their democratic, member-based structure, it is in RE co- ops' nature to invest in community consultation and community engagement. Many RE co-ops also have a formal mandate to increase community awareness of renewable energy issues.
8. RE Co-ops can help reduce social friction around new energy developments. When community members own a share of an RE project and are active in decision-making about how the project develops, research has shown they tend to be more accepting of any compromises that must be made in their local communities to have the project built (e.g. a large wind turbine in plain view on a hillside.)
9. When community members become involved in the development of an RE project in their community, they tend to become more aware of their personal energy use patterns, and can be more easily motivated to change their behaviours in order to reduce energy consumption.

10. RE Co-ops can help communities, particularly small & remote communities, become:
    - More self-reliant (e.g. developing new project management skills, generating the energy they need for their own consumption);
    - Greener & more sustainable (e.g. replacing polluting energy sources with cleaner ones; replacing limited resources with renewable ones);
    - More economically independent (e.g. gaining employment opportunities from the project, and creating a reliable and long-term income source by selling power to the grid).
11. By pooling their resources in a RE co-op, citizens can take an active role in realizing a sustainable, democratic, and accountable energy economy.

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