

# Watt's Happening?

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## CO-OPERATIVES: *the quiet revolution*



*Credit unions are essentially financial co-operatives. They have proven to be resilient in a crisis like the 2008 financial collapse. They had handed out fewer toxic mortgages*

*that required fewer bailouts, and had half the number of delinquent loans. Co-operatives of all kinds are growing in popularity around the world.*

**P**ush my cart down the aisle and pick up a few groceries. Grab a coffee and say howdy to a few familiar faces. Stop at the gas bar, fill my tank and buy a magazine. Cross the street to the credit union to pay a few bills and pick up some cash. Zip home on my cool electric bike (bought, of course, from Peace Energy).

Just going about my day-to-day affairs, but each of my actions expresses a fundamentally different way of looking at the world. It is the way of the co-operative.

The Dawson Co-op Union is a food and materials co-operative, credit unions are financial co-operatives, and Peace Energy is a renewable energy co-operative. There are also worker co-operatives where the

employees own and democratically govern their own businesses, and there are producer co-operatives where farmers and others band together to market their products. It's a versatile business model.

### CO-OPS ARE DIFFERENT

Co-ops are profit-making entities, but they are not profit-maximizing. In other words, it's a model designed to serve customers and workers, not take as much profit and work from them as possible. And it does not funnel wealth up to the top, but rather distributes it evenly among its members.

Co-operatives are intensely democratic, governed

from the bottom up, not from the top down: each member has one and only one vote, period. Co-ops are designed to serve not just their members but also their communities, and often have a clear commitment to the environment and principles like “fair trade.”

### **CO-OPS ARE BIG**

Even though it has grown side-by-side with the corporate economy for some two hundred years, few people realize the size and scope of this distinctly different economic model.

How big is the co-op movement today? The numbers are impressive: 2.6 million co-operatives worldwide with over one billion members, employing 250 million people, and within the G20 nations, accounting for 12 percent of all jobs, with annual revenues of US \$3 trillion.

In the United States, more than 130 million people are members of a coop or credit union, more than Americans holding shares in the stock market. The U.S. is home to some 30,000 co-operatives that provide 2 million jobs, \$75 billion in wages and benefits, and \$500 billion in annual revenue. These diverse enterprises, if grouped together into a single nation, would be the 9th largest in the world.

### **CO-OPS ARE ENERGY**

Renewable energy co-ops are new to Canada, (Toronto Renewable Energy Co-op, or TREC, was Canada’s first, and Dawson Creek’s Peace Energy Co-operative was the first in western Canada) but elsewhere they have been long-standing and successful energy players.

Renewable energy lends itself to the co-operative model of distributed local ownership, because renewable energy itself tends to be distributed and local. Old-fashioned conventional energy sources tend to rely on massive, centralized generating facilities

from which electricity is then sold to the masses. Renewables like solar and wind power tend to be distributed over wide areas: the sun shines on my roof and the wind blows across my neighbourhood as well as yours.

### **CO-OPS IN EUROPE**

Germany provides a good case study on how co-operatives can provide a rapid rise in the growth of distributed clean energy. Today, roughly half of Germany’s renewable energy facilities are in the hands of farmers, citizen groups, and almost nine hundred co-operatives.

Like the clean energy they produce, the profits from these co-ops are distributed to local owner/members and their communities. There are now 1.4 million solar power installations and 25,000 wind turbines owned locally in Germany, creating over 400,000 jobs.

Like Germany, so Denmark. By providing a level playing field for small renewable producers and a long-term national energy plan focused on clean energy, Denmark now provides 40 percent (aiming for 100 percent) of its electricity from renewables (mostly wind), 85 percent owned by small players like farmers and co-operatives.

### **CO-OPS DISTRIBUTE WEALTH**

Co-ops not only help to decentralize energy production but also political power and, of course, wealth. Finding a method of distributing wealth instead of collecting it in the hands of the top one percent is proving to be one of the most critical and difficult problems of our troubled times. Co-ops of all kinds are helping.

*Below: the 12 kw roof-top solar array of Guy Armitage, Hudson’s Hope, BC. This grid-tie system was recently designed and supplied by Peace Energy Cooperative, Dawson Creek.*

