

Watt's Happening? #259

Written by Don Pettit
for Peace Energy Cooperative, Dawson Creek, BC Canada
www.peaceenergy.ca



It's not easy being Green

Peace Energy Co-op: *what a struggle it has been!*



Over its twenty-year history Peace Energy Co-op has had its share of triumphs and disappointments. Our role in the creation of BC's first commercial wind facility,

Bear Mountain Wind Park, was certainly a triumph and an accomplishment that every one of our 630 members can be proud of.

Pace Energy Co-op: what a struggle it has been!

Last year was the 20th anniversary of Peace Energy Renewable Energy Cooperative. Honestly, it's a miracle that we still exist!

We started out with a bang back in 2003: a group of dedicated volunteers throwing their time and money into creating western Canada's first clean energy investment cooperative in little Dawson Creek, BC (pop. 12,000) and only the second in Canada overall (the other one was in Toronto).

MAKING HISTORY

So our little group of volunteers optimistically launched BC's first commercial wind facility, Bear Mountain Wind Park (BMW). We secured a crown land lease on Bear Mountain, a windy ridge near Dawson Creek. We pulled together the partners that "proved" the site, hosted some 30 public meetings, and helped it move ahead for the next six years.

But quickly we learned that you couldn't economically put up one or two wind turbines. You would have to put up many turbines to make a good

business case. The result? BMW got so big we had to relinquish ownership of the project. Yes, we did raise capital with a share offering to our members and we did invest in the project, negotiating a modest 25-year royalty agreement.

Bear Mountain was the first commercial wind project in the province at 102 megawatts (MW), and quickly another roughly 500 MW of wind was installed in the area. The Peace Region has one of the best wind resources in Canada with over 10,000 MW of easily developable wind. It began to look like northeast BC was about to become the wind capital of Canada and we had started it rolling! Turbine manufacturer Emerson promised a blade factory for Dawson Creek if we installed 1000 MW of their turbines, which we almost did, except...

BC GOVERNMENT'S 180

The BC government changed its mind! Suddenly wind was out, Site C dam and frack gas were in. So much for the vision of the Peace Region hosting the hi-tech wind industry with thousands of clean energy jobs and powering western Canada with wind energy. Nope. Behind closed doors, a complete 180.

So Peace Energy Co-op spent the next few years looking for another renewable energy project for our members to invest in. Centennial Green: a community cultural centre that would also repurpose Dawson Creek's older swimming pool into a district heating facility. It would harvest waste heat from the three nearby arenas and sell it to heat the area around. The engineering was solid, but alas, it could not compete with cheap subsidized natural gas heating.

BC HYDRO WANTS BIG

Although we have since started a quite successful solar design and installation business for our co-op, installing over one million watts of rooftop solar, government support for solar has been little or none. Although BC Hydro has an excellent grid-tied system that easily allows individuals to feed power into the grid from their personal solar array, they have structured the payback so it only makes financial sense to feed in just what you need, no more. A subtle but very real discouragement.

BC Hydro has just announced a "call for clean power" but it would appear they want only very large, centralized wind projects, which means big money and big players only.

THEN THERE'S ALBERTA!

We have worked for more than three years on a wonderful project, the Peace River Energy Project (PREP), a small solar farm to be built near the Town of Peace River. This 5 MW facility could provide a good return to our member investors and finally provide Peace Energy Co-op with a steady income. When built, it will be western Canada's first cooperatively financed, owned and operated solar farm!

But wow, what a roller coaster that's been. A week or two before our final approval, the Alberta government declared a 7-month moratorium on all renewable energy projects! Discouragement, delay, more cost, more uncertainty.

The moratorium was lifted, and PREP was the first clean energy project approved to proceed. Yea!

NEW REGULATORY BURDENS

But wait, there's more! Both the BC and Canadian security laws are putting a huge burden on our plan to raise capital with an investment share offering to our members to build PREP. Our first share offering for Bear Mountain Wind seemed quite straightforward and inexpensive. Now, 15 years later, many new regulations are in place. For instance, roughly \$100,000 will be needed for legal, accounting and audit costs to complete our offering memorandum, the only legal way we can raise significant funds from our members. This expense will only be justified if we can raise at least \$2 million from our 630 members. A tall order indeed!

Right now we are reaching out with a critical question: "As a member of PEC, are you interested in investing in PREP?" And we need to know now!

If we do not receive positive investment interest from our members, PEC will have to explore alternatives to fund the construction of PREP, which may include reducing our ownership stake or selling the project to a private developer entirely.

WE KNOW IT CAN WORK

To solve the climate crisis, we need widespread distributed clean energy, owned and operated by real people like you and me, and we need it now. That's democratic energy, not big business as usual. We know it can work. The thousands of clean energy cooperatives in Europe owning billions worth of renewable energy assets, keeping the profits in the pockets of local communities, proves that it can be done. But we need help, not hindrance.

The twin burdens of complex regulatory costs and political uncertainty have made the clean energy investment co-op model a very difficult one in Canada. Peace Energy Co-op has made history and broken new ground, but what a struggle it has been!

A big, big thank you to all of our 630-plus members! You have stuck with us through many difficult times, and here we are again at a critical juncture, with the fate of PREP and PEC hanging in the balance.

If a member, I hope you will seriously consider letting us know if you are interested and capable of investing in PREP (contact us at prep@peaceenergy.ca), and if not a member, consider becoming one at <https://peaceenergy.ca/about-us/membership/>

It's not easy being green, but I know that by working together we can make cooperatively owned renewable energy a reality in Canada.



The Hudson's Hope Community Solar Initiative gave Peace Energy Co-op the opportunity to put just over 1/2 megawatt of solar on nine municipal facilities, saving the District more than \$70,000 a year on electrical expenses for at least 30 years. The official ribbon cutting, June 2018, held at their now solar net zero District Shop, made Hudson's Hope the most solarized community in BC.