



Financing the Sustainable Energy Transition in the affordable housing sector

CECODHAS Housing Europe, Brussels

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REScoop approaches for financing the energy transition

- Financial collaboration between REScoops: loans, joint investments, bridging periods with too many or too few projects and over/undercapitalisation:
- “Bundling” projects from several REScoops: total investment size suits instruments from EIB or joint EIB/EC initiatives
- Make RUE investments “bankable” through connecting them with RES investments in an appropriate scale
- Collaboration between REScoops and local authorities, i.p. municipalities signatories of the Covenant of Mayors, giving access to EU structural funds
- Collaboration with affordable housing co-operatives ?

➤ Financial collaboration between REScoops

- × Some REScoops might struggle with over-capitalisation when projects can not be realised as planned during longer period as it is difficult to control the instream of capital from large numbers of citizens eager to invest. At the same time other REScoops might be very successful in developing projects, but do not manage to gather the necessary capital to finance them. REScoops can lend each other the money to bridge these periods
- × Joint investments by several REScoops sharing a number projects among each other according to the financial capacity of each REScoop
- × Co-investment by several REScoops in one large scale project: co-ownership with joint exploitation (costs and benefits are divided according the ownership)

➤ Bundling projects of several REScoops

- × By bundling investment projects of several REScoops the total investment size needed in order to be eligible for EIB loans and initiatives can be reached
- × A team of financial experts can be composed from staff of several REScoops or financial services can be hired in
- × PDA tools are available to prepare the preparation of the investment dossier
- ×

➤ Making RUE measures “bankable”

- × Investments in measures for rational use of energy, such as energy retrofit of buildings, efficient public lighting, energy saving measures in general, are difficult to finance as they do not generate positive cash flows
- × Connecting a certain size of RUE investments with a certain size of RES investments in one investment programme by one single party can bring a solution
- × Stability for 15 to 20 years must be assured
- × Citizens investing in both local RES and RUE projects can offer this stability

➤ Local authority and REScoop collaboration

- × Local authorities often lack the technical and organizational capacity to identify and develop suitable sustainable energy project, raise the financing, realize and operate projects for many years
- × Many municipalities signatory of the Covenant of Mayors find it difficult to realize the measure they have committed themselves to.
- × Local authorities and their citizens organized in REScoops are “natural” partners
- × The type of collaboration (contract, PPP, co-ownership, project company, etc.) depends on the project, the parties preferences, legal aspects, etc.

Who is who?

Karel Derveaux



- Flanders, Belgium, master mechanical engineering
- active in renewable energy sector since 1995
 - EUREC Agency : European renewable energy researchers network
 - Ecopower : Flemish renewable energy cooperative
 - REScoop.eu : federation of groups and cooperatives of citizens for renewable energy in Europe



Energy in the context of world-wide Crises

In the context of crises:

- financial crisis
- economical crisis/system crisis
- environmental crisis/energy crisis
- social crisis



Energy will become one of the major issues of the coming decades.

We will face an **energy transition** from

- fossil/nuclear fuels towards renewable energy
- centralised to decentralised production
- spoiling energy to rational energy use

Goals regarding Energy and Climate

- EU
 - EU 20-20-20 Climate and energy package
 - Reduce emissions of greenhouse gases by 20%
 - Improve energy efficiency by 20%
 - Cover 20% of energy demand from renewable sources

- EU 2050 Roadmap



- UN
 - Climate convention 1992
 - Kyoto protocol 1997

- UN proclaimed 2012 international year of cooperatives as well as year of sustainable energy for all



Opportunity for citizens

Citizens have now the opportunity to take up a role in their future energy production, distribution and supply

For sure is that citizens will pay anyway as:

- consumer
- taxpayer
- money-saver on the bank



Because Renewable Energy Sources are a “common good”, Energy Cooperatives - REScoops - are the ideal enterprise for citizens to take an active role in the energy transition where RES will play a major role.

Citizens have the choice now to act or not. Joining forces in REScoops citizens become effective and competent actors in the energy sector.

Background: citizens in action



A Belgian REScoop: Ecopower



- Belgium (Flanders)
 - ° 1991
 - 50.000 cooperative members
 - 50 million € equity
- Investments:
- Wind: 13 turbines, ~25 MW
 - PV: > 250 installations, ~ 2,25 MW
 - Small hydro: restoration of 3 watermills, 0,1 MW
 - Plant oil cogeneration 1 plant, 0,25 MWe, 0,3 Mwth
 - Wood pellet facility 40.000 tons/y
 - Support of Walloon REScoops (7 x 2,3 MW wind turbines)

A Belgian REScoop: Ecopower



Dienstverlening energieleveranciers

	Score Op basis van het aantal klachten	Aantal klachten	Telefoons beantwoord binnen 60 sec.	Kosten vervroegde stopzetting
Ecopower	★★★★★	1 op 23.800	98%	0 euro
Electrabel	★★★★★	1 op 4.900	80%	50 tot 75 euro
Luminus	★★★★	1 op 3.225	80%	50 tot 75 euro
Ebem	★★★★	1 op 1.875	95%	0 euro
Belpower	★★★	1 op 1.495	98,76%	50 tot 75 euro
Nuon	★★	1 op 980	onbekend	50 tot 75 euro
Lampiris	★★	1 op 775	98%	50 tot 75 euro*
Essent	★	1 op 525	onbekend	50 tot 75 euro

*Uitgezonderd bij een nieuw contract

Year	Average consumption
2006	3.909
2007	3.331
2008	3.063
2009	2.985
2010	2.819
2011	2.421

Supply

- ~100 million kWh
- 1,2 % of households in Flanders
- ~45.000 customers
- ~5.000 new customers each year
- fairest and greenest electricity and best customer service on the market
- effectively links renewable energy and rational use of energy
- average consumption dropping continuously: 38% in 5 years !
- without customers with PV-installations (8809): 3096 kWh (-20%)
- very simple tariff

A German REScoop :EW Schönau



- triggered 1986 by Chernobyl accident
- 1997 take-over local grid
- 1998 supply of Schönauer customers exclusively with electricity from renewable energy and cogeneration
- 1999 national supplier of clean electricity
- by 2012 operating 7 grids
- 2014 Berlin grid?
- shareholders: 1830
- customers electricity: approx. 130.000, natural gas: approx. 8.300
- subsidized new, ecological electricity production units: some 1950
- PV, cogeneration, biogas, small hydro



atomstromlos.
klimafreundlich.
bürgereigen.

A Danish REScoop: Middelgrunden



- 20 wind turbines,
- 10 northern owned by DONG Energy 10 southern owned by Middelgrunden Wind Turbine Cooperative
- world famous, most photographed
- story of Danish people investing savings in wind-power told over and over again

- private partnership formed May 1997, by working group for wind turbines at Middelgrunden
- following success of Lynetten Windpower (www.lynettenvind.dk)
- aim to produce electricity through the establishment and management of wind turbines on Middelgrunden shoal
- shareholders own a share corresponding to 1/40500 of the partnership per share

A British REScoop: Energy4all



- created due to daily enquiries received from people looking to replicate the success of Baywind, the UK's first community-owned wind farm (www.baywind.coop)
- works primarily with community groups and landowners, to develop renewable energy projects wholly or partially owned by a community co-operative
- created a 9 step stones guideline for groups planning to set up a wind project
- provides a package of sector, admin, and financial services to Coops in return for an annual fee

Federation of groups and cooperatives of citizens for Renewable Energy in Europe

- Practical application of the 7 ICA principles
- Supporting local communities
- Clean, affordable energy supply for all
- Citizen's role in production, distribution and supply
- Sharing of experience
- Mutual practical and organisational support
- Creation of cooperative investment fund
- Creation of pan-European sustainable energy supplier
- Lobby local, regional, national, European and international authorities

International Cooperative Alliance



REScoops strictly follow the 7 basic ICA principles :
(<http://ica.coop/en/what-co-op/co-operative-identity-values-principles>)

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Co-operation among co-operatives
7. Concern for community

REScoop 20-20-20 IEE project

Project partners support groups and cooperatives of citizens to go together for renewable energy

Over 1000 REScoops in Europe?

Middelgrundens Vindmøllelaug



avanzi



ODE



Ecopower cvba



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COOPERATIVES
europe



ALIENERGY
Anguilla, Lomond & the Islands Energy Agency



More information on REScoop 20-20-20

For more information or contact have a look at

www.rescoop.eu

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Thank you



REScoop 20-20-20 project partners support groups and cooperatives of citizens for renewable energy.
Contact us for support! www.rescoop.eu