

## **B.C.- Alberta Social Economy Research Alliance (BALTA)**

### **Project Proposal – Project B6-2009** **(Revised Summer 2009)**

**A. Title of project:** Prospects for Socializing the Green Economy: The Case of Renewable Energy

**B. With which BALTA SERC Is this project associated? Or is it a cross cutting project?** SERC 2

**C. Lead researcher, organization name and contact information:**  
Dr. Noel Keough, University of Calgary, Faculty of Environmental Design  
[nkeough@ucalgary.ca](mailto:nkeough@ucalgary.ca); 403-220-8588  
Paul Cabaj, Canadian Centre for Community Renewal

**D. Names of other researchers and organizations involved:**  
Dr. Mike Gismondi, Athabasca University  
Dr. Mary Beckie, University of Alberta  
Mike Kennedy, Pembina Institute, Calgary, Alberta  
Jeff Bell, Alberta Energy Policy Researcher  
Michele Aasgard, Alberta Community Coop Association

**E. Description of project, including objectives, outputs and intended outcomes:**

The earlier BALTA research undertaken by Wendy Aupers provides some important background for this proposed research.

**First**, Alberta has a long history of cooperative involvement in energy delivery – both gas and electricity. “At one time 90% of the electricity to Alberta farmers was supplied through the rural electrification program carried out by co-operatives. Today, “rural electrification associations represent 43,600 electricity users. Alberta has the most utility co-ops in the country (249)”. “Associations include the Alberta Federation of Rural Electrification Associations and Alberta Federation of Gas Co-ops. The Gas Co-op has the largest rural gas system in the world. “The Federation is composed of 92 natural gas utilities including 62 gas co-ops, 19 towns and municipalities, four counties, six Native Bands and one private utility.” They serve over 100,000 customers with over 100,000 kilometres of pipes.” (Aupers, 2007) There has been some interest in the membership of both federations and both have recently expressed interest in expanding their involvement in alternative energy provision.

**Second**, Aupers identified three key missing ingredients hindering wind development in Alberta and British Columbia: “1) the right to connect to the electrical grid without undue cost; 2) a legal obligation for the priority purchase of wind energy by electric utilities; and 3) a guaranteed fair price for that energy, differentiated by the resource (Gipe, 2007).” (Aupers, 2007)

**Third**, there are no cooperative ventures in wind energy in Alberta. Municipal governments’ financial stake in wind energy development has been limited to tax revenue. Private farmer benefits seem to be restricted to income from land lease agreements. At least one researcher (Gipe) claims that much of the prime wind energy land in Alberta is already under long term

lease agreements. “[Wind energy has been largely promoted as a community-based benefit generating new tax revenue streams for local municipalities.” Aupers, 2006)

“Landowners with good wind resources have the potential to benefit from wind energy. Land lease payments are the negotiated terms of agreement between the developer and landowner. They include specific details in the form of binding contract in which the landowner agrees to let their land be used in exchange for a percentage of wind farm revenue for a flat fee. In Alberta, land lease payments have first term agreements of 25-30 years. According to Gipe (2007), most of the good wind farm sites across Canada have been identified and secured by private sector interests.” (Aupers, 2007)

**Fourth**, there appears to be a strong renewable energy collaboration in southern Alberta. Aupers’ report recommends contacting the SAAEP to determine if there have been discussions of cooperatives development in the renewable energy sector in Southern Alberta.

“In 2006, Economic Development Lethbridge, SouthGrow Regional Initiative and Alberta Southwest Regional Alliance, identified common interests regarding alternative energy growth in Southern Alberta. Together, they created the Southern Alberta Alternative Energy Partnership (SAAEP), which represents 37 municipalities in the southwest and south-central regions of the province. SAAEP has formed a management team with representation from each of the three sponsoring partners.” (Brown, McNeil and Reesor, 2007, Results and Recommendations from the Public Consultation for the Green Growth Plan **Final Report** of the SAAEP Advisory Committee). Consultation was carried out with the communities of Vulcan, Claresholm, Taber, Warner, Coaldale, Blairmore, Pincher Creek, Cardston, and Lethbridge. There was considerable interest in making Southern Alberta a leader in renewable energy. The Final Report documented recommendations for local government, the industry and provincial governments.

**Fifth**, the report identifies several Government of Alberta agencies with interest in or jurisdiction over renewable energy development: Corporate Energy Strategy Development (developing a comprehensive energy strategy and ensuring the continuing effective operation of Alberta’s electricity system); Environment (regulatory); Rural Development Employment, Immigration and Industry (capacity building); Agri-Industry Commercialization Brand Agriculture and Food (utilizing forest stands); Bio-Industrial Development Branch Agriculture and Food (funding).

**Sixth**, Aupers identified two specific Government of Alberta programs and initiatives supporting diversification and renewable energy development through the social economy. One of the initiatives underway at the provincial level is a Development of a “Community Progression Scorecard” which could be used by communities to be a self-assessment tool of their capacity to undertake alternative energies and/or projects” (SAAEP Report, 2007), Secondly, under the heading of ‘Social Enterprise Start-up Assistance’ Aupers reported that ‘The Business Link’ of the Government of Alberta, with funding from Western Canada Diversification, has developed a series of social enterprise guides for social enterprises looking for new ways to diversify.

**Seventh**, Recent research by the Alberta Association of Agriculture Societies (AAAS) indicates an interest in the exploration of alternative energy clusters in central and northern Alberta as well (See Appendix i: Rural Energy Alternatives Project). Discussion between AAAS, Alberta Energy and Alberta Agriculture and Rural Development are currently underway.

## **Research Approach**

This project will support ongoing efforts for the creation of Social Enterprise Initiatives for the Green Economy in Alberta through a comparative analysis of Alberta’s experience to date, and

best practices and successes in North America and Europe. The research will update and augment the research undertaken by Wendy Aupers and collaborate with and contribute to the current research being conducted by the Alberta Community and Cooperatives Association. With this historical and present-context understanding the research will identify a social economy (cooperatives and community-owned enterprises) 'niche' in the green energy economy and identify potential strategies to take advantage of that niche. The research will build on the outcomes of the Community Based Energy Forum to be hosted by Alberta Community and Cooperatives Association in October 2009 in Calgary. This forum will focus on an analysis of the recent Ontario Green Energy Act.

Guiding research questions for this research:

1. What has been the social economy experience with wind energy in Alberta?
2. What social economy green energy initiatives are currently underway in Alberta? What has been their experience? What do we know about barriers and opportunities for social enterprise in the green energy economy in Alberta?
3. What social economy green energy successes are there in other jurisdictions in Canada, the US or Europe, and what can we learn from their success?
4. What is the social economy's renewable energy niche in Alberta? Is it the large-scale grid connected projects or is it off-grid local town or farm scale provision of renewable energy? Is it integrated multi-source energy systems?

Objectives:

1. Assess the social economy experience with wind energy development in Alberta.
2. Provide a comparative analysis of best practice and successes in other jurisdictions.
3. Identify potential strategies for successful socializing of the green economy in Alberta.

Outputs:

1. Diagnostic: Status of Social Economy Provision of Wind Electric Energy in Alberta.
2. Briefing paper: Comparative Analysis of Social Economy and Renewable Energy Best Practice and Success in North America and Europe.
3. Strategy paper: A Social Enterprise Initiative for the Green Energy Economy in Alberta - Niche and Strategy

Intended Outcomes

1. A Roadmap for socializing the green energy economy in Alberta is widely disseminated and is contributing to energy policy discussions in Alberta.
2. A Socializing the green energy economy collaboration is established in Alberta.
3. Potential funders/investors for the Social Enterprise and the Green Energy Economy collaboration are identified and briefed on the Strategy Paper.

Intended Impact

Social enterprises become the largest providers of green energy to Albertans.

**F. Purpose and significance of the research, including congruence with the strategic research objectives identified for the SERC and BALTA. Why should this project be approved, given BALTA's limited resources? [Refer to the project criteria in the BALTA Workplans and Project Proposals Policy.]**

Renewable energy is going to be one of the most important growth industries in the next twenty years. For the social economy to make an impact on the conventional capitalist economy it will have to make an impact on the energy economy. The prototype analysis of socializing the green

energy economy will also contribute to an understanding of how to socialize other growth economies of the next twenty years (e.g. waste management/resource recovery, sustainable transportation, green building).

It is important to understand whether there are fundamental structural or organizational impediments to social economy success in the major economic sectors like energy, and if so why they exist and how do we overcome or remove them. For example is the impediment inherent in the dominant economic structures in our society, is it a lack of enabling policy or is it a matter of lack of capacity in the social economy to take advantage of opportunities?

The project will allow BALTA to 'better understand and critically analyze key issues, opportunities, and constraints for adapting and scaling best practices. In part the research will include a comparative analysis of best practice or existing successes (e.g. Denmark) with the policy, political and cultural context of Alberta.

**G. Will the project involve student researchers in a paid or unpaid capacity? If yes, will they need to be recruited or have they already been identified? Briefly describe the roles and responsibilities of students involved in the research project, the skills/experience they will acquire, and how this will complement their academic training. Explain as well how adequate supervision and support of the student will be ensured.**

Our intention would be to hire one senior student to work with the project over a 12-month period, jointly supervised by Noel Keough and Paul Cabaj. The other identified researchers and organizations will participate in a research steering committee.

#### **H. Research activities, plan of work and timetable:**

The project will commence on September 15, 2009 and run for 12 months to September 14, 2010.

1. Compile a list of key informants in the renewable energy sector in Alberta. Compile a list of key informants in the energy social economy sector in Alberta. Conduct interviews to gather information to support a diagnostic paper on Wind Energy and the social economy.
2. Participate in the ACCA-sponsored Community-Based Energy Forum in October 2009. This Forum will focus on an analysis of the Ontario Green Energy Act. The one-day forum will include expert speakers from the Government of Alberta and Ontario, several expert panels and a policy design charette.
3. Write and publish on-line, the Status of Social Economy Provision of Wind Electric Energy in Alberta.
4. Compile and interpret the most up to date research on European best practices as well as North American initiatives including the Val-EO experience in Quebec, the Dawson Creek Energy Cooperatives, the Nova Scotia Renewable Energy cooperative and Ontario experiences. This research will consist of a document analysis and where possible e-mail or phone and face-to-face interviews.
5. Interview renewable energy sector and energy social economy sector key informants to gather information to support the identification of the social economy renewable energy niche in

Alberta.

6. Write and publish on-line Briefing paper: Comparative Analysis of Social Economy and Renewable Energy Best Practice and Success in North America and Europe.

6. Conduct a one-day design charette with key stakeholders to identify the main elements of a social enterprise initiative for the green economy in Alberta.

7. Write and Publish on-line Strategy paper: A Social Enterprise Initiative for the Green Energy Economy.

8. Present research findings at research seminars co-sponsored by BALTA, Pembina Institute, Alberta Energy, ACCA and The University of Calgary Institute for Sustainable Energy Environment and Economy (ISEEE).

**I. Describe plans for communicating research results within the academic community. Indicate audience and specific output(s) i.e., refereed journal articles, conference presentations or other appropriate channels.**

- a. 1 refereed journal articles
- b. Present research findings at a research seminar co-sponsored by BALTA and Institute for Sustainable Energy, Environment and Economy, U of C.

**J. Describe plans for communicating research results outside the academic community to practitioners, policy makers, and other people for whom the research results could be significant. Indicate audience and specific output(s).**

It is the intention of the research team to approach the Institute for Sustainable Energy Environment and Economy (ISEEE) at the University of Calgary and Pembina Institute and University of Alberta in Edmonton to co-host seminars to present and discuss the research results with academics, practitioners and policy-makers. There will also be a presentation of results at the Alberta Association of Agriculture Societies Annual General Conference

**The results will also be integrated directly into the ongoing research coming out of the REAP project.**

**K. Describe your plans for monitoring and evaluating your research project. Feel free to consult with BALTA's Coordinator on designing possible approaches. (Note that monitoring and evaluation are extremely important both for ensuring the success of the project as well as satisfying reporting to SSHRC.)**

- a. Quarterly report to SERC 2 and BALTA regarding project progress compared to agreed timeline and objectives
- b. Project final report to SERC 2 and BALTA confirming completion of proposed outputs
- c. Student evaluations by both the student and supervisor using BALTA approved formats

- d. An end of project evaluation involving project partners and participants to assess extent to which project objectives, outputs and outcomes have been realized

**L. What are the research tools you propose to use in your project?**

**NOTE: If your research involves human subjects, you MUST provide copies of your proposed research tools (as well as your research plan) prior to commencing research. Please see the document “BALTA Ethical Review Process – Simplified” for information about ethical review requirements.**

1. Content analysis of published documents on this topic including workshop reports, policy analysis, academic journals and popular media coverage.
2. Interviews individual and focus groups formats with key stakeholders in academia, local and provincial government and practitioners.
3. Design Charette with key stakeholders

As this research will involve human subjects, an ethical review will be developed for the collection of data during interviews.

**M. Budget and Contributions**

Information can be both dollar figures and anecdotal, including in-kind contributions and requests for BALTA support (eg. staff support for dissemination).

<b>Category</b>	<b>Requested of BALTA</b>	<b>In-Kind Contributions</b>
Student salaries	<b>\$8,500</b>	
Student benefits/overhead costs (if the student will be a CCCR hire, add 10.5% of the student salaries amount; if the student will be employed by another institution, add the relevant amount)	<b>\$893</b>	
Researcher Co-Leads Other Researchers	<b>0</b>	<b>\$4,000 (Noel) \$10,000 (Paul) \$1,500 (Mary) \$1500 (Mike G.)</b>
Research Support Costs (e.g. supplies, communication costs)	<b>\$600</b>	
Knowledge Dissemination	<b>\$1,000</b>	
Travel	<b>\$2,800</b>	
<b>TOTALS</b>	<b>\$13,793</b>	<b>\$7,000</b>

**Budget explanation**

Student salaries & benefits: Salaries and benefits will be contracted as per BALTA standards

Travel: Given rural cross provincial nature of the research, the student and researchers are likely to make at least 2 research trips during the course of the research. \$1800.00 for student travel and 1000 for co-lead researcher travel.

Supplies & other: Charette supplies and resources

Knowledge dissemination: For hosting seminars in Calgary and Edmonton

The in-kind contribution noted for Paul Cabaj represents anticipated in-kind associated with the ACCA support for Paul's work on the Community-Based Energy Forum discussed in the proposal.