

Module 6

# Energy Cooperatives (E-COOP) Strategy



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**e-coop**

Enabling communities to respond to  
energy, social and environmental needs



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## TRAITS OF A COOPERATIVE

01







# INTRODUCTION

The cooperative structure offers an exceptional framework for communities to own and manage renewable energy infrastructure. By engaging in community ownership, individuals transform from mere consumers into producers, investors, and stewards of natural resources.

This module provides a comprehensive overview of the cooperative structure and explains the development process in detail. Through case studies and an examination of utility cooperatives, it showcases the transformative potential when communities and citizens take ownership of critical infrastructure.

The primary objective of this module is to empower groups to discuss renewable energy issues within their communities and to turn these discussions into concrete actions.



# Traits of a Cooperative

## DEFINITION

A cooperative, or coop, is an autonomous association of individuals who voluntarily come together to fulfill their shared economic, social, and cultural needs and aspirations. This is achieved through a jointly owned and democratically controlled enterprise.

## ADVANTAGES

- Millions of individuals globally find secure and meaningful employment through co-operatives.
- Co-operative enterprises contribute significantly to the global economy, generating an impressive 2.2 trillion USD in turnover annually.
- By involving members in business decisions through democratic voting, co-operatives empower individuals and foster a culture of participation and inclusivity.



# Traits of a Cooperative

## TYPES OF COOPERATIVES

- **Opportunity Development Cooperative (ODC).** It consists of local investors who are committed to enhancing their community's economic landscape and provide crucial funding for local business ventures.
- **Multi-Stakeholder Cooperative.** It is a hybrid coop model combines two or more types of cooperatives, making it an excellent option for fostering equal ownership among varied member types, such as consumers and workers.



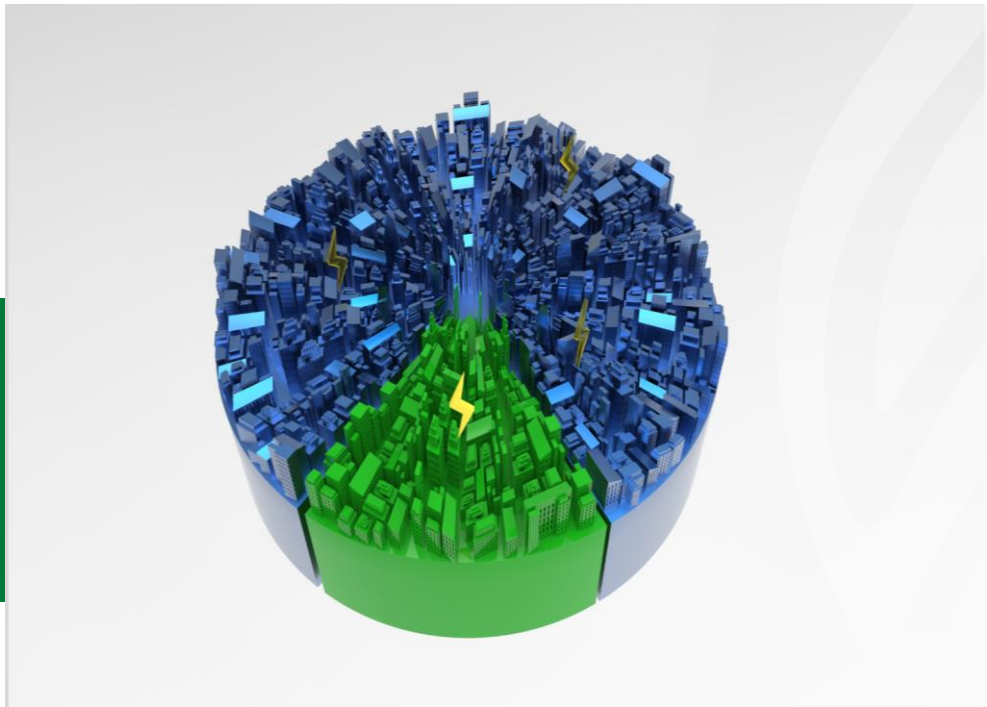
# Traits of a Cooperative

## TYPES OF ENERGY COOPERATIVES

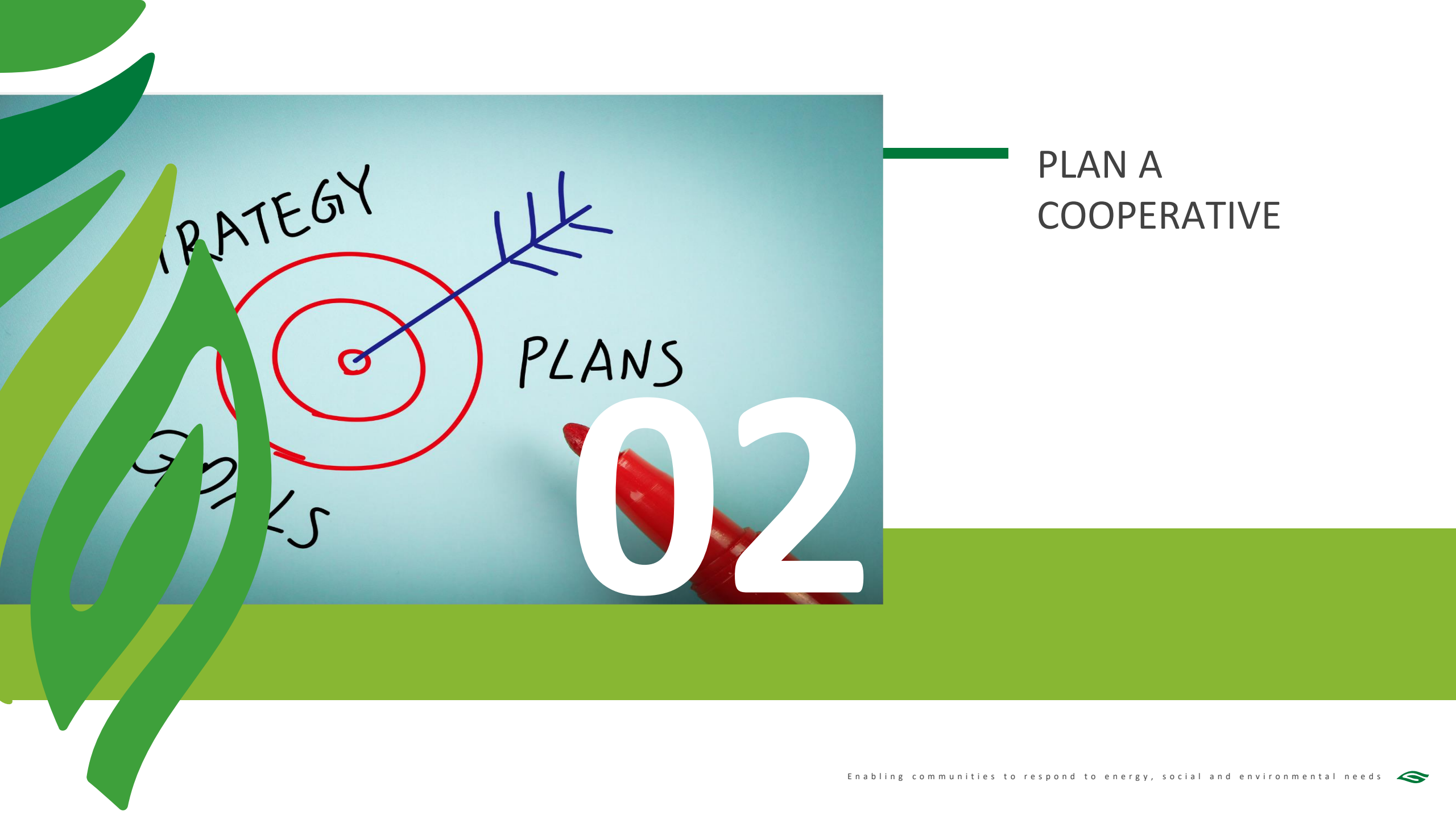
- **Consumer Cooperatives** comprise local residents or businesses and focus on providing affordable and reliable energy.
- **Producer cooperatives** are owned and managed by the energy producers themselves. Members can include individuals or entities that generate energy with the primary goal of collecting production and sale of energy
- **Prosumer cooperatives** in which members both produce and consume energy and support local production and consumption of renewable energy and often initiate community projects like solar or wind installations
- **Community energy cooperatives** manage large-scale projects, such as wind farms, solar parks, or district heating systems. They are also engaged in educational and advocacy efforts to promote the use of renewable energy.
- **Municipal cooperatives** are operated in collaboration with local governments, where the municipality acts as a partner or initiator. These cooperatives focus on serving the public interest and meeting municipal energy needs, which often includes public ownership of energy infrastructure.
- **Investment cooperatives** concentrate on financial investments in energy projects that can range from small-scale installations to large renewable energy plants.
- **Virtual cooperatives** utilize digital platforms to connect and manage members who may be geographically dispersed. They focus on providing digital solutions for energy management and trading, enabling participation in energy markets and peer-to-peer energy trading.
- **Housing cooperatives** with an energy focus integrate energy production and efficiency into residential communities. This model promotes communal benefits and cost savings, while fostering a sense of shared responsibility and environmental stewardship among residents



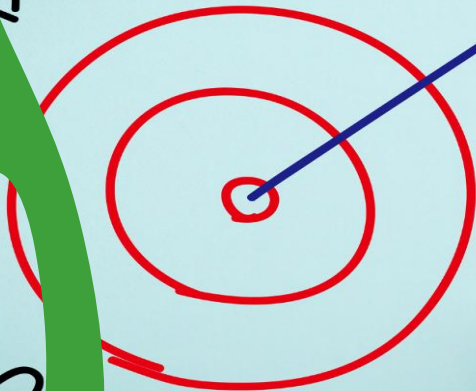








STRATEGY



PLANS

02

PLAN A  
COOPERATIVE









# Planning stage



- Identify economic need in your community
- Form a group
- Assess your group's capacity
- Develop guidelines for decision making
- Assess your business idea
- Develop a work plan and timeline





# Identify the Needs and Opportunities for Community Renewable Energy

When it comes to community-owned renewable energy, addressing specific needs is crucial for success.

These needs are often driven by two primary factors:

1. **Local Projects Seeking Capital:** Many local renewable energy projects require access to start-up or expansion capital to get off the ground or to grow. Securing this funding is essential for these initiatives to move forward and achieve their goals.
2. **Community Investment Opportunities:** Community members often look for opportunities to own or invest in local renewable energy projects. This not only allows them to contribute to sustainable development but also provides them with a stake in the local energy economy.





## WHO

is going to do what – assigning the responsibilities and setting targets



## WHEN

estimating the schedule and duration of activity



## WHAT

In what order – determining the sequence and dependence of activities





## HOW

defining human, technical and financial resources needed



## WHAT FOR

identifying and selecting indicators that can be used to track progress and monitor the performance of the action.





# Form a group and assess the group's capacity

Coops are shaped by groups, not individuals.

Where do you find group members?

Often groups form that consist of friends or colleagues, work with one or two friends/colleagues and brainstorm a list of desired group members. Sometimes groups come together through word-of-mouth. One common method in smaller communities is to rely on volunteers who come forward after an informational meeting. When approaching these prospects, have a “pitch” in hand that includes a synopsis of the coop advantage as well as a short (2-3 sentence) capsule summary of the need for the coop idea in your community.



## Form a group and assess the group's capacity

An important consideration when forming a group is the capacity and diverse skills that each member will bring to the table.

The working group operates much like an interim board, making governance decisions and mapping out the vision for the new coop. It performs many of the management and staff functions and develops a budget until the coop is launched.



## Form a group and assess the group's capacity

It is also crucial to ensure the coop has a collaborative working environment.

The initiator of the coop enterprise idea must be prepared to share decision-making from this point forward and potentially turn over the project lead to someone else the group elects.

Since the working group will likely be the first members of the coop, it is important to ensure that these provisional members are prepared to commit not only their time but also to provide the first member equity contributions to the new enterprise.

The group must include individuals with expertise in renewable energy, who understand the development process for renewable projects.





# Guidelines for Decision Making

The decision-making plan ensures that everyone's decisions and voices are heard. It not only results in more and potentially better ideas and solutions but also models inclusive decision-making for members of the coop.

Members can operate **by consensus**. The advantage of consensus decision-making is that it moves away from aligning on opposite sides of an issue and attempting to persuade others that a specific view is the correct one.

Groups may also choose to employ a **system of noting** disagreements and designating a sub-committee to address these points. The sub-committee can then work on finding ways to resolve these issues and bring their recommendations forward at the next meeting.

Finally, groups can develop a **confidentiality and conflict of interest policy** that helps prevent information from leaking out before a public announcement of the coop's plans and ensures that any potential vested interests are declared upfront.



# Assess your business idea

An assessment could provide a reality check that needs to be addressed.

Example of questions for the assessment:

How do you know there's a demand for your product or service?

Is the population large enough in your catchment area to spark a high enough demand for your coop's offering? Do they like you with their wallets?

How much are your potential members/customers willing to pay for your product or service?

How much are they willing to pay for membership in the coop?

Will the demand, and the projected revenue, be enough to cover the cost of launching and operating the enterprise?

How will you cover the shortfall (if any)?

Most new enterprises need some form of start-up capital. What options can you brainstorm for your enterprise?

Bank or credit union loan? Member loans? Shares in the coop? Investment coop? How realistic are these?



# Develop a work plan and a timeline

This stage can often take much longer than anticipated.

A practical approach is to estimate how long each step will take and then double or even triple that time. Many cooperatives find that it takes about a year from this point to launch. Nevertheless, successful cooperatives have identified thorough business planning and a clear sense of purpose as critical to their development and longevity.

Create your own, ensuring it is used at every meeting to track your group's progress. When creating it, include all twelve months in the plan, mark the box that represents the deadline for each step in the left-hand column, or shading in a bar across the row to the box/month with the proposed deadline.

For activities, like developing a business plan or conducting a member recruitment drive, add sub-steps or create a separate work plan.



# Develop a work plan and a timeline

	Jan.	Feb.	Mar.	Apr.	May	etc.
Acquire Professional Assistance		X				
Evaluate Interest of Potential Members						
Evaluate Market for the Product/Service						
Explore Financing and Funding Options						
Conduct a Feasibility Study						
Develop a Business Plan						
Draft the Incorporation Documents						
Conduct a Member Recruitment Drive						





LAUNCH AN ENERGY  
COOPERATIVE

03







# Implementation Plan

## **Phase 1: Community Outreach and Membership Drive**

Objective: Raise awareness and build a strong member base.

Actions:

- Host informational sessions and town hall meetings.
- Launch a social media campaign.
- Distribute flyers and brochures.
- Engage with local media for coverage.

## **Phase 2: Secure Funding and Finalize Site Selection**

Objective: Ensure financial viability and choose optimal locations.

Actions:

- Apply for grants and government incentives.
- Launch a community bond initiative.
- Partner with local businesses and investors.
- Conduct site assessments and secure leases or purchases.





# Implementation Plan

## Phase 3: Begin Infrastructure Development

Objective: Build the necessary infrastructure for energy generation.

Actions:

- Hire contractors and project managers.
- Procure solar panels, wind turbines, and battery systems.
- Begin construction of energy facilities.
- Implement safety and regulatory compliance measures.

## Phase 4: Launch Initial Energy Programs and Services

Objective: Start delivering energy and services to members.

Actions:

- Connect energy generation systems to the grid.
- Initiate energy sales and distribution.
- Launch energy efficiency and savings programs.
- Monitor performance and gather member feedback.



# Implementation Plan

## Phase 5: Ongoing Operation and Expansion

Objective: Ensure long-term sustainability and growth.

### Actions:

- Regular maintenance and upgrades of infrastructure.
- Continuous member engagement and support.
- Explore additional renewable energy projects.
- Expand membership and service areas.

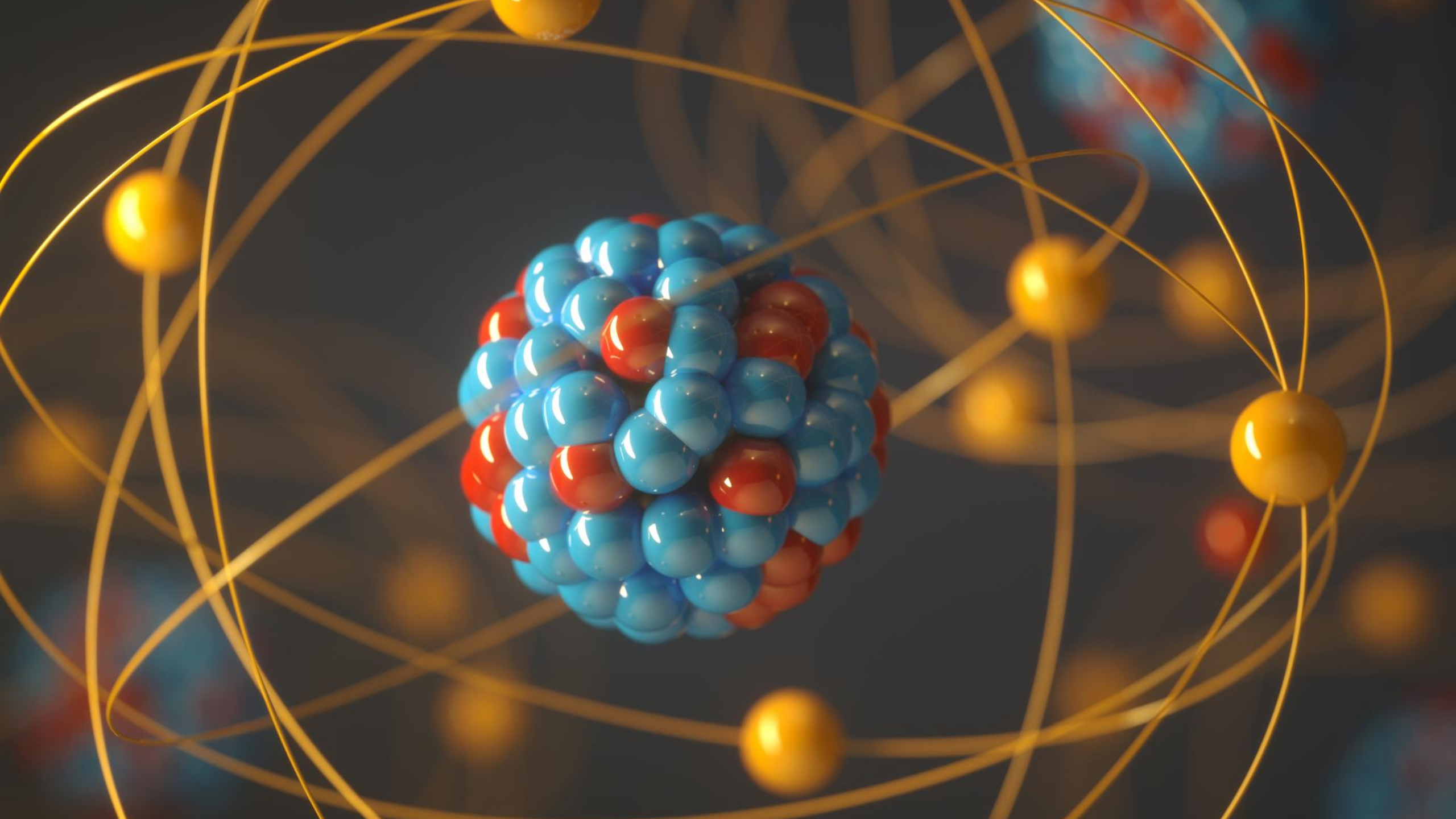




GOOD PRACTICES









# The CEL (Local Energy Community)

There is a 70% of energetic dependence in Spain apart from a 68% import of energy. That is why it's so necessary to reduce the energy consumption nowadays and become more self-sufficient in order to overcome the effects of the energy crisis.

Likewise, fostering energy saving as well as using a 100% of clean energy is necessary in order to meet the Sustainable Development Goals (SDGs) set by the UN in the 2030 Agenda. Local Energy Communities have as their main objective to produce energy by using renewable resources since they don't generate greenhouse gases nor pollutant emissions, so helping to achieve those SDGs and reduce the negative impact of climate change.

CEL in Alzira is promoted by Sapiens Energía together with the town council of the municipality of Alzira, with the financial support from the Valencian Institute of Business Competitiveness (Instituto Valenciano de Competitividad Empresarial - Ivace) of the Regional Ministry of Sustainable Economy, through the 'Energy Communities Programme of the Valencian Autonomous Community 2020' (Comunidad Valenciana - C.V.), specifically 23,174.33€.

[https://uniag1.sharepoint.com/:p:/r/sites/e-COOP/\\_layouts/15/Doc2.aspx?action=edit&sourcedoc=%7B8ed78fbf-8a9a-40a6-b8eb-4f95ede55290%7D&wdOrigin=TEAMS-WEB.teamsSdk\\_ns.rwc&wdExp=TEAMS-TREATMENT&wdhostclicktime=1721029160255&web=1](https://uniag1.sharepoint.com/:p:/r/sites/e-COOP/_layouts/15/Doc2.aspx?action=edit&sourcedoc=%7B8ed78fbf-8a9a-40a6-b8eb-4f95ede55290%7D&wdOrigin=TEAMS-WEB.teamsSdk_ns.rwc&wdExp=TEAMS-TREATMENT&wdhostclicktime=1721029160255&web=1)







## Community of Biccari

The Community Cooperative of Biccari (C.C.B.) represents a special model of social aggregation capable of building answers shared by citizens to collective needs, making their creativity, skills and know-how available.

It is a project characterized by strong social innovation and based on sharing: the citizen-members identify needs together, develop ideas and build a response path consistent with the resources available in the area.

The intent of the Promoting Committee, in particular, was to build an intra-generational and complementary pact in terms of professional skills and work experience in order to enhance the potential of the Bicarese area.

Through the recovery and management of unused or undervalued public assets, the Cooperative has the objective of building alliances on the territory and recovering the dormant heritage, trying to put it into a system and make it productive, both from an economic and social.

[https://uniag1.sharepoint.com/:p:/r/sites/e-COOP/\\_layouts/15/Doc2.aspx?action=edit&sourcedoc=%7B8ed78fbf-8a9a-40a6-b8eb-4f95ede55290%7D&wdOrigin=TEAMS-WEB.teamsSdk\\_ns.rwc&wdExp=TEAMS-TREATMENT&wdhostclicktime=1721029160255&web=1](https://uniag1.sharepoint.com/:p:/r/sites/e-COOP/_layouts/15/Doc2.aspx?action=edit&sourcedoc=%7B8ed78fbf-8a9a-40a6-b8eb-4f95ede55290%7D&wdOrigin=TEAMS-WEB.teamsSdk_ns.rwc&wdExp=TEAMS-TREATMENT&wdhostclicktime=1721029160255&web=1)





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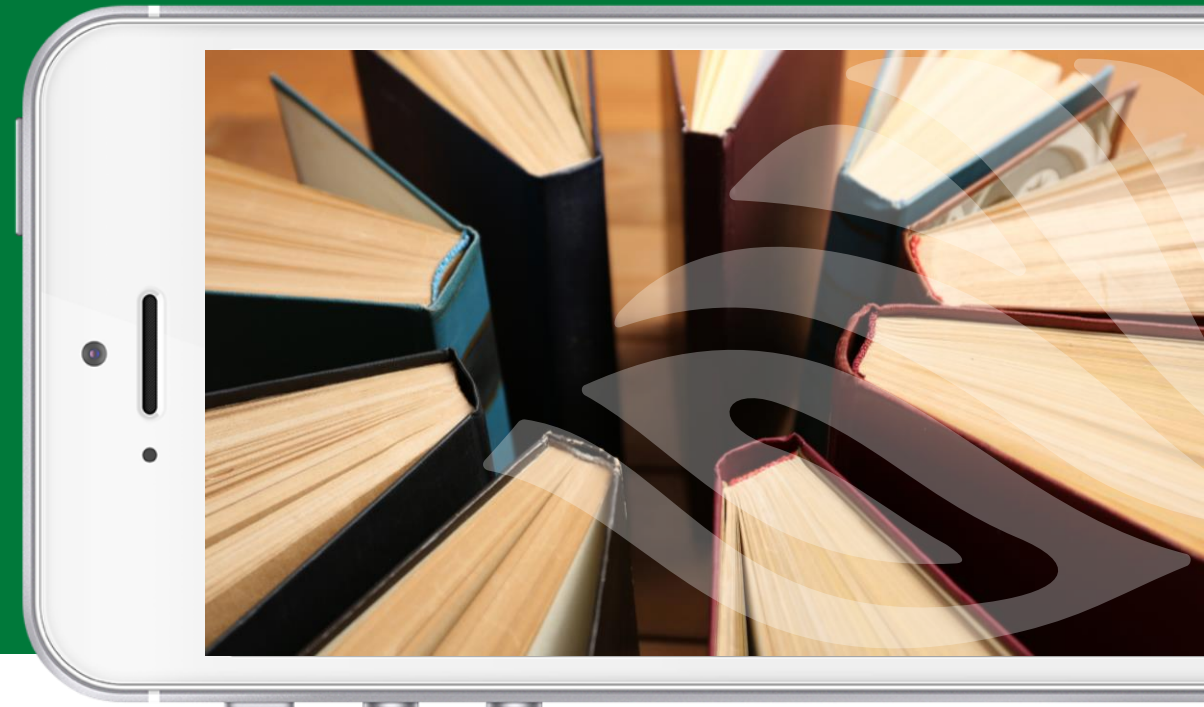
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<https://www.rescoop.eu/>

<https://www.cooppower.coop/>





**e-coop**  
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# Thank you

Any Questions?

Follow our  
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