

Countryside Energy News



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www.countrysideenergyco-op.ca

Welcome to **Countryside Energy News**, the newsletter for members, potential members and friends of Countryside Energy Co-operative Inc.

We want to bring you up to date on what is happening at our Co-operative.

Our Logo

The logo at the top of the Newsletter describes our approach to sustainable, or renewable, energy as part of the holistic outlook towards sustainability of the environment, economy and jobs.

The yellow central disk is the sun, the green leaves represent plants or biomass, the white midribs of the leaves signify windmill blades, and the blue streaks symbolize wind and water. Harvesting renewable energy !

These components embody sustainability : the sun provides the environment with heat, light and photovoltaic [PV] electricity; leaves on plants convert the sun's radiation into food, grazing, flowers and biomass for energy; windmill blades for the power of the wind to generate electrical or mechanical energy; and water provides us with nature's best drink, irrigation for our land, and when flowing to generate hydro-electricity.

On our motif, "Community Renewable Energy" encapsulates our key objective : sustainable energy developed, owned, managed by and benefitting our Co-operative members in the community.

Green Energy and Green Economy Act

The provincial government's landmark Act, which received royal assent on May 14 this year, provides the legislative framework enabling widespread renewable energy generation to take place. Ontario now has as progressive a legislation as the most successful in Europe, such as Germany, Denmark, The Netherlands and Spain. Other countries are now catching-up to us !

Earlier developments in Ontario were primarily large commercial windfarms via the Request For Proposal [RFP] (tender) system, the requirements of which squeezed-out community groups such as ourselves.

The Act also paves the way for sustainable employment associated with sustainable energy. In Europe, well over half a million people are employed in this field.

Renewable Energy Approval [REA]

The provincial Ministry of the Environment has just announced that REA has become law, helping to facilitate the Green Energy & Green Economy Act, details are available from the Ministry's website at :

ene.gov.on.ca/en/business/green-energy

Feed-In Tariff [FIT] Program

The government tasked the Ontario Power Authority with bringing in the program through which individuals, First Nations and Métis, community and commercial organizations can develop sustainable energy generation and be paid reasonable rates.

The OPA has just released its FIT program details (powerauthority.on.ca/FIT) which allows us to proceed again, after a hiatus of almost three years when the Orange Zone was announced, now hopefully consigned to history.

FIT Prices : 20-year Contract with the OPA

It is important to note that each Renewable Energy [RE] generating facility is a power station in itself. If you think the prices below are expensive, just think about the costs of building, operating, maintaining and decommissioning "conventional" large power stations.

RE facilities have low operational expenses, and any decommissioning costs could prove negative if the equipment is replaced, as their working lives can often exceed 20 years.

Renewable Fuel	Size Tranche	Contract Price ¢/kWh
Wind		
onshore	all	13.5
offshore	all	19.0

Solar PV		
anywhere	≤10kW	80.2
rooftop	>10kW - ≤250kW	71.3
rooftop	250kW - ≤500kW	63.5
rooftop	>500kW	53.9
ground-mounted	>10kW - ≤10MW	44.3

Waterpower		
	≤10MW	13.1
	>10MW	12.2

Biogas		
on-farm	≤100kW	19.5
on-farm	>100kW - ≤250 kW	18.5
	≤500kW	16.0
	>500kW - ≤10MW	14.7
	>10MW	10.4

Biomass		
	≤10MW	13.8
	>10MW	13.0

Landfill Gas		
	≤10MW	11.1
	>10MW	10.3

Immediate and Future Direction

The Board of Directors and Management have reviewed the options available, and decided that the Co-operative will proceed with projects that will give us success in a relatively short timeframe.

Solar Photo-Voltaic [PV]

For the immediate future, our focus will be to develop PV renewable energy generation. PV under the OPA's "Micro FIT" program allows ease of connection to the distribution network for facilities of 10kW output or less. We therefore propose to act as agents to sell and install PV units for that range of equipment and higher output, the higher range requiring adherence to more regulation. Examples of larger facilities are solar farms producing 250kW or more.

Over the past few months, in anticipation of the FIT Program, the Co-op has met with senior management at ARISE Technologies Corporation [ARISE] of Waterloo, neighbours in South-West Ontario. On Sep 15, CEC Board President, Bruce Schmidt, and General Manager, Doug Fyfe, signed a Letter of Intent with ARISE.

Both of our organizations have demonstrated commitment to sustainable energy, and ARISE is a credible and respected Ontario company. During discussions we discovered that our vision and principles are fully compatible with each other, and that we could work together to the mutual benefit of Countryside Energy's members and ARISE.

ARISE manufactures high-purity silicon for PV panels at its Waterloo facility, and it has a factory in Germany manufacturing PV panels. Members with internet access can review ARISE's website at arisetech.com

The Co-operative intends to act as sales agents and installers of ARISE's PV equipment primarily throughout the counties of Grey, Bruce, Huron and Perth. Selling and installing will be to members and non-members, and for those members outside of the above area the Co-op will be the seller and installer for you, thus keeping the costs within the Co-operative for the member's benefit.

We also intend to establish solar farms, which could be wholly-owned by the Co-operative, or more likely in partnership with ARISE and perhaps other partners. We hope to start on our first solar farm project in the next few months. Watch this space !

In the longer term, we will identify additional opportunities for selling and installing individual PV and solar farm development.

Windfarm

We are reviewing the options at our Milverton site. We have over two years high-quality wind data and are presently assessing the feasibility and viability of developing the 10MW "Milverton Community Windfarm" over the next 2-3 years.

Windfarm development must comply with the FIT program rules, and also with the ministerial approvals through the Renewable Energy Facilitation Office [REFO], a unified process for the requirements of the provincial

ministries of Aboriginal Affairs, Energy & Infrastructure, Environment, and Natural Resources. Between the OPA's FIT program and REFO, it is the intent to streamline sustainable energy development in Ontario.

By mutual consent between ourselves and TREC/Windshare Co-operative, we will take full control of the Milverton Community Windfarm site and we will no longer be a partner in the Bervie site. This allows both of us to go forward with our own developments to serve our own members' best interests. We wish TREC/Windshare well in their venture.

Our Next Steps

The Management and Board are preparing an Offering Statement to take to the Financial Services Commission of Ontario [FSCO]. Upon approval, we can sell Preference Shares to Members, which will raise equity to finance our projects and operations. The Board of Directors will decide an annual dividend, each Member's dividend based on the number of Preference Shares held.

We are also finalizing our Marketing Plan which includes selling Preference Shares and a Membership Drive.

Membership

We are already 108 members strong ! Thank you all.

Where we are

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We value your ideas or suggestions, so please contact us at the telephone numbers, e-mail or postal addresses above and below.

Yours Co-operatively,

Doug Fyfe

General Manager

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Who have helped us to date ?

Countryside Energy Co-operative Energy Inc is indebted to the following for their financial support :

CanAdvance, The Co-operators, County of Perth, Gay Lea Foods Co-operative Ltd, Government of Ontario, Growmark Inc, Huron Business Centre, Industry Canada, Mornington Communications Co-operative Ltd, OACFDC West Region Network, Ontario Co-operative Association, Ontario Sustainable Energy Association, Perth Community Futures Development Corporation, Perth County Federation of Agriculture, Jim & Rita Schneuker, and Shirley Schneuker.

