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Elton Energy Co-operative

The Rural Municipality of Elton is a small, predominantly agriculturally-based community located just north of Brandon. Within this modestly sized R.M. an energy co-operative is emerging that, if successful, will be the first of its kind in North America.

The question is not whether or not renewable energy will grow in Manitoba, but rather who will benefit. Elton is looking to make sure that renewable energy development in Manitoba has long-term economic benefits for local people in rural communities. Notwithstanding future development, Elton estimates that \$2.5 billion per year currently leaves Manitoba to pay for non-renewable energy, and they conceive of a model where the benefits to rural Manitobans are realized by keeping those dollars local.

Elton Energy Co-operative (EEC) was formed in June 2006 to create a community-owned renewable energy resource in the form of a two-turbine, 3-5 megawatt wind project. A three megawatt wind project would produce enough energy for

1000 households. A 60-metre meteorological tower has now collected data for a full year with plans to continue this study for an additional year. After the statistical collection is complete, the data will be used to negotiate a 20-year power purchase agreement with Manitoba Hydro. →



➔ However, using a community ownership model is no easy task. For one, there are numerous studies that must be conducted regarding everything from design and engineering to environmental impact and economic feasibility. Fortunately, EEC received a grant in 2007 from the Co-op Development Initiative (CDI) in the form of \$50,000 for a feasibility study, while the R.M. contributed \$3,500.

Beyond the technical side of this project, the vision was that it would be owned by local Manitobans, and this required a new model. EEC believes that it is possible to mobilize 1000 households to invest \$2,500 each, which would amount to enough equity to leverage an additional \$5 million in debt. The invested equity and loan will be used to build the 3MW project, which carries a \$7.5 million price tag. This collective local ownership distributes the risk as well as the wealth generated, and makes it possible for more people to participate in the ownership and decision making processes through modest investments.

While EEC formed to work on a wind power model that would enable Elton residents to own their own wind farm, their concept has expanded to encompass the entire province through a newly created co-operative — “Community Power Co-operative.” The Community Power investment model opens the door for investment for any Manitoban in any future renewable energy project in Manitoba, pooling resources from across our province while coordinating initiatives with

communities rather than having them compete against each other.

As with the Elton model, the goal is for Manitobans — not large, multinational corporations — to receive the benefits of renewable energy. This ensures that profits are returned to investors in rural Manitoban communities and are used to strengthen local economies and stimulate economic opportunities.

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Community Power Co-operative works to stabilize the renewable energy industry for the benefit of Manitobans. The Co-operative also helps consolidate economic opportunities in Manitoba by centralizing technical and financial expertise from across the province, and by selling and managing investment shares that allow any resident of Manitoba to participate in the direct ownership of community projects.

Wind projects are rapidly gaining popularity as more attention is focused on sustainable energy. However, the majority of wind projects are controlled by multinational corporations who harvest profits from rural communities and take invest them elsewhere. Fortunately for Manitobans, the EEC and Community Power models are seeking to ensure that families and local communities own, control, and profit from the economic opportunities created by the emerging renewable energy sector.

CED | in
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CED is Community Economic Development

This profile is one of 100 stories of Manitoba communities working to build fairer and stronger local economies, reduce poverty, and revitalize neighbourhoods.

Not all of the initiatives use a fully comprehensive CED approach, but each represents an important component of a CED solution. Read all our profiles of CED at www.ccednet-rcdec.ca/CEDprofiles