

WIND PEOPLE INPUT TO WIND 2050

ROSKILDE 19.AUG. 2015



PRESENTATION OF WIND PEOPLE

Humanitarian foundation

Vision:

Reduce CO2 emissions through establishment of community owned wind parks.

Revenue of projects shall ensure increased welfare to vulnerable population groups and local communities

To increase the use of renewable energy.

New methods of planning wind projects in order to let the wind parks benefit the society as much as possible.

Key competences:

Community and municipality owned projects,

design of innovative ownership and financing models which increases the general welfare

Knowledge of energy planning and integration of wind energy.

Urge everybody to take responsibility of their own electricity consumption by investing in an equivalent amount of shares.

Mobilise private households and private as well as municipality owned companies to become valuable actors in the process of restructuring the energy system into renewable energy.



BASICS IN ENERGY PLANNING

Our energy system is not a goal in itself, but only a mean to solve the problems and needs we have in our society.

How can we carry out an energy planning that improves our welfare, instead of the welfare and our set of values being oppressed by interests in the isolated energy sector politics?



THE PLANNING PHASE OF WIND PROJECTS

THE CASE

A cooperative wind project in Ringkøbing-Skjern Kommune

Municipality favours wind initiatives

But would like to see the projects contribute to the rural districts development

Starts up cooperation with Wind People

IN GENERAL

The municipalities lack:

- tools of how to adapt the wind planning to the local and national set of values
- Courage to be first movers in grey zones of the law
- Role models

Wind People have therefore taken on the task of bringing new models and role models into the sector



THE PLANNING PHASE OF WIND PROJECTS

THE CASE

Ringkøbing-Skjerns initial wind plan found 37 areas suitable for wind projects

And expected great local development from these projects

Until realising that roughly only two project areas were not yet occupied by project developers

IN GENERAL

All possible danish land locations for wind has basically been occupied by more or less 6 large commercial project developers for the last 10 years.

They often develop the projects, draw out the main profits in the very first years and sell the "empty" projects to companies which can use them for tax reduction.

The result is absolutely no profit for local developments



THE PLANNING PHASE OF WIND PROJECTS

THE CASE

Ringkøbing-Skjern had no role model of how to avoid lack of local benefits and thereby lack of local acceptance

But also had very little courage to be the first mover

Especially because their local legal advisor lacked courage, because she lacked previous examples to lean against.

IN GENERAL

They could have tried a new model:

Expropriate 25x25 meters of land for each turbine and access roads. As done for high tension masts. But pay a proper price to the land owners.

Thereafter initiate a bidding procedure where the bid goes to the projects with the highest degree of local welfare improvements.

Define preferred values for guiding



THE PLANNING PHASE OF WIND PROJECTS

THE CASE

Ringkøbing-Skjerns options of the wind contributing to local development and local acceptance:

1 Municipality owned project

2 cooperative owned projects

Became "almost" first mover in the Hvide Sande philanthropic foundation owned project

IN GENERAL

General types of projects that gives local acceptance:
(Prioritised with less good first)

- Community owned (First to the mill principle)
- Municipality owned for CO2 reductions
- Private company for CO2 reductions
- Local philanthropic foundation
- Neighbors covers electricity demand plus local foundation for local developments



THE DEVELOPMENT PHASE

THE CASE

2 cooperative owned projects:

- Vorgod Østerby
- Trolldhede

Vorgod Østerby got off the wrong foot and collapsed based on neighbor resistance

Trolldhede had a local vision and never got even one resisting neighbor. Became a big success.

IN GENERAL

The initial presentation of planning a wind project must never arrive to a local community as a second hand information

From day 1 the local communities needs to be presented to a honest vision of a project where they can identify benefits for the local community

Opstarts capital and development guidance
or transparency and involvement



THE DEVELOPMENT PHASE

THE CASE

Financing of Trolldhede

500.000 kr. from government for upstart. Will be repaid due to succes.

Shares pay X% seed capital for loan with security in shares

Shares for local tax free foundation was financed as part of the budget costs

IN GENERAL

Upstart capital of 500.000 kr is great initiative. Major upstart cost as EIA can be financed.

Local banks gives up to 100% financing. General is 25-30% seed capital for 70-75% loan.

Shares cost between 3000-5000 kr.

Both share holder and bank shall be confident with the company structure. K/S has good potentials.



THE DEVELOPMENT PHASE

THE CASE

Technical development of Trolldhede:

Wind People joined organising project phase, establishment of the board, RE plan, EIA etc.

Board hired one-man-company for technical development performed by different contractors. Provided low development costs

IN GENERAL

A local community project often has a board who needs to be guided all the way in the process.

Local actors needs to know where to find appropriate guidance.

A cooperative project only developed by external actors needs loads of local involvement and transparency.

Offer to buy neighbor houses after establishment is a relevant offer



THE OPERATION PHASE

THE CASE

Result of Trolldhede

6 turbines of 3 MW each and 150 meter tall, based on local ownership

10 step plan for 100% renewable energy community including district heating and local companies

Local filantropic foundation

IN GENERAL

Operating community owned projects is very simple.

Local board of 5 persons

One part time administrator with access to the program Uhre Vind and knowledge of contract markets when spot price is too low

Insurance and service package



THE OPERATION PHASE

THE CASE

Any wind park need a proper price for the produced electricity in order to exist

Price of sold electricity has to reflect the real cost of establishing the turbines, so PSO can be as reduced as possible

Troldhedes local integration as part of 100% RE plan

IN GENERAL

Higher prices and lower PSO costs can be achieved in long term markets with the heating and transport sector (Integration of the wind)

Necessary with hourly trade outside spotmarket when subsidised electricity otherwise would have been exported without tax income

Tax exceptions for integrated electricity which would otherwise have been sold without tax income



THREE WISHES FOR THE FUTURE

- 1) It shall once and forever be recognised by government and municipality planners that community-, municipality- or local foundation owned projects gives the highest degree of local welfare, largest local acceptance, lowest energy prices and highest degree of energy independence and political stability..... Procedures for organising wind projects should therefore always include fair options or even favor such company structures at all stages of doing wind projects
- 2) Municipalities should introduce bidding procedures based on welfare options on state owned land/sea areas or on "expropriated plots"
- 3) Possibilities of trading outside the spotmarket on an hourly basis on long term contracts with customers of integration on fair tax conditions

THANKS!