



COMMUNITY POWER SERVICES GROUP:

HELPING PEOPLE AND THE PLANET PROFIT BY
GENERATING RENEWABLE ENERGY



"We had to raise the money for the panels in a very short time frame. OSEA got the word out quickly to a large community of people who were interested in supporting projects like ours. I don't think we could have achieved our goal without their help."

Rick Salay
Chair, NUUC Green Team

www.ontario-sea.org



WHY WE'RE IN THE BUSINESS OF *COMMUNITY POWER*

A century ago, Sir Adam Beck inaugurated a publicly owned electricity distribution system to bring power generated at Niagara Falls to the people across the province. Today, the Ontario Sustainable Energy Association is working hard to realize Sir Adam's vision of a province powered 100% by renewable energy. But while Ontario was once powered by hydro-electricity, in the 21st century clean energy will come from the sun, the wind, and the earth itself, as well as water. It may be generated by private businesses, or by public utilities, or by First Nations, farmers and community groups such as co-operatives, local churches, mosques and schools, even your neighbours down the street. With new green energy legislation and generous financial incentives for communities, the time has never been better to generate clean, renewable electricity - in our own backyard!

OSEA represents this province's community power sector because we know that the best and fastest way to transform Ontario's energy system to one that is truly sustainable is with the participation of residents and communities. This doesn't just mean consulting with locals about the latest proposed wind or solar farm or a hydro dam or biomass plant. It means local residents and institutions actually developing, owning and operating the systems that harness their local renewable resources for their own benefit.



"OSEA's work produced lots of ideas we can use to guide our community development strategy. Their report is a watershed document. Well done!"

Paul Ferguson

Board Director, Newmarket Hydro

CONTACT INFORMATION

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"OSEA has provided technical advice, plan preparation, helpful suggestions and counseling as we evolved from an idea to an organization."

Ken Woodruff
President, BurlingtonGreen



Ontario's recent Green Energy Act and its feed-in tariff programs allow residents and communities to become green energy entrepreneurs by paying fair prices for renewable power. However, a renewable power system must be carefully planned, financed, constructed and maintained to perform consistently and to interact reliably with the electric grid. While renewable energy projects may at first seem technically and financially daunting, they can ultimately be profitable if your community is equipped with the right roadmap and led by an experienced guide.

OSEA's Community Power Services Group was created to be your community's guide. We can help you evaluate your resources and plan a roadmap to using energy more efficiently and producing local renewable power.

If your community already envisions a specific renewable power project, we will help you turn that vision into a profitable community investment. This brochure is your roadmap marking the major milestones towards making that vision a reality.

A ROADMAP FOR GETTING YOUR COMMUNITY POWER PROJECT FROM VISION TO REALITY

START-UP STAGE

Group diagnostic assessment

Preliminary project plan

Prospecting and pre-feasibility analysis

Our project coordinators will help you identify your community's renewable energy resources, your technology options to harness that resource and types of community power enterprises, ensuring the profits from your energy project stay in your local economy. We will help you with site identification, and will conduct a preliminary financial analysis of each of your options.

Roof, land or resource agreement

RETScreen analysis

Visioning

This stage is the time for assessing your options and envisioning the type of project your community would like to build and how it will be governed. The Community Power Services Group is skilled in group facilitation and experienced in community organizing and renewable energy. We will help your community come together to create an achievable vision for a renewable energy project and provide a framework for making that vision a reality.

Grant funding agreement for development costs

Initial fundraising

Communities often lack the risk capital necessary to pay for an in-depth technical and financial feasibility study. Fortunately, there are numerous funding agencies that provide grants and loans towards evaluating a project's feasibility. The foremost among these is the Community Energy Partnerships Program. We will assist you in applying for grant funding to begin studying your project's potential.

DESIGN & DEVELOPMENT STAGE

Technical studies

The next step is to hire technical professionals to accurately assess your renewable energy potential such as your biomass or water power resource availability, the suitability of your rooftop, or the velocity of the wind and run other diagnostic tests at your site. Our Community Power Services Group can help you select and retain a technical professional who will serve your needs. Many of these are members of OSEA's network of green energy professionals.

Resource assessment report

Site plan/design

Feasibility engineering study

Renewable energy approval

Applications & permitting

Your community power project will connect to your local electric grid and will sell the energy it produces to the Ontario Power Authority under a Feed-in Tariff contract. The Community Power Services Group will help you apply to the OPA for your FIT contract and to your local utility in order to connect your project to their network.

If your project requires an environmental assessment, we can assist you in selecting an environmental specialist from OSEA's member network to perform this assessment.

Business planning & governance structure

During this stage, your business plan will take shape. The plan will include a more in-depth financial analysis based on new information obtained from your resource analysis. Your community may also need to create a new business or a subsidiary of an existing organization to own and operate the renewable energy installation. Do you form a co-operative, a corporation or a limited partnership? Is it for-profit or not-for-profit? OSEA's Community Power Services can help you build your business plan and determine what type of governance structure will best serve your needs.

Business plan & incorporation

FIT Contract Offer

Building permits

Connection impact assessment

Technology procurement & due diligence

At this stage you will begin assessing equipment suppliers. There are local content requirements for renewable power projects in Ontario and OSEA's member network includes Ontario-based installers and manufacturers of renewable energy technologies such as solar panels, and windmills. We can assist you in issuing a call for tenders, advise you on how to evaluate the bids and the selection of a supplier and installer to get the best value for your money.

COMMUNITY CAPITAL FINANCING CAMPAIGN

Investment offering

Now that your community power business is fully planned and permitted, you will need to raise the capital to procure and install the equipment. Many communities have financed the construction of their renewable energy projects by offering local residents and businesses to invest directly

Bond or share investment offering statement

Investment marketing & sales strategy

in the project either as shareholders or by purchasing bonds. Local investment has been shown to have an economic multiplier effect greater than privately-owned and financed projects, and it also creates a base of local supporters benefiting from the initiative who will assist in countering any opposition.

Maintenance

Provisions for maintenance will be worked into your financial model in the start-up stage. Maintenance agreements are usually provided by the equipment manufacturer or the installer. We will assist you in evaluating these.

Insurance policy

Maintenance agreement

Insurance

HKMB HUB International is OSEA's exclusive insurance partner offering a comprehensive insurance program that includes a full range of cost effective insurance and risk management solutions to address all of your business insurance needs. HUB's program for members and affiliates of OSEA addresses project risk, property and equipment breakdown, liability, business interruption warranty employee benefits and other risk exposures.

If you choose to finance part or all of your project through a community investment offering, the Community Power Services Group will help you create the legal structure in the *development stage*. We will also help you market the project in your community and across the province via our network of over 7,000 individuals, community groups and businesses.

CONSTRUCTION & OPERATION

Equipment procurement

At the construction and operation stage, you will need to procure professional engineering or installation services. OSEA's member network includes many such firms and we can assist you in issuing a call for tenders, evaluating the bids and negotiating an agreement for construction or installation services. Your project will also need to be approved by the Electrical Safety Authority.

Electrical Safety Authority approval

Switch on!

Ongoing management

Your community power business is now up and running, earning money for every kilowatt-hour it feeds into the grid. If you have shareholders and/or bondholders invested in your community energy project, you will ensure they are paid their dividends and/or interest payments on time and that they are kept informed of the system's performance. OSEA can help you set-up and manage information systems to track payments and report back to your members/shareholders/bondholders, as well as assist you in planning and holding your annual shareholder/member meetings.

Annual shareholder meeting

Periodic dividend/interest payments to investors

OSEA's COMMUNITY POWER NETWORK

COMMUNICATIONS & MARKETING

These members will help you craft a strategy and tools that will effectively communicate organization's value proposition and market investment in your community power project. tinyurl.com/OSEACommunication

CO-OP BUSINESS DEVELOPMENT

Whether you are an informal group of individuals or an existing organization, you may need to create a new business entity to own and operate the renewable energy installation. Our co-op business developer members can help you build a social enterprise that reflects your values. tinyurl.com/OSEAFinancial

EDUCATION & TRAINING

These members offer education and training programs that will help expand the technical capacity of your community power organization. tinyurl.com/OSEAEducation

EQUIPMENT VENDORS, DISTRIBUTORS & INSTALLERS

OSEA's membership includes many certified and experienced installers as well as vendors and distributors of renewable energy technologies. tinyurl.com/OSEAVendors

FINANCIAL INSTITUTIONS

OSEA's financial institution members will assist you in obtaining the capital required to build your project. <http://tinyurl.com/OSEAFinancial>

GRANT FUNDING

These members can provide grant funding to cover the costs of starting up a community power business and developing your renewable energy project. tinyurl.com/OSEAFunding

INSURANCE

HKMB HUB International is OSEA's exclusive insurance partner offering a comprehensive insurance program that includes a full range of cost effective insurance and risk management solutions to address all of your business insurance needs. tinyurl.com/OSEAIinsurance



LEGAL SERVICES

These members provide the full array of legal services required to develop your community power project. tinyurl.com/OSEALegal

MANUFACTURERS

Manufacturers of renewable energy technologies are setting up shop in Ontario in order to meet the Feed-in Tariff Program's domestic content requirements. Many are OSEA members and can supply your project. tinyurl.com/OSEAManufacturers

PLANNING & DEVELOPMENT

These members have a wealth of expertise and experience in renewable energy planning and development and can be powerful valuable partners. tinyurl.com/OSEADevelopment



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