

Community Generation Overview

Overview

In response to the growing demand for renewable energy in Alberta, the Government of Alberta is investing \$200 million over 20 years in Climate Leadership Plan funds to launch a new Community Generation Program. The Alberta government is making it easier for communities to develop their own renewable energy projects, which will reduce greenhouse gas emissions, spur investment, diversify local economies and support local jobs.

Community Generation

Community generation refers to renewable and alternative energy that is distribution system-connected and provides benefits to communities. Community generation allows communities and citizens to directly participate in energy projects through full or partial ownership of the projects. Participation in community generation projects gives Albertans the ability to access renewable energy and generate revenue by selling electricity to the grid.

Program Structure

The program will support a “contract for difference” model that guarantees a rate of return for electricity production over the long term – locking-in a rate for generators. This \$200-million fund will facilitate investment in community-scale renewable energy projects by guaranteeing the price they receive for the power they produce. Up to \$50 million of the fund will be dedicated to supporting community generation projects in communities affected by the phase-out of coal-fired electricity.

The Community Generation Program will improve access to low-cost financing by providing revenue certainty, opening the doors to new projects that will support community benefits, increase investment, and create local jobs. Communities wanting to generate their own electricity through a small-scale renewable energy project will have long-term revenue certainty for the power they generate and export to the grid.

Eligibility

Eligible groups include, but are not limited to:

- Societies
- Condominium corporations
- Co-operatives
- Educational institutions
- First Nations
- Métis Settlements
- Municipalities
- Non-profit organizations

To qualify as a community generating unit, projects must demonstrate social, economic and/or environmental benefits to the community, such as training and development opportunities, contributions to a community endowment fund, or development of community infrastructure.

More detailed program criteria will be provided once the application process for the Community Generation Program is established. This program is anticipated to launch in fall 2019.

Small Scale Generation Regulation

In order to make the Community Generation Program possible, the Alberta government passed the new Small Scale Generation Regulation which is intended to enable distribution-connected electricity generation from renewable and alternative sources to supply electric energy to the grid. It outlines rules to enable small-scale and community projects including definitions, set-up and operation. These rules also help reduce regulatory and financial barriers for generators.

Capacity-building

In partnership with Energy Efficiency Alberta and the Municipal Climate Change Action Centre, the province will undertake capacity-building efforts in the coming months to help communities prepare to participate in the program before it launches in fall 2019. This work will include:

- Open houses in a dozen communities in early 2019.
- An online resource hub featuring handbooks, community generation case studies, small-scale renewable energy fact sheets and more.
- Grant funding.

More Information

Communities interested in participating are invited to visit efficiencyalberta.ca/commgen or email to submit an Expression of Interest and receive future program updates.

Email: commgen@efficiencyalberta.ca

Phone: 1-844-357-5604

The Alberta Climate Change Office will also launch a community generation and renewables hotline in early 2019.