

Wind Bird: Cooperative for renewable energy

“Windbird is a cooperative association of people who jointly produce renewable (wind) energy. The cooperative currently owns six wind turbines and two solar fields. The electricity generated is used by the members themselves. They invest in the cooperative, have control over the organization, and realize a return on their money.”

1. Introduction

Windbird is a cooperative of citizens and for citizens with currently more than 3300 members. It aims to jointly promote the production of renewable energy in the Netherlands. One of the goals is to provide as many Dutch households with renewable energy from wind and solar energy as is possible. In addition, Windbird would like to encourage a breakthrough in renewable energy in the Netherlands and hopes to achieve this by working together as much as possible with energy companies, municipalities, and other initiators. The goal is that citizens can participate in renewable energy projects. The priority of Windbird primarily concerns wind power throughout the country. This is the most profitable form of renewable energy and produces a significant amount of electricity. Windbird also invests in projects with solar panels.

Windbird was formally established as a cooperative in 1991. Inspired by the Club of Rome and in accordance with the Brundtland Report, D.M. Elk and A. Abbema mobilized a large group of people in Gouda/Reeuwijk in 1989. This sustainability group – emerging from a church - constructed a windmill (an iron pole with two wooden slabs) which provided enough energy for approximately 100 households per year. They accumulated the required investment, 125 000 guilders, from residents in the district who were subsequently the first members of the cooperative.

2. Principles

The main principle of the cooperative that is included in the statutes of the organization is to improve the living environment. This principle was also the leading forerunner of the formal cooperative - the sustainability group of the church organization. The principle then became the basis for the establishment of Windbird in 1991. By generating renewable energy, exploitation of scarce fossil fuels and emissions of CO₂ are prevented. Two years ago, the strategy of Windbird was adjusted to include an important principle, specifically, the participation of the neighborhood where windmills are located. This will create added value for the local community.

Value is created in two ways. First, because citizens are involved in a joint initiative, and, secondly, because it can bring added value to the local economy. When placing a windmill, the neighborhood/local community become actively involved while Windbird attempts to create public support. They do so, for example, by making citizens aware that a windmill will be constructed and that the inhabitants can become (co-) owner of the windmill. The people in the neighborhood can become members of the cooperative, and they can co decide in the

destination of the financial income and the state of affairs within the organization. In short, it becomes the mill of the citizens in the district.

Therefore, the primary focus is not for profit optimization but to improve the living environment and sustainably stimulating the local economy and the local community. The pursuit of these two basic principles provide multiple value creation; improving the living environment is clearly focused on increasing ecological value creation. The participation of citizens and the efforts to stimulate the local economy initiatives indicate economic and social value creation. Of course, there is also shared value creation; the cost and the energy generated will be shared by the members.

3. Design

Since the initiation of the cooperative in 1991, Windbird has grown to over 3300 members due primarily by the acquisitions of other energy cooperatives. Members of one of the acquired cooperatives wanted to disassemble as they were administratively tired. Windbird acquired the mills and the members of this cooperative.

In addition, the number of members has grown through an initiative with solar panels. As a member of Windbird, participants receive a 15% discount when purchasing solar panels from the organization Metdezon.

Over the past several years, Windbird has not constructed any new mills, therefore, the number of members has not significantly increased. Each year, approximately 100 new members join. At the moment, there is no urge to grow in number as it is not necessary for the organization because Windbird is financially healthy.

The most important transaction means is money. To join the cooperative, prospective members are requested to pay a sum of fifty euro. As a member, it is then possible to employ the power of the mills of Windbird.

In addition, members can lend money to Windbird to finance wind and solar energy projects. The transaction form associated with this is lending. The cooperative pays interest on the loan. The level of interest is decided at membership meetings.

Another transaction form that characterizes the cooperative is 'sharing'. Windbird would like to collaborate with other energy cooperatives, municipalities, and entrepreneurs as well as share knowledge with those parties.

4. Value Proposition

The supply of renewable wind energy is not inherently unique as commercial power companies also supply so-called 'green energy'. What distinguishes Windbird is the fact that it is a cooperative of citizens. It is not only about the supply of renewable energy as the cooperative also focusses on uniting citizens. By joining forces, Windbird hopes to provide citizens with a role in the energy transition because the cooperative believes that citizens are indispensable in this context.

Members maintain control over the organization and are, therefore, co-owners of the mills owned by the cooperative. The energy generated by the turbines can be employed by members or sold to energy companies. In addition, members can loan money to the cooperative which can subsequently be invested by Windbird for the costs of the mills and the members in new projects.

The Windbird has determined no competition in other companies or initiatives. It is a cooperative that exists for its members and not for other authorities or shareholders. The organizational form is easy to copy, and the statutes of Windbird are public which afford the possibility for others to use these statutes, which occurred in recent years. Windbird happily collaborates with other (wind) cooperatives and citizen initiatives to promote renewable energy.

5. Community

The main participants of the community around Windbird are citizens who are members of the cooperative. Without the members of the cooperative, it has no legitimacy and, therefore, Windbird cannot realize its value proposition. The agreements and roles within the cooperative are defined in the statutes of the organization. The board is elected by the members.

The construction of a wind turbine is not performed by the cooperative but by an external supplier, such as Energon. The municipality must give permission to construct a windmill in a particular area. The money required to build a windmill is generated from the cooperative, however, banks can also finance a windmill which occurs through a mortgage from various banks per project. The banks that Windbird will collaborate with are selected with care because sustainability is a high priority in the cooperative.

The end-users, i.e., the members of the cooperative, must be affiliated with the energy supplier "Anode" in order to receive the energy generated by the mills. In addition, the energy generated by the mills owned by the cooperative is sold to energy suppliers. Windbird finalizes a contract depending on the estimations/price agreements with different energy suppliers.

6. Results

As mentioned above, Windbird creates a number of values through its activities. First, the energy generated is sustainable. In this context, Windbird contributes to improving the long-term living environment of people. Renewable energy is environmentally friendly and ensures that people are no longer dependent on fossil fuels. Secondly, it brings Windbird citizens (in neighborhoods) together; through participation in the cooperative, social connections are created. Thirdly, with the various projects, the cooperative also provides benefits other than just the energy supply to the citizens in the neighborhood. This happened, for example, in a project in Limburg where the income of the energy generated was utilized to provide Internet service for the neighborhood. In this way, Windbird creates support for placing a windmill and a different

experience of the wind turbine being something that does not come from outside but is "ours". It creates new social cohesion in the area by (literally) connecting people with each other again.

7. Conclusion

Windbird has vastly demonstrated that the business model is viable. The cooperative of citizens has existed almost 25 years, has grown in membership over the years, and has managed to place several windmills. Financially, the cooperative is also doing well which indicates that the transaction types in the business model work efficiently. The concept is certainly able to be copied, and Windbird will willingly share its knowledge with other civil initiatives focusing on renewable energy.

The case of Windbird demonstrates that a cooperative can be an advantageous business model for citizen initiatives. The citizens are the members which ensures that the power of individuals is united in order to achieve a common goal because individually building a windmill is not feasible.

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