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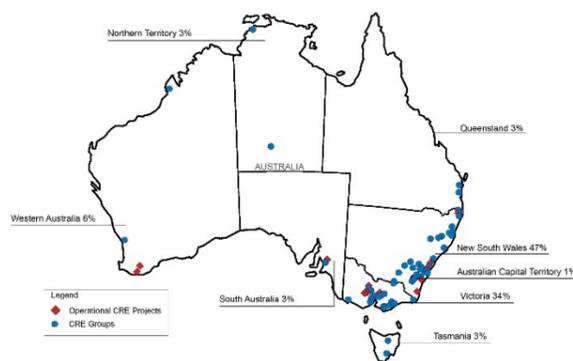
THE ROLE OF INSTITUTIONAL FACTORS IN COMMUNITY RENEWABLE ENERGY DEVELOPMENT: A THREE COUNTRY COMPARISON

Research Question

Community owned renewable energy (CRE) projects have received increased public, political and academic attention because of their positive social and economic impacts and their potential to contribute to the energy transition. Countries with high renewable energy capacities, such as Denmark, Germany and the UK are leading the way for CRE. Australia has 70 CRE groups and 23 operating CRE projects as of October 2015 (see Fig 1).

The question at hand is what are the institutional factors that contribute to the success of community owned projects and what prevents in particular Australian communities to implement projects more widely and to contribute to an increased deployment of renewable energy?

Fig 1: Map of CRE groups & operating projects 2015



Methodology

By applying a mixed method approach, including case study analysis, surveys and semi-structured interviews are conducted to identify drivers and barriers for CRE.

The research is based on a theoretical framework building upon institutional theory, organisational studies and social movement theory, including a historical account of the developments in Germany and Denmark. At the centre of the framework stands the emergence and reproduction of organisational fields (Fligstein and McAdam, 2012), which are meso-level social orders representing main structural building blocks of modern political life in the economy, civil society and the state. CRE is a multifaceted concept of renewable energy deployment characterised by an outcome (MW and tangible benefits) and process dimension (participation and decision making).

Results

CRE projects can be considered as emerging organisational fields that are embedded in broader environments including other state and non-state fields (see Fig 2). Their emergence is associated with the existence of a crisis or conflict that gives rise to a grassroots movement – such as the anti-nuclear movements in Germany and Denmark after the Oil Crisis in the 1970s.

CRE projects can challenge incumbent field players and influence the reproduction of the field. However they are bound, constrained and enabled by different institutional elements that effect their emergence, development and survival through coercive, normative and mimetic mechanisms. While favourable regulative institutions such as feed in

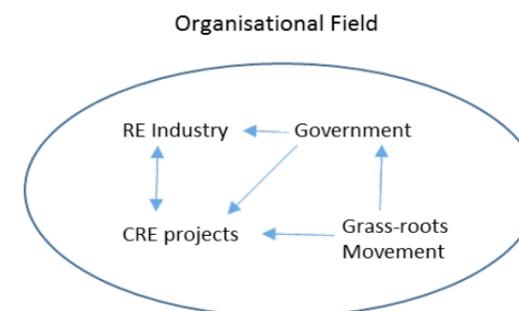
tariffs played a vital role in Germany and Denmark, the emergence of CRE is intrinsically linked to normative elements including values, motivations and norms of the social actors.

Regulative constraints for CRE in Australia are associated with energy market regulations (e.g. the access to the grid, tariff system), corporations regulations (e.g. 20 investor limit as investor protection mechanism) and financial hurdles (e.g. getting a fair price for the electricity produced). A lack of understanding and knowledge by the CRE actors is another barrier to their greater engagement.

Conclusions

Exogenous shocks triggered the emergence of CRE in countries such

Fig 2: Establishment of an Organisational Field



CRE constitutes in a favourable policy environment carried by a grassroots movements providing additional value and meaning to RE activities

as Germany and Denmark and paved the way for the establishment of a successful CRE field. In Australia, increasing public concerns over climate change and an unresponsive government are the driving forces

behind CRE engagement. However many institutional barriers have to be removed. Government has to recognise and value the social and economic benefits and implement long term strategic programs that create a stable environment for CRE projects to distribute and scale.

Initiatives such as the “virtual net metering” Program involving different stakeholders are necessary steps to encourage the deployment of solar and wind at local level and lift CRE engagement in Australia.

Anticipated impacts

The project output will provide a better understanding of institutional and political requirements for the implementation of community driven renewable energy projects e.g. the potential role of Local Government.

COMMUNITY OWNED RENEWABLE ENERGY HAS TO BE RECOGNISED AND SUPPORTED AS AN IMPORTANT DRIVER FOR THE ENERGY TRANSITION.

Further information

www.cpagency.org; www.c4ce.org.au

<http://www.embank.com.au/>

Contact:

Franziska Mey, PhD Candidate
Interdisciplinary Environmental Studies

f.mey@unsw.edu.au