



## (New, rural) business models, their mechanisms and impacts

BM name	Partnerships for renewable energy sourcing
Type	Sustainable energy sourcing
Sector	Services
Organisational scale	Territorial, regional
Short description	Renewable energy sourcing offers novel rural business opportunities. The business model involves novel forms of territorial collaboration, including village-based investments in solar and wind energy parks and energy cooperatives that connect rural and urban co-investors in renewable energy production and consumption.
Mechanism	Shared sustainability concerns and business opportunities join rural and urban actors in novel partnerships around renewable energy production, especially solar and wind energy. It is particularly through collective efforts which make it possible to realize renewable energy sourcing plans, as single actor initiatives frequently face different types of problems (e.g. regulatory, financially, societal resistance)
Innovativeness	This resides primarily in its contribution to renewable energy sourcing by creating novel ways of collaboration between rural and urban actors with the aspiration to make renewable energy sourcing more viable, visible and accessible.
Value creation	Mixed value creation, especially through combining ecological, community and economic values.
Customers, product/service, revenue streams and main cost items	Energy users, in particular regional dwellers and households. Additionally to renewable energy sourcing, incidentally complementary services, e.g. by compensating urban dwellers willingness to co-invest in renewable energy plans with food delivery guarantees for a certain time (e.g. through box-schemes). Revenue streams comprise primarily the revenue obtained by farmers or other rural land-owners, and owners of large roof-top space in rural areas. Main cost items are related to material investments and infrastructure to get access to grids.
Societal impact	Beneficial <ul style="list-style-type: none"> <li>• More sustainable energy systems</li> <li>• Reduced dependency on energy imports</li> <li>• Additional rural income opportunities</li> <li>• Novel cross-sectoral partnerships</li> </ul> Negative <ul style="list-style-type: none"> <li>• Societal debate regarding impacts on rural amenity values (e.g. landscape)</li> <li>• Further pressure on scarce land resources, especially in peri-urban areas</li> <li>• Local conflicts around the distribution of costs and benefits of solar and wind energy parks</li> </ul>
Rural-urban synergies	Renewable energy sourcing partnerships contribute positively to rural-urban relations by forging novel forms of commitment and collaboration between rural and urban dwellers, often also encompassing mechanisms to cope with wider socio-economic sustainability and regional quality of life concerns.
Connections with labour market and employment effects	Positive effects on the preservation of rural employment, although perhaps with trade-offs in other rural economic sectors (e.g. tourism) due to (assumed) loss of rural attractiveness.



<b>Enabling factors</b>	<ul style="list-style-type: none"> <li>• Available space in more distant rural areas</li> <li>• Supportive planning and tax regulations</li> <li>• Stimulating leadership</li> <li>• Favourable feed-in regulations (e.g. feed-in tariffs)</li> </ul>
<b>Limiting factors</b>	<ul style="list-style-type: none"> <li>• Tensions with other types of rural eco-system services delivery (food, nature, biodiversity, water management, etc.)</li> <li>• Societal debate regarding impact on rural amenities</li> <li>• Policy preference for large-scale (offshore) renewables infrastructure (vs. smaller-scale decentralised energy systems)</li> </ul>
<b>Key partners and actors directly involved</b>	Farmers and other rural landowners; urban dwellers, especially those that share sustainability concerns; energy companies open for investments in smaller-scale and more participatory renewable energy projects; green investment fund with similar ambitions.
<b>Role of (local) government</b>	Primarily a facilitating role, e.g. by offering regulatory space within planning procedures. Sometimes providing investment support, including through favourable tax regimes, e.g. by guaranteeing certain periods of income tax exemptions for surplus energy delivery.
<b>Connections with the institutional / policy environment</b>	See above.
<b>Internal/network governance arrangements</b>	Partnerships for renewable energy production emerge within different types of formal governance arrangements, covering cooperatives, foundations, associations and private businesses. Moreover, these also differentiate significantly in terms of rural versus urban-led, role of energy providers and openness to integrate renewable energy production with other sustainability and quality of life concerns. The latter partly explains ongoing policy searches to better match solar energy production with biodiversity and nature management ambitions based on applying multifunctional land-use principles.
<b>A typical example</b>	Ongoing initiatives: <a href="https://groenleven.nl/projecten/zonnepark-de-zwette">https://groenleven.nl/projecten/zonnepark-de-zwette</a> <a href="https://www.zonnehub.nl">https://www.zonnehub.nl</a> <a href="https://www.altenanieuweenergie.nl">https://www.altenanieuweenergie.nl</a> <a href="https://www.rescoop.nl">https://www.rescoop.nl</a> <a href="https://www.deltawind.nl">https://www.deltawind.nl</a>
<b>BM references</b>	<a href="https://research.vu.nl/ws/portalfiles/portal/42785660">https://research.vu.nl/ws/portalfiles/portal/42785660</a>
<b>Name &amp; Date</b>	Henk Oostindie, 29-04-2020



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