



## Sustainability

### Our Vision

*“To be a vehicle for our members to participate economically in the generation of renewable energy while being a model structure for the creation of a sustainable community.”*

### Our Goals

Provide quality, competitive investment returns for our members.

Our success will lead to generating momentum for more local generation of energy from renewable sources, more green jobs, and a renewed community.

Our continued efforts will assist in putting the County of Brant on the map as a model 100% renewable energy community.

Live our lives by building relationships that are characterized by our core values of trustworthiness, reliability, confidence, fun and a sense of reciprocity to each other.



## Community

As a renewable energy co-operative, it is the Sustainability Brant Community Energy Co-operative’s (SBC Energy Co-op’s) primary role to serve its members and its broader community. SBC Energy Co-op is member-owned. The members make decisions on projects and investments, and how to best serve their communities.

Like other renewable energy co-operatives, SBC Energy Co-op does own and operate renewable energy generation facilities, such as solar, wind or biogas and small hydro, in its community.

There are now around 100 similar renewable energy co-operatives that have recently been established in Ontario communities. They have been initiated by grass-roots movements, municipalities and project developers.

## Energy



***Renewable energy co-operatives create local jobs. They provide opportunities for local people and businesses to participate in ethical and sustainable investments in their communities!***



# Background

When the Ontario Government launched the Feed-in Tariff (FIT) program in 2009, the County of Brant quickly identified the benefits of owning renewable energy projects. The County was successful in receiving a number of FIT contracts and began to develop solar PV projects on municipal assets throughout the community. Brant County has been recognized across the province as a leader in renewable energy generation.

When the FIT 2.0 program was released the County recognized the value of having the community participate in these projects. Not only because it was encouraged under the FIT 2.0 program but also because it provided an opportunity for the members of the community to benefit from shared ownership in these projects.

The benefits associated with shared ownership and revenues motivated the County's officials to follow the community participation path. The SBC Energy Co-op was formed. This renewable energy co-operative makes it possible for the people of the County of Brant and surrounding communities to directly participate in large-scale solar PV energy producing projects.



## Partners

SBC Energy Co-op and the County of Brant have formed a Joint Venture (JV) for the development of the first three solar PV rooftop projects. Other projects will be considered over the life of the FIT program.

SBC Energy Co-op is a minority partner with 30% equity interests in the first three projects for which FIT contracts with the Independent Electricity System Operators (IESO) have already been secured.



**Now that the first two projects have been successfully implemented**, the JV partners will together receive annual revenues in the range of \$270,000 from the energy generated. The third project will generate an additional \$105,000 in annual revenue. SBC Energy Co-op is expecting a positive net cash flow over the projects' contract

lifetime. SBC Energy Co-op is anticipating accumulating enough cash to support additional renewable energy projects in the County.



All three projects are located on county-owned buildings. The Brant Sports Complex and South Dumfries Arena and Community Centre solar projects are currently in operation. **The third project is to be located at the Burford Community Centre and is currently under development.**

The JV partners assume that the solar PV systems will remain installed and operational beyond the expiration of their 20 year FIT contracts and will not be decommissioned. The JV agreement foresees a potential buyout of the SBC Energy Co-op's equity stake by the County at the then present market value.

# Business

## Revenues

SBC Energy Co-op will generate regularly recurring revenues through the sales of electricity produced from the solar PV systems to the IESO. The feed-in tariff offered by the IESO is slightly different for each project will receive compensation as a fixed dollar amount per kWh fed into the grid for the entire 20 year duration of the contract.

## Operations & Maintenance

SBC Energy Co-op contributes to the maintenance and operation costs of each system. The contribution by the co-op is calculated based on the Co-operative's equity share in a project. The solar panels will have a 25 year performance warranty and an extended 20 year inverter warranty will be purchased for each project to cover the full 20 year FIT contract term.



## Management

The SBC Energy Co-op is managed by its Board of Directors, all of whom must be members of the Co-operative. The Directors meet monthly to discuss all current and new business of the Co-operative. SBC Energy Co-op employs an administrative assistant to support the Board in membership administration, investor relations, and communication.

## Project Planning

A Milestone Plan and Critical Path have been created for the Co-operative to assist in strategic business and project planning. The Joint Venture partners have established a management team that oversees project development. Professional project management software is used to successfully plan and execute each solar facility.

## Projects

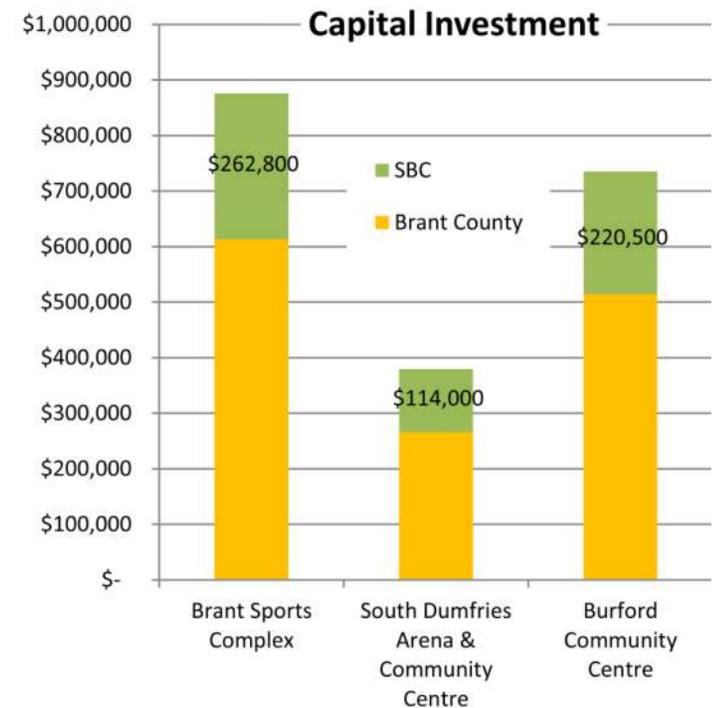
The **Brant Sports Complex** in Paris, ON, consists of a single large building with a low-pitched roof of which  $\sim 1,800 \text{ m}^2$  was used for the solar panel installation. The system has an installed capacity of  $300 \text{ kW}_{\text{dc}}$  connected to a 250 kW inverter.

The **South Dumfries Arena and Community Centre** in St. George, ON, consists of a single large building with a pitched roof of which only the southwest facing area was used for the system installation. The system has an installed capacity of  $120 \text{ kW}_{\text{dc}}$  and is connected to a single 100 kW inverter.

The **Burford Community Centre** in Burford, ON, has a two-sided slightly pitched roof, all of which will be used for the solar panel installation. The system will have an installed capacity of  $300 \text{ kW}_{\text{dc}}$  and will be connected to 250 kW's of string inverters.

Jointly these projects produce more than enough electricity to meet the arena and community centres' demands or the equivalent to power  $\sim 80$  homes.

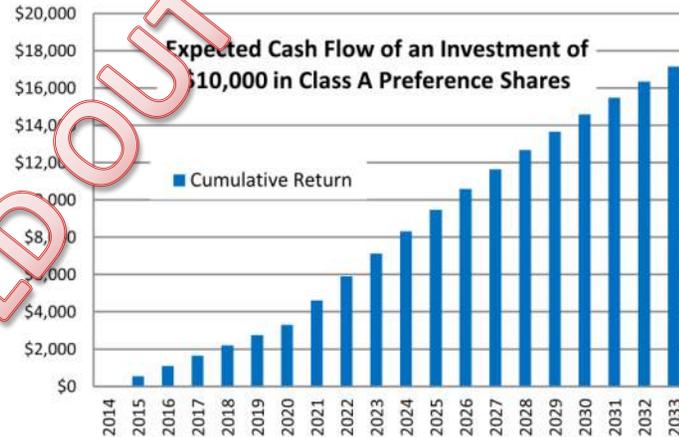
**The SBC Energy Co-op is always interested in exploring new partnerships in developing renewable energy projects.**



# Investment Opportunity

Class A Preference Shares are expected to earn 5.5% in dividends per year. Dividend and return on capital payments to the holder of \$10,000 in Class A Preference Shares is expected to develop as shown in the graph.

The invested capital will be fully redeemed within 20 years. Once capital redemption starts, the yearly payment a holder receives will increase, as it will comprise of both the yearly dividend on outstanding share capital and the return of capital. While the forecasted dividend yield will not decrease, the actual dividend amount will reduce over time to reflect the fact that the shareholder is also receiving a yearly return on invested capital.



## New Investment Opportunity Coming Soon!

It is our intention that the third project, the **Burford Community Centre**, will be funded by bonds offered at a premium rate. If you would like to receive updates on this project and the **investment opportunity**, please contact us by email at [info@sbcenergy.com](mailto:info@sbcenergy.com), to be added to our contact list.

*Interested investors must obtain and review SBC Energy Co-op's Offering Statement. The Offering Statement provides investors with full and transparent disclosure of all material facts and risks associated with an investment!*

## Testimonial

*"Becoming members and buying shares in SBC Energy Co-op has allowed us to become part owners of a large scale power generation facility that will provide sustainable economic benefits to the local community for decades to come ... and provide us and our family with an attractive income stream along the way. A WIN-WIN-WIN opportunity."*

--- Robert and Lia Spriet

# Why Invest

## Benefits and values of your investment:

- Invest local and make a positive impact
- Attractive return on investment
- Help create a new green industry with local jobs and local economic spin-off opportunities
- A long-term cash flow that increases once repayment of capital begins
- Easy to transfer shares to family members
- Excellent way of leaving an on-going investment income stream to your children and grandchildren
- Become a shareholder of a large-scale renewable energy project in your community
- Invest in a Co-op that has a strong partner dedicated to being a leader in renewable energy generation
- Support local ownership and enjoy seeing your investment dollars at work in your community
- Support sustainability and conservation action – help create a better world for our children

# Contact Us

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