



Inquiry into renewable and affordable energy for apartments

Legislative Assembly Environment and Planning Committee

27 February 2026

Executive Summary

The Business Council of Co-operatives and Mutuals (BCCM) welcomes the opportunity to make a submission to the Legislative Assembly Environment and Planning Committee's inquiry into renewable and affordable energy for apartments.

The BCCM is the national peak body representing the co-operative and mutual enterprise movement across all industries, including community energy. The combined turnover of the top 100 co-operatives and mutuals is \$47.7 billion.

As democratic, for-purpose entities with flexible capital raising options, co-operatives are ideal vehicles for groups of consumers and apartment dwellers to invest together in multi-site and off-site renewable energy generation and participate equitably in the economic benefits of this investment.

Our submission provides some case studies of emerging co-op models that overcome some of the barriers to apartment dweller access to affordable renewable energy. There are two priority policy mechanisms that would enable these co-op models to scale:

- Piloting a Community Value Sharing model for Victoria focused on apartment dwellers
- Modernising Victorian co-operatives regulation

The BCCM stands ready to provide further information to the Committee.

Background

Co-operatives are enterprises that are owned and democratically controlled by members. The members of a co-operative are drawn from one or more of the consumers, producers, employees or community that interact with it. Regardless of the type or sector, the purpose of a co-operative is to benefit members and their community, rather than maximise returns to shareholders.

Energy co-operatives are active across Australia in renewable energy development, generation, retail and services. Examples include Ngardara Co-op, Hepburn Energy Co-op, Earthworker Smart Energy Co-operative, Cooperative Power Australia, Haystacks Solar Garden Co-op, Pingala Co-operative, Goulburn Community Energy Co-operative and Community Power Agency. These co-operatives are generally community-owned, but also include worker-owned co-ops. Internationally, energy co-operatives have enabled significant community participation in and benefit from new energy system developments, including in the United States and Denmark.

Housing co-operatives are a collection of dwellings, such as an apartment block, that are managed democratically by the people who live in them. As a manager with the resident's interest in mind, co-ops are well placed to invest in solar energy. An example of this is the partnership between Pingala Community Energy Co-op and Emoh Ruo Housing Co-op in Sydney to install a 35kW solar system to provide cheap, clean reliable energy to residents, lowering their expenses and carbon emissions.

In Victoria, the largest sector of housing co-operatives are rental housing co-operatives that are part of the community housing sector. The majority of these co-operatives are members of a federation that provided back-office support and development capacity, Common Equity Housing Limited.

Response to Terms of Reference

Barriers that prevent apartment dwellers from accessing affordable and clean energy include the lack of space on apartment rooftops, and apartment tenure/ownership arrangements.

Co-operatives can play a role in overcoming these barriers by acting as the vehicle for apartment dwellers to have an ownership stake in renewable generation in offsite and multi-site arrangements. Sites such as urban C&I rooftops, periurban closed landfills, and greenfield developments in regional areas are appropriate for mid-scale (1-5MW) of solar. These arrangements are sometimes called Community Value Sharing, Community Shared Solar, Solar Banks or Solar Gardens.

In Australia, the Haystacks Solar Garden Co-operative is a pioneering example of this model, as outlined in the following case study:

Haystacks Solar Garden Co-operative model

The Haystacks Solar Garden model enables renters, apartment dwellers, and anyone who doesn't own a sunny, suitable roof – to participate in (and benefit from) the transition to renewable energy by purchasing a “plot” in a larger ground mounted solar farm located offsite to their home.

Haystacks Solar Garden seeks to mimic a 3kW solar system on your roof fully exporting to the grid. As a collection of 3kW plots totalling 1 MW the solar array will be eligible to sell this exported solar energy as certified renewable energy and generate Large Generation Credits (LGC's).

Launched in April 2024, the project is hosted by the 1.5MW *Grong Grong Solar Farm* in NSW Riverina. Members purchase a solar 'plot' and then receive credits on their electricity bills, enabling them to benefit from solar power without needing to own a sunny, suitable roof.

The project, developed by *Community Power Agency, Pingala, and Komo Energy*, offers a new, innovative way of addressing energy inequity, whilst also taking action on climate change and contributing to a renewable energy future. By generating 3,700 MWh annually, it generates enough power for up to 700 households and reduces CO2 emissions by approximately 2,700 tonnes each year.

An additional benefit to renters is that when you move, your Solar Gardens credit moves with you to your new address.

Experience in the United States show the potential for these models has not been fully tapped in Australia. Some of the largest Community Shared Solar vehicles in the U.S. operate as follows:

- Members subscribe for an allotted amount of energy generation for a period of 3-15 years (i.e. fixed price per kWh generated), either payable upfront or annualised.
- Members receive deductions of the kWh generated by the assets attributable to them from their electricity bill. This requires adequate technical systems to track and match generation and billing.

BCCM member Hepburn Energy Co-op is working to adapt this U.S. model for the Victorian context. The co-op started as a community-owned renewable energy generator, but has amended its constitution to allow for a class of energy consumer members who co-fund solar assets and benefit through discounts. The co-op has flexibility to promote access for marginalised groups of energy consumers.

While there is strong potential for apartment dwellers to participate in these arrangements and thereby overcome some of the barriers of other options to accessing renewables, a challenge is the large upfront capital investment required. In the United States, this has been addressed through tax incentives and developer credits for projects that meet relevant community ownership targets (e.g. sufficient inclusion of low-income apartment dwellers). In Australia, this could be addressed via existing mechanisms such as grants to offset capital expenditure or even federal schemes such as the application of SRES.

Co-operatives are ideal vehicles for these forms of Community Shared Solar because they can act as both a commercial investment structure and a democratic, community-owned organisation. Given its responsibility for the co-operatives incorporation legislation, Victoria can ensure that the legislation and regulatory environment is fit-for-purpose and does not become a barrier to utilisation of co-operatives in the energy sector. The BCCM's report on [Modernising Co-operatives Regulation](#) sets out the key improvements to the legislation and regulation of co-ops that are required.

The Victorian Government should:

- **Pilot a model for Community Shared Solar in Victoria.** This pilot should be limited to community-owned entities and require inclusion/focus on apartment dwellers.
- **Implement the recommendations of the BCCM's Modernising Co-operatives Regulation report.**

About the BCCM

The BCCM is the national industry peak body for co-operatives and mutuals, working with governments, regulators, and policymakers to ensure the Australian economic landscape is fully able to benefit from a competitive co-op and mutual movement.

Through its member co-ops and mutuals, the BCCM represents 14.4 million memberships, including 60,000 small and medium businesses.

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