

Solar energy provider converts to worker-owned cooperative

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CO-OP MONTH

The year 2016 was a record-breaking year for solar installations across the nation.

Boosted by the decreasing cost of solar panels and the increasing visibility of the impacts of carbon pollution, the solar energy sector is rapidly generating jobs and clean energy capacity.

The solar sector now employs over twice as many workers as the coal industry and, according to the Solar Energy Industries Association, “total U.S. installed solar PV [photo voltaic]

capacity is expected to nearly triple over the next five years.”

North Wind Renewable Energy was founded in 2007, when the U.S. solar market installed just 1 percent annually of what it installs today. Josh Stolzenburg started the company in Stevens Point, Wis., to get cleaner energy installed on utility electric grids in Wisconsin. During the past 10 years, North Wind has become a trusted renewable energy solution provider in central Wisconsin, specializing in the design and installation of solar electric systems for residential and commercial customers.

The spark

In April 2015, Stolzenburg attended a seminar, organized

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Members of North Wind Renewable Energy (NWRE) work on a solar panel installation in Wisconsin. Founded in 2007, the business recently completed a nine-month process of converting to a cooperative. Photos courtesy NWRE



by the University of Wisconsin Center for Cooperatives (UWCC), on employee ownership as a business succession and retention strategy. The seminar featured Blake Jones, co-founder of Namasté Solar, a solar energy company headquartered in Boulder, Colo., which converted to worker ownership in 2011.

Many of Jones' reasons for converting to a co-op rang true for Stolzenburg: a belief in economic democracy, building wealth for those committed to the long-term success of the company and a commitment to improving community, among others. Stolzenburg believed the cooperative model aligned with North Wind's values and could reinvigorate the company's culture.

At the time, North Star was a four-member LLC (limited liability corporation) that had become somewhat stagnant in its communication and was struggling to openly discuss the future of the company.

Transition to worker-owned co-op

After nearly a year of researching the cooperative business

model and discussing it with employees, North Wind officially started the process of transitioning to a worker cooperative in 2016. The group assembled a team of advisors to help them through the process, including Courtney Berner, cooperative development specialist with UWCC, Margaret Bau, co-op development specialist with the USDA Rural Business-Cooperative Service, and attorney Scott Herrick of the Herrick & Kasdorf law firm, who specializes in working with co-ops.

As with any business structural change, there were some bumps along the way. It was difficult to find time to discuss the conversion process and educate prospective members. Adapting to the new structure also required addressing some interpersonal conflicts and navigating the differences between operational and governance decisions.

After nine months of hard work, North Wind completed the transition in April 2017.

Reflecting on the conversion, Stolzenburg says "the shift to governance by a board of directors changed the communication dynamics relatively quickly and provided a more open and honest exchange among members. It allowed

us to work through some interpersonal dynamics that had developed that were unhealthy, and it put systems and review procedures in place to deal with them."

In April 2017, Stolzenburg was back at the UWCC's Employee Ownership Solutions Seminar, this time, with fellow member, Rob Peck, with a presentation on their conversion to employee ownership. They discussed how the change has affected their company's structure, culture and bottom line.

Bright future

North Wind employs 12 full-time staff members. Of those, six are co-op members. In 2018, four additional

employees will be eligible to apply for membership.

"Going forward, shared decision making will take into account a more diverse set of perspectives on how we should grow and what we want to invest in," says Stolzenburg. "Long term, we can look at North Wind as more than the sum of its parts."

North Wind is currently working with partners to develop innovative solar financing models for small businesses and nonprofit organizations. In the coming years, the cooperative plans to ramp up its energy storage services in order to remain competitive in the rapidly evolving solar industry.

For more information on the co-op, visit: www.northwindre.com.