

Citizen and Renewable Energy Communities: opportunities & challenges for citizen ownership in Europe's energy transition

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EESC

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Just some of the benefits of energy communities

1 revenues from local renewables to meet local needs

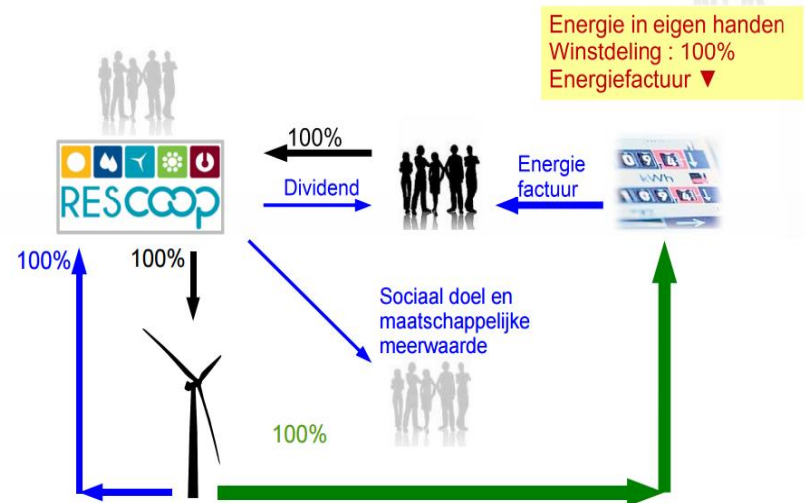
- Local supply of cheap, clean renewables
- Renovation of local infrastructure
- Buildings renovation
- Energy poverty
- Housing needs
- Electrification of transport
- Etc...

2 Collaboration between local actors

3 Democratic community ownership

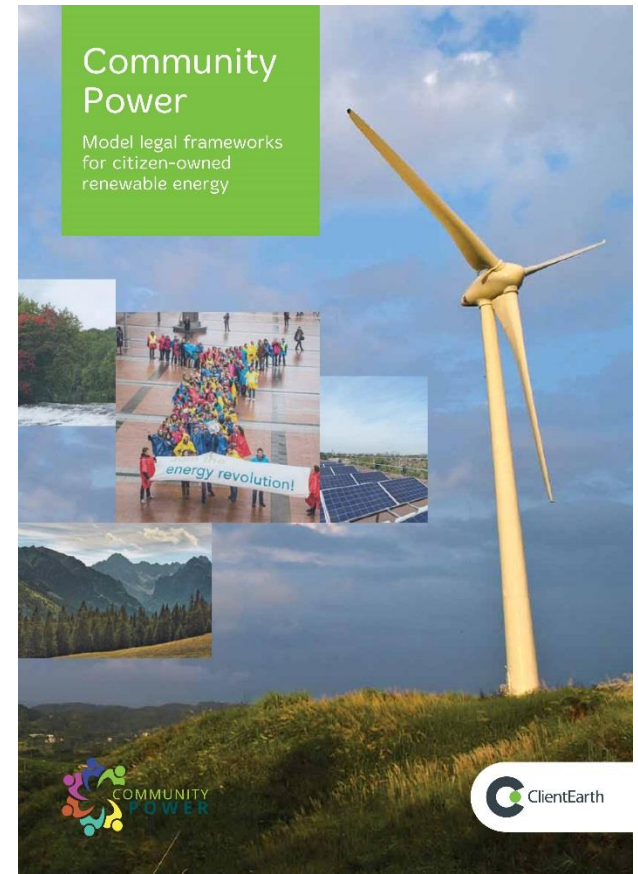
4 A gateway drug into the energy transition: benefiting the system in time of change

RECHTstreeks participatiemodel

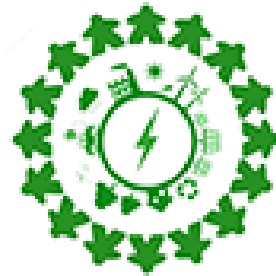


Diverse legal forms of community ownership of renewables

- Partnerships
- Cooperatives
- Other customer-owned enterprises
- Community trusts
- Housing associations
- Charities
- Social enterprises
- Public utilities



Energy communities as generators of renewable energy

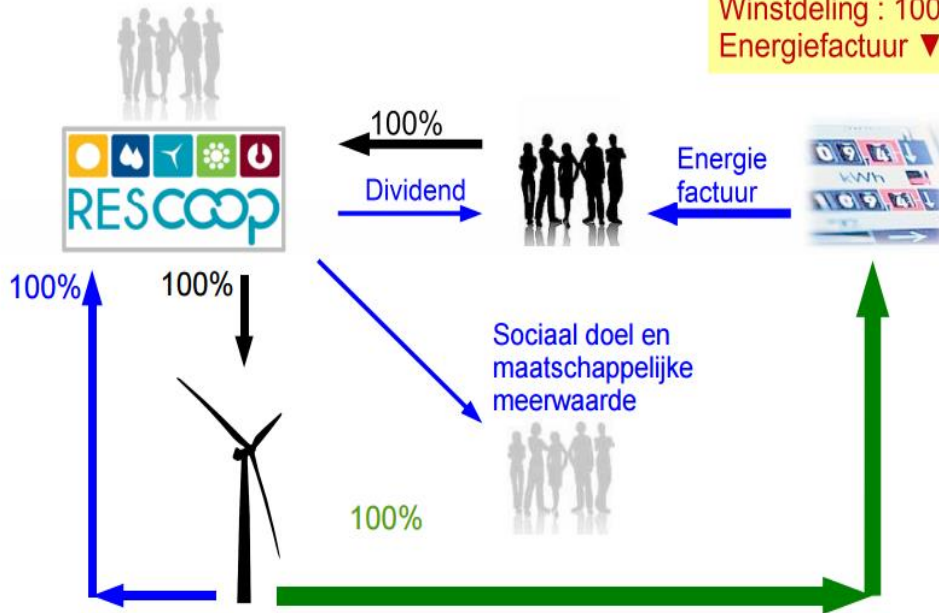


Energy communities: retail suppliers

RECHTstreeks participatiemodel



Energie in eigen handen
Winstdeling : 100%
Energiefactuur ▼



Energy communities: energy efficiency and related services

Focus

- End user energy savings measures
- Building renovations
- Energy poverty



CarbonCo-op

energieID



Energy communities: consumer-owned networks

The Old



- Electricity
- District heating and cooling

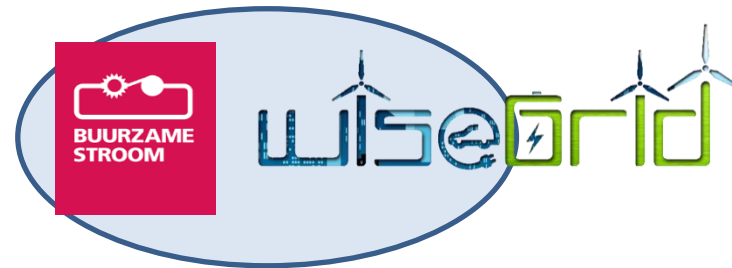
The New



- Re-municipalisation

Energy communities: emerging activities

Micro-grids /virtual power plants



Electrical vehicle sharing



Peer-to-peer trading



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Energy communities in the CEP:

The Clean Energy Package

a policy foundation for energy communities

Acknowledgment:
definitions of renewable
and citizens energy communities

A set of basic rights
to participate
in the market based
on
non-discrimination

Enabling Framework
to promote
& facilitate
development of
energy communities

Equal footing
in accessing
renewables
support schemes

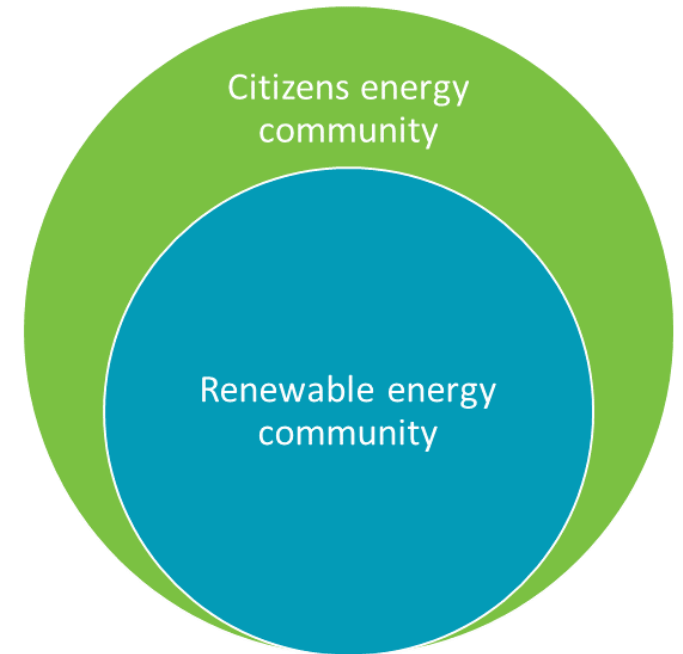
**Proportional
regulatory treatment**
simplification of
administration and
procedures

+

Energy Union Governance:
monitoring & transparency of Member State action

Energy communities: an organisational concept

- Non-commercial purpose
- Open and voluntary membership
- Emphasis on participation by citizens, SMEs and public authorities
- Emphasis on 'effective control' by members not engaged in the energy sector
- For RECs: democratic governance

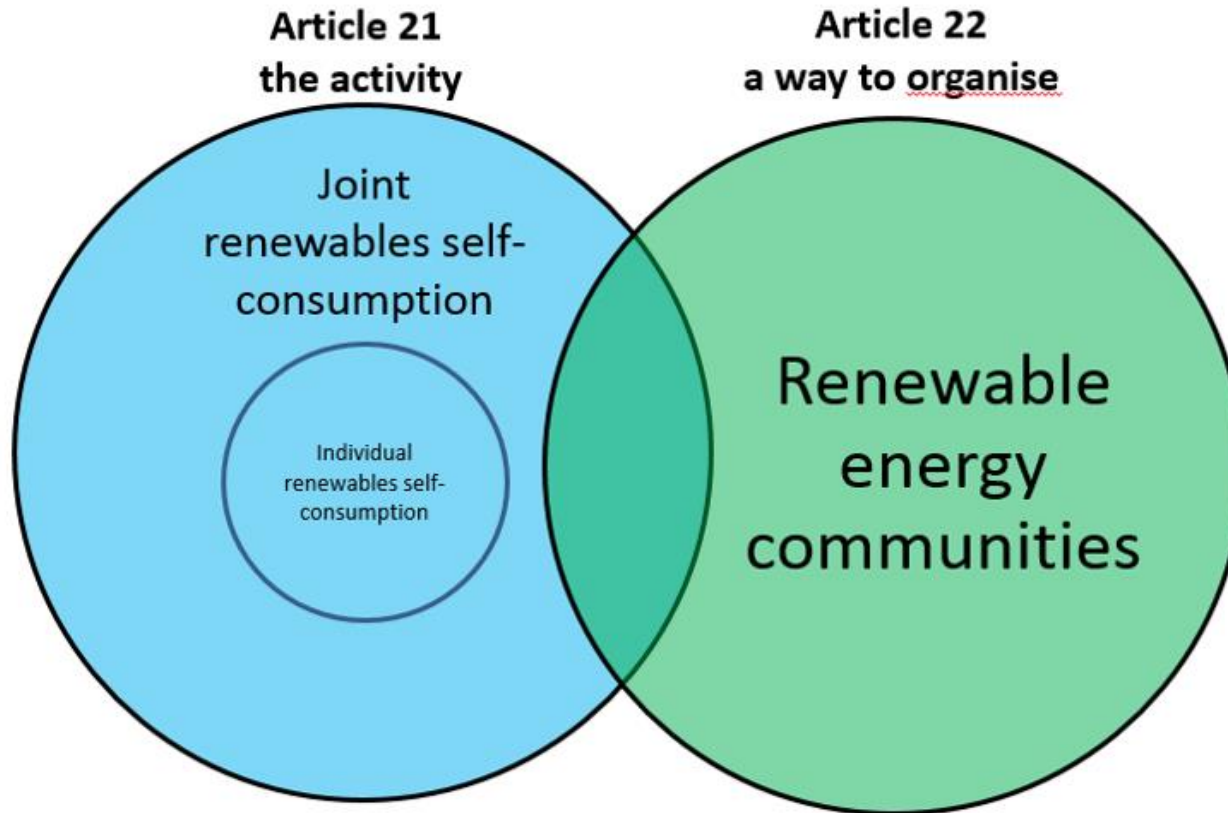


RECs vs CECs: comparing activities



- Activities explicitly mentioned in ED for CECs – not the case for RECs in the REDII
- In theory, can have a REC that does other things that a CEC would do

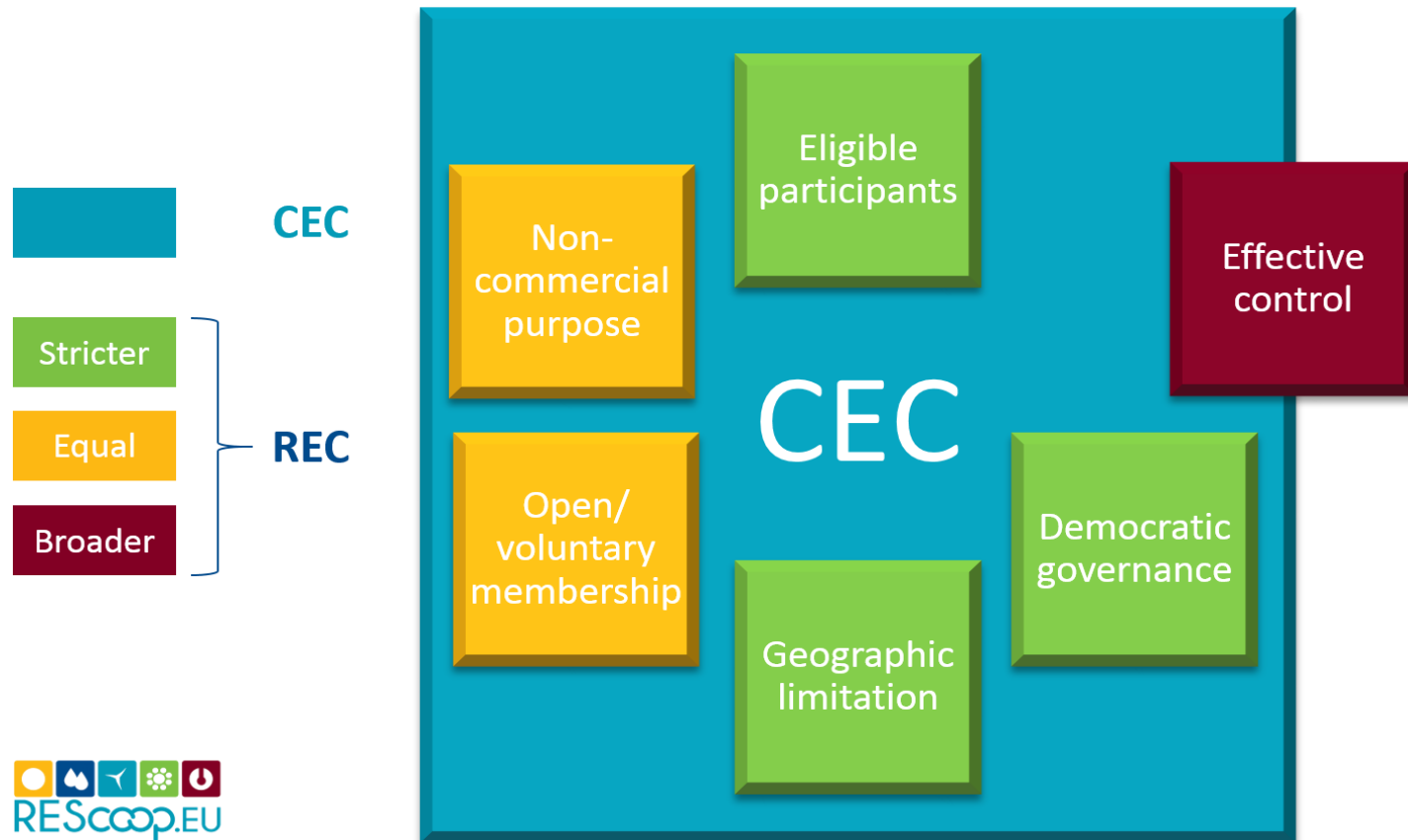
Link between renewable energy communities and self-consumption:



** National frameworks need to distinguish activities from business model/organisation*

RECs vs CECs: comparing criteria

Eligibility criteria for **Renewable Energy communities (RECs)**:
more stringent than for **Citizen energy communities (CECs)**
in all but one respect...



Calculation/contribution to system costs

Renewable Energy Directive (Generally)	<ul style="list-style-type: none">• Must be subject to <i>fair, proportionate, transparent cost-reflective</i> network charges• Must be subject to relevant charges, levies and taxes, ensuring they contribute in an <i>adequate, fair and balanced</i> way in line with a transparent <u>cost-benefit analysis</u> of distributed energy resources
Electricity Directive (Generally)	<ul style="list-style-type: none">• Frameworks must ensure CECs are subject to transparent and <i>non-discriminatory</i> and <i>cost-reflective</i> charges• In line with the Electricity Regulation (no mention of cost-benefit analysis, unlike in RED II)• Ensure adequate and balanced contribution to system costs (fairness not mentioned, unlike in RED II)
(Renewables) Self-consumption	<ul style="list-style-type: none">• Remuneration: market value, <i>may take into account long-term value to the grid, environment and society</i>• No net metering (same for community networks)• CECs are subject to <i>cost-reflective, transparent</i> and <i>non-discriminatory</i> network charges
Energy sharing	<ul style="list-style-type: none">• Must be subject to <i>applicable</i> network <i>charges, tariffs and levies</i> in line with a transparent <u>cost-benefit analysis</u> of distributed energy resources by the competent authority (same between ED & RED II)
Community networks	<ul style="list-style-type: none">• Must be subject to <i>appropriate charges</i> at the connection point• No net metering

Main issues moving forward

- 1) Keeping definition flexible and open for different activities
- 2) Open and participatory national assessment of potential and barriers for RECs as the basis of developing enabling frameworks
- 3) Bike lanes for RECs in renewables support schemes
- 4) ***Clear, simple and proportionate*** regulatory frameworks for collective self-consumption and energy sharing activities
- 5) Reward system benefits that energy communities provide via remuneration and network charges

*If you want to know more, please
contact us!*

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