



Energy communities in the Clean Energy Package

CWAPE, Namur, 4 April 2019

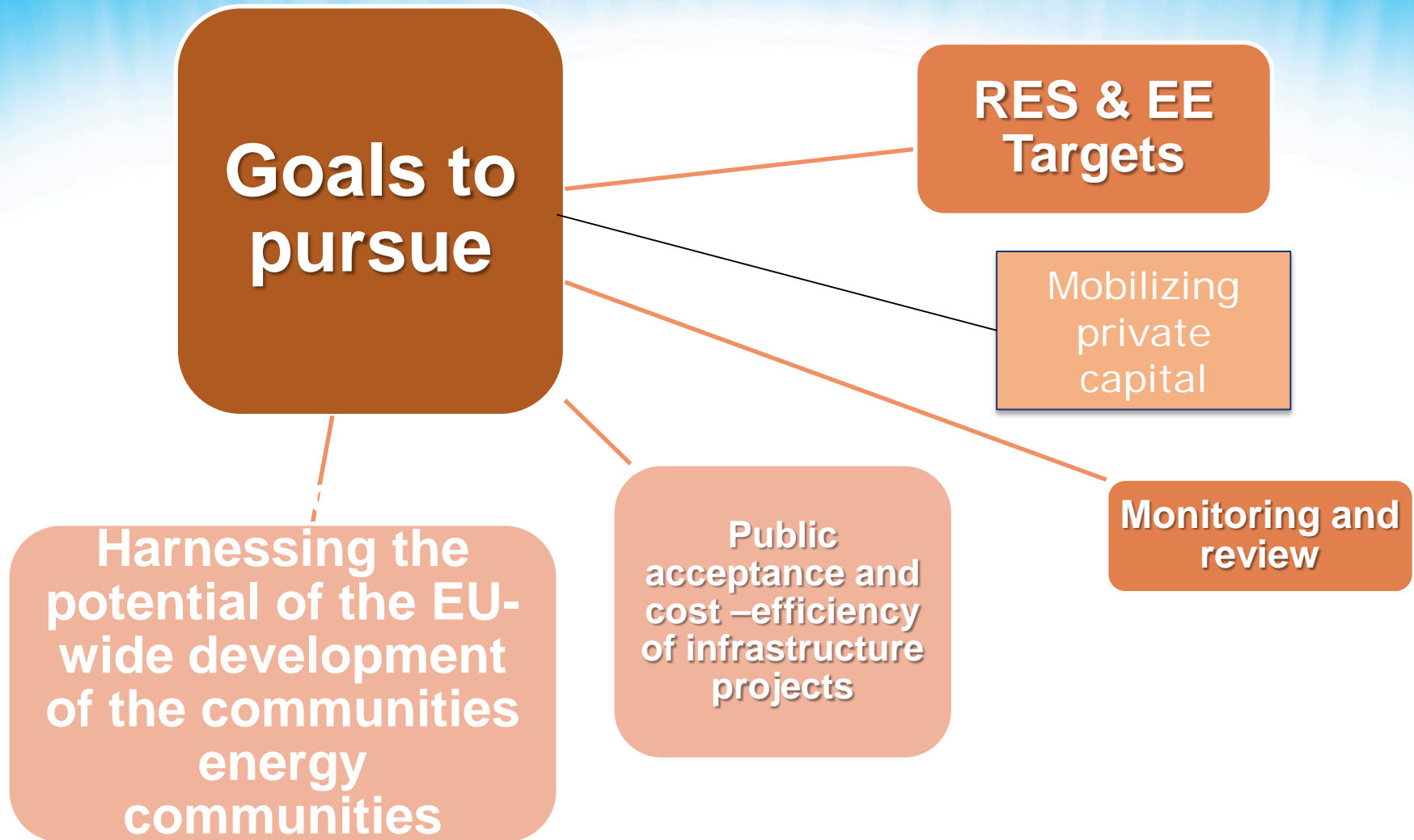
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**Trends to
be
endorsed**

**Technological
change in the field
of
distribution
generation,
storage
and IT**

**Growing
energy
literacy and
consumer
activation**

**Citizen
initiatives
across Europe**



**Rules
and
limitations**

**Subsidiarity
EU level approach**

**Protecting
legitimate interests
of consumers and
other market actors**

**Providing
flexible
framework
feasible EU-wide**

Why empower consumers

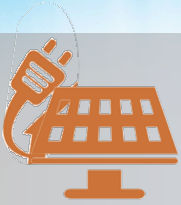


Empowering citizens

- A regulatory principle
- Mobilising private capital for the energy transition
- Increasing public acceptance
- Increasing flexibility of the market



EMPOWERING CITIZENS AND COMMUNITIES



Self-consumers to be allowed to generate, store, sell and consume their own electricity



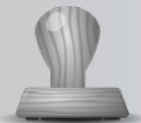
Self-consumers **in multifamily houses** to be allowed to generate, store, sell and consume their electricity jointly



No disproportionate procedures and charges that are not reflective



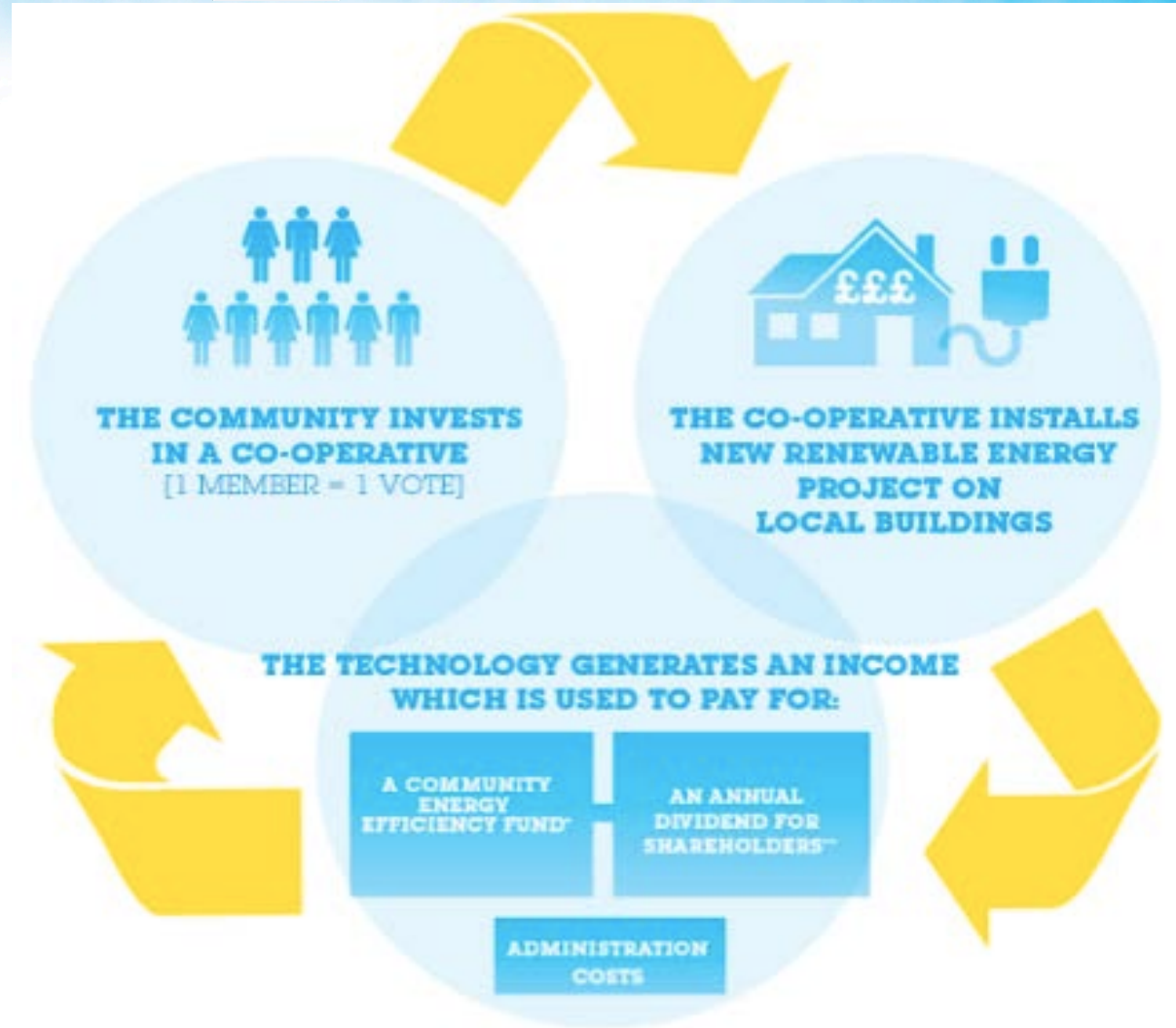
Legal recognition for **energy communities**, a level playing field for active citizens engaging collectively in local generation and supply.



Improved Guarantees of Origin for better consumer information

How it Works

Brixton, London



What is an energy community?

E- Directive and RES Directive Common Features

Legal Entity

Voluntary and Open Membership

Value Driven

Specific Governance

Collective Action in the Energy Field



Different market and system roles:

supply,

distribution,

aggregation,

electricity sharing platform

Level-playing field

- Recognised market players for supply, distribution and aggregation
- Non-discriminatory, fair, proportionate and transparent treatment
- Subject to same rules as other players (DSO)

Integration in the energy system

- Access to energy markets and activities
- Enabling regulatory framework determined by Member States
- Distribution charges apply at connection point with the grid based on network use and impact
- Participation is voluntary

Definition of Energy Communities

Citizen Energy Community

Specific Governance, but Broad Membership

No geographical limitation

Electricity only

Technology neutral

Renewable Energy Community

Limited Membership & Specific Governance

Proximity to Generation

All sources of RES

100 % RES

CECs and RECs – common features of regulatory framework

Activities of energy communities

- Producing, consuming, storing and selling energy (also through PPA)
- Optional cross-border participation

Electricity sharing

- Right to electricity sharing, as alternative to one-side supply

Level playing field

- Non-discrimination
- Market Access
- Imbalance responsibility
- Consumer protection

Baseline support

- Fair, proportionate and transparent procedures
- Include low income households, access to finance and capacity building

CECs and RECs – differences

Participation and Governance

- Participation is open to all kinds of entities, but control remains with non-professional actors

Participation and Governance

- Participation is open only to non-professional actors, while the control remains with members located in proximity of the project

Charges, taxes and fees

- Respect for the Member States' autonomy

Active policy

- Promote and facilitate the development of RECs
- Elimination of barriers

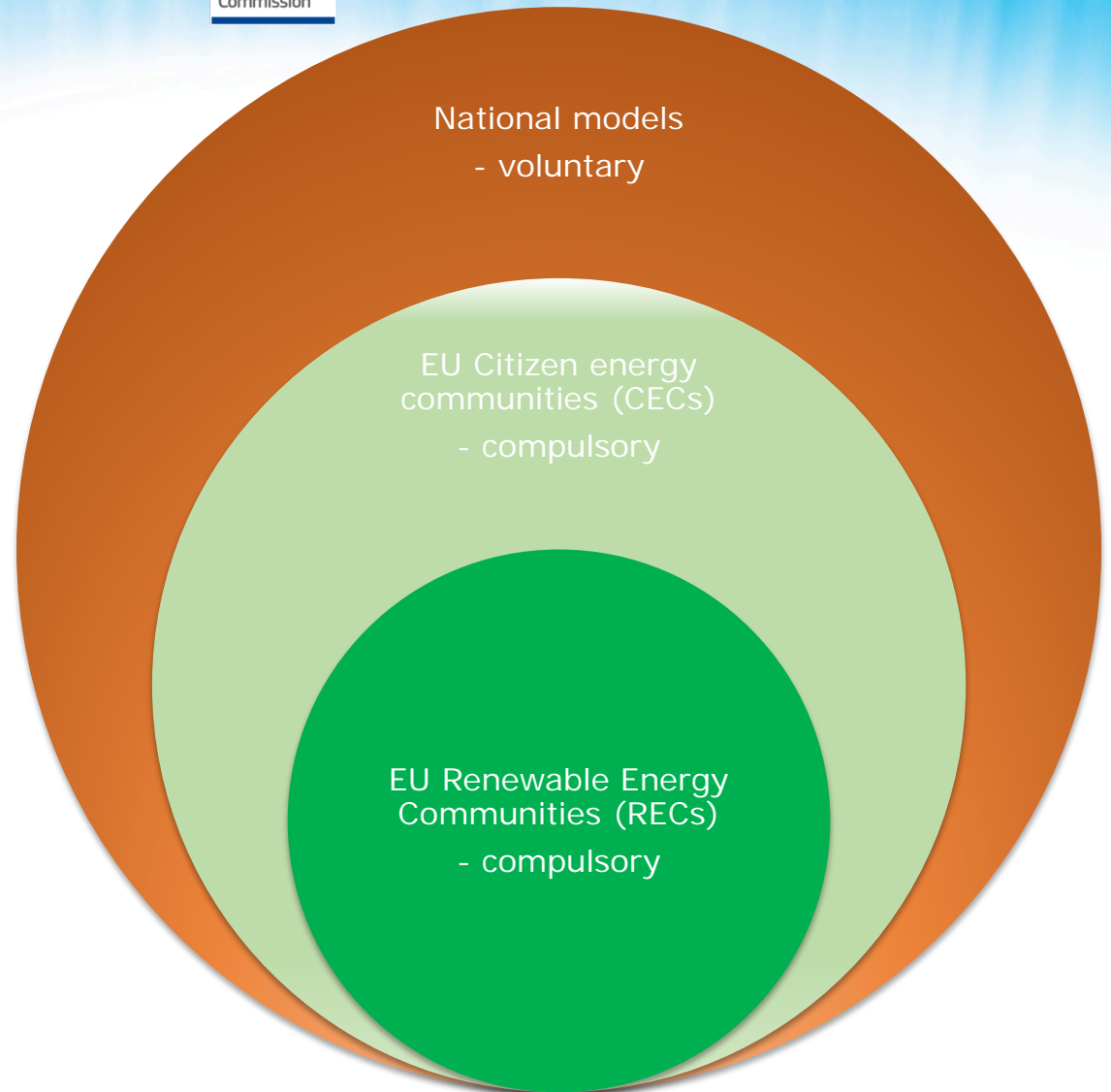
DSO status

- Member States may allow the DSO status
- Possibility of "closed DSO" status

Role in support schemes

- Member States to take specificities of RECs into account when designing support schemes

Citizen Energy Communities & Renewable Energy Communities in electricity sector





Citizen Energy Communities & Renewable Energy Communities in electricity sector

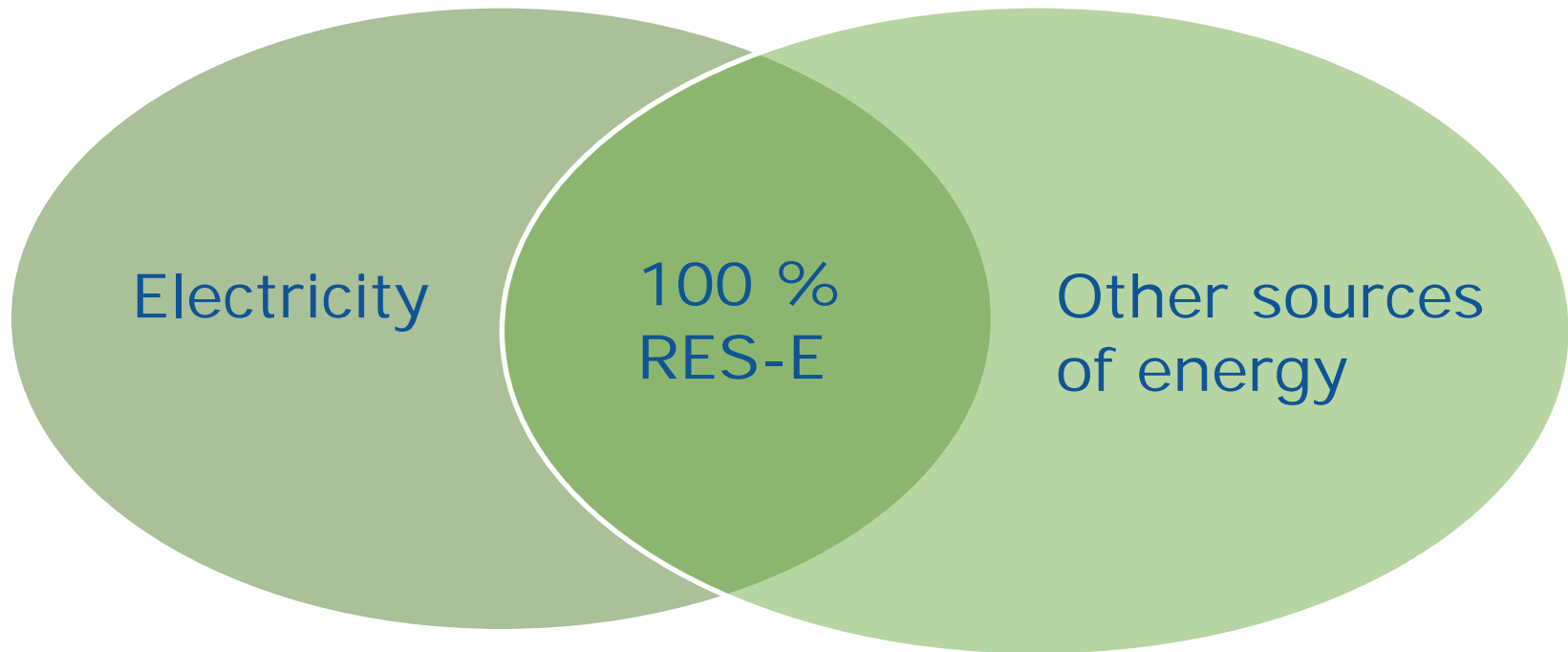
CECs

- strict governance criteria
- recognition as a market actor
- no discrimination, level playing field

RECs

- 100 % renewable
- strict governance and participation criteria
- geographical proximity
 - Incentives
- favorable conditions for RES support

Citizen Energy Communities & Renewable Energy Communities - sources of energy



Citizen Energy Communities – possible architectures

Enabling different kinds of energy communities



- E.g. solar panel on top of a block of flats
- Problem: self-produced energy flows only in the building network but through DSO meters → distribution fee and taxes
- Proposal: electricity that doesn't flow in DSO grid should not be charged
- Computational separation of self-production in IT systems

- E.g. neighboring property has better conditions for PV
- Problem: building distribution lines crossing property borders is DSO business
- Proposal: allowing to build a direct line from the production unit to consumption crossing border

- E.g. consuming solar energy produced in summer cottage PV in the permanent house
- Netting energy between different consumption points is allowed and up to market offering but generally not offered → datahub facilitates
- Distribution fees and taxes should be paid normally as the energy flows physically through the D/T grid

Implementation

How to share energy among
community members?

What is effective control?

How to implement the
enabling framework?

What is 'geographical proximity'?