

Drivers and barriers to energy community projects at national and local levels

20.06.2023 - Brussels

Klervi Kerneïs (Jacques Delors Institute)

Inclusive energy services to fight energy poverty and empower citizens



This project has received funding from the European Union's Horizon 2020 research and innovation programme under Grant Agreement no. 101032239.

Conclusions from research and interviews with Sun4All project leaders on the ground: national & local levels

3 **Getting Improving Ensuring Adapting** politicians on national implementation municipal law legislation board 6 **Making Providing Putting energy Leveraging on** justice at the information resources and partnerships forefront accessible incentives



Energy communities' contribution to energy poverty reduction 1/5

New developments on energy poverty at EU level

- Common definition in EED (deal reached in trilogues)
- More discussions to come regarding indicators
- Recognition of energy communities as social actors in EU policies

But, today, in practice, energy communities actively contributing to energy justice remain the exception (Source: Hanke, 2021)

- Narrative: local/citizen-led vs inclusive
- Lack of diversity of members
- Lack of action of energy communities for vulnerable groups: offering lower memberships fees, targeting these groups directly, engaging with energy-poor households outside of the community (less than 25%)
- In most cases (65%) becoming a member of an EC does not result in lower energy prices compared to market prices



Energy communities' contribution to energy poverty reduction 2/5

To fulfil this social role, energy communities need to be supported

- financial resources to offer lower participation fees
- human resources to engage in energy justice activities & collaborate with the relevant partners

Encouraging ECs to contribute to energy poverty alleviation should never replace structural efforts and policies at EU, national & local level

Minimum EU standards are crucial to provide some political certainty to project leaders and investors on the ground

EU Solar Strategy target of <u>1 REC per municipality above 10,000 inhabitants by 2025</u> is an opportunity increase awareness among local policymakers and get them on board



Energy communities' contribution to energy poverty reduction 3/5

Recommendations at EU level

- Ensuring Member states <u>report</u> on how they plan to support the social contribution of energy communities in their NECPs
- Adapting the enabling framework so that energy communities are granted certain advantages/benefits when they engage in energy justice activities
- <u>Conditioning future dedicated funding</u> to energy communities (Energy Communities Facility under the Life Programme) to the redistribution of social and local benefits by the community
- Pursue current efforts to foster energy communities and renewable projects in EU legislation (EED, RED, EPBD, state aid, EU technical support etc.)



Energy communities' contribution to energy poverty reduction 4/5

Recommendations at national level

- <u>Improving transposition</u> to provide more legal certainty
- Making sure that <u>social welfare rules</u> do not limit the participation of lowincome citizens to energy communities
- Ensuring that legislation mitigates the <u>risk of cooptation</u> by incumbent interests (through stricter enforcement, monitoring unfair practices)
- Improving <u>implementation</u> to keep people (especially vulnerable people) motivated: closer cooperation between utilities, ECs, municipalities; clear procedures (e.g. electronic platform)
- <u>Improving funding/incentives</u>: better price incentives, more sources of funding (beyond ad hoc support), tackling EC-specific challenges



Energy communities' contribution to energy poverty reduction 5/5

Recommendations at local level

- Adapting <u>municipal rules</u> to foster energy communities (urban planning, budget, long term agreements)
- Introducing green public procurement rules to facilitate the involvement of municipalities in energy community projects
- Making <u>information</u> accessible both for citizens and municipalities (awareness, OSS, training, etc.)
- Ensuring that municipalities have the <u>human and financial resources</u> to adequately support and engage in energy community projects
- Encouraging energy community initiatives among social housing residents
- Leveraging <u>partnerships</u> (other citizen projects, using existing networks in the local community, cooperation with companies under some conditions)



What about your own experiences?

Other insights, reactions?





Thank you!

Klervi Kerneis, kerneis@delorsinstitute.eu

Learn more:



https://sunforall.eu



in Sun4All Project



info@sunforall.eu



@Sun4All EU



The sole responsibility for the content of this document lies with the authors. It does not necessarily represent the opinion of the European Union. Neither CINEA nor the European Commission are responsible for any use that may be made of the information contained therein.