REScoop.eu

Policy priorities for the new European Commission

Europe's energy transition: active energy citizens take ownership

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Power to the people

REScoop.eu is the European Federation of Energy Communities (recognised in EU legislation as 'citizen' and 'renewable' energy communities). Energy communities are legal entities that allow citizens, in collaboration with local small and medium enterprises (SMFs) and local authorities, to invest and take ownership in activities around production, sharing and supply of renewable energy, energy efficiency, citizen-led renovations, emobility, flexibility and other technologies that contribute to decarbonising the energy system. REScoop.eu's growing membership includes 2,500 energy communities from across Europe, representing 2 million european citizens.



Energy communities: a vehicle for sustainable local development, resilience and social innovation

Citizens and SMEs are increasingly confronted with the cost of living crisis, which is exacerbated by the ongoing energy crisis and the high cost of renovations and of modernising heating and cooling systems. Energy communities offer a solution to such challenges. As a collective approach to investment, they reduce the price of materials and installation, while at the same time they foster resilience and energy security through collaboration among citizens and their municipality and local SMEs.

Ensuring the energy transition benefits all citizens

Energy communities are a part of the social economy and represent an alternative to commercial energy companies. They operate based on democratic principles, including open and voluntary participation and pursue social, economic and environmental benefits for their members and the local community rather than distributing profits.

By operating in this way, energy communities engage in commercial activities in order to ensure that economic benefits of renewables remain within the local community, which can go towards investment in local infrastructure, services, education and outreach initiatives, addressing social needs such as energy poverty, and reducing consumption needs through investing in renovations and energy efficiency measures.

Research in <u>France</u> and <u>Germany</u> shows that locally controlled and financed renewable projects deliver 2 to 8 times more return to the local economy than projects built by external developers.

Through securing locally-produced electricity and heating from renewables through energy sharing and supply, energy communities also help consumers access affordable energy, helping to shield them from the impact of high and volatile electricity and gas prices. As such, energy communities contribute to keeping Europe's economy centered on serving its citizens while preserving the vitality of its democracy.



Our priorities

Energy Communities need your support

As social economy actors, energy communities face many market, regulatory and financial barriers. As they bring together different actors from the local level, they also often lack capacity to engage in the energy system on a level playing field with other established market actors.

To fully leverage the power of community energy, we ask European policy-makers to work with REScoop.eu and its national members to promote the following priorities:

- Enabling national frameworks: Some Member States still struggle to create enabling frameworks for energy communities in national legislation and regulation. It is imperative to ensure a full and effective transposition, implementation, and enforcement of EU rules for energy communities to unlock the full potential of community energy. We also need a coherent EU-level strategy for how different EU and national actions can coordinate and support the development of energy communities.
- Lowering bills: Too many citizens cannot benefit from sharing, selling, or supplying themselves with their own local renewables production. Guaranteeing access to grids, incentivising local energy sharing, easing the ability of energy communities to conclude in Power Purchase Agreements, and simplifying regulations to become a supplier will allow energy communities to pass on economic benefits to their members.
- Comfortable, modern homes: A massive percentage of our homes are badly insulated, damp, and running on expensive and outdated heating. Energy communities already tackle this problem through citizen-led renovations, energy savings initiatives, and developing community-owned district heating and cooling networks. Support for such projects would promote decarbonisation, while also considerably reducing the cost of heating and cooling bills, and accelerate the renovation of our building stock.
- Citizens and their municipality: Energy communities often bring together citizens and the municipality as members and partners in the energy transition. This leads to better social acceptance and longer-lasting projects. We need to encourage this cooperation by providing more funding and technical support to local authorities, and by promoting participation of energy communities in public tenders.

- Going big: As energy communities mature, they are able to participate in larger and more complex projects, including offshore wind or district heating. We need to support this trend by including social criteria to allow energy communities to participate in public auctions and tenders.
- Contributing to a more flexible energy system: Through engaging in different activities such as energy sharing, energy communities can provide flexibility and other services to the system. However, regulatory frameworks still do not properly incentivise such activities. Collaboration with system operators, particularly at the local level, also needs to be supported.
- Leveraging public finance to de-risk energy community projects: When citizens want to develop an energy community, they still struggle to start it off. This is due to high bureaucratic burdens, and low financial support. Simplifying State Aid rules and improving access to EU funding for energy communities can help de-risk investments into local projects and encourage growth.
- **Promoting an inclusive energy transition:** to help energy communities build capacity to be able to target vulnerable and energy poor households, they need dedicated policy support.

Resources

Briefing "Second generation EU legislation for energy communities":



Community Energy: A practical guide to reclaiming power:



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