



COMMISSION
DE RÉGULATION
DE L'ÉNERGIE

3RD TRILATERAL CEER-ECRB- MEDREG WORKSHOP

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Advances in Implementation : Clean Energy for all Europeans *Energy Communities*

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SUMMARY

1. Introduction to CEP and Energy Communities

2. Energy Communities framework in the CEP

3. Main challenges for implementation

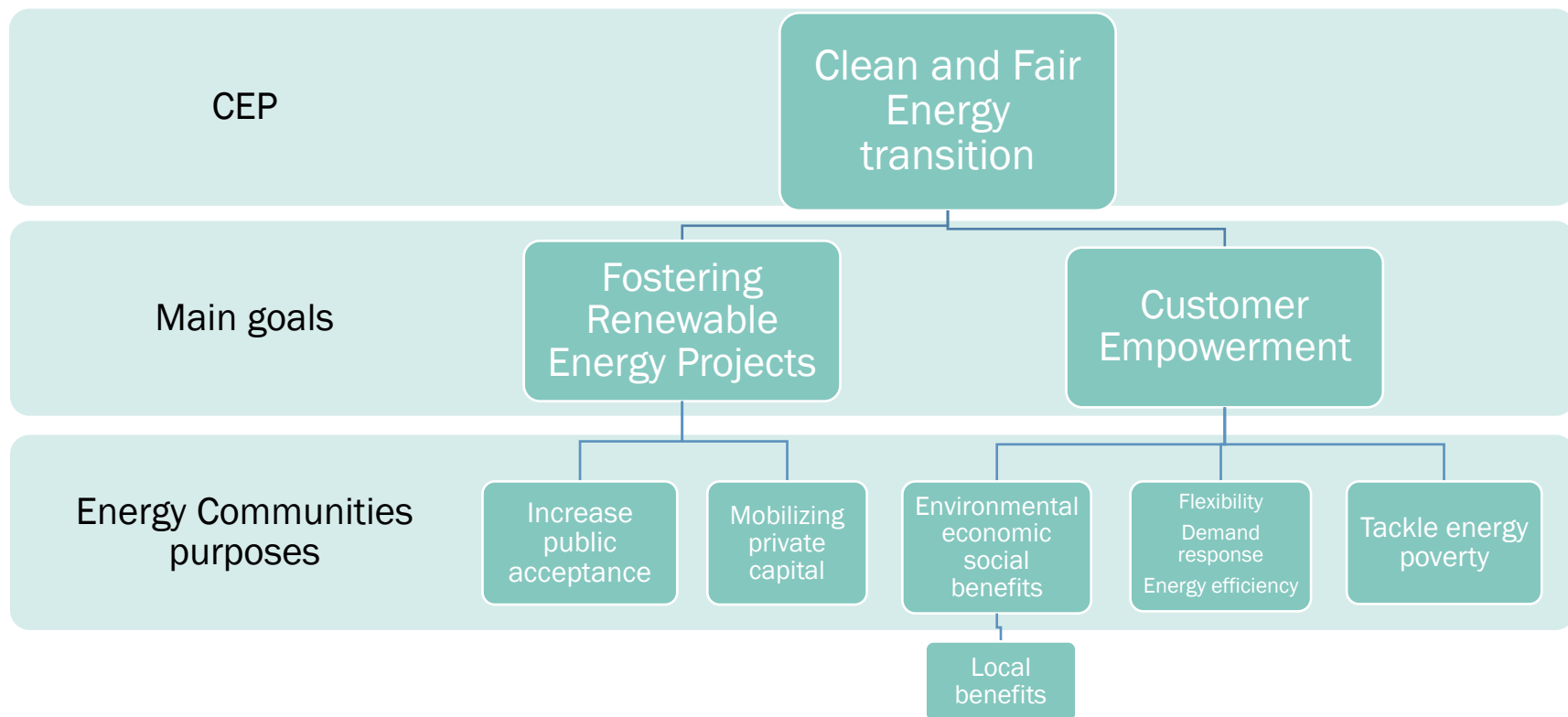
4. State of play of implementation

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1. INTRODUCTION TO CEP AND ENERGY COMMUNITIES

1. INTRODUCTION : CEP AND ENERGY COMMUNITIES

- Energy Communities (ENCOM) address **several goals** of the Clean Energy for all Europeans Package (CEP)



- ENCOM are an **energy and social innovation**

2. ENERGY COMMUNITIES FRAMEWORK IN THE CEP

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- Directive 2018/2001 RED II (article 22): Introduction of Renewable Energy Communities (REC)
 - Transposition Deadline: 30 June 2021
- Directive 2019/944 IEMD (article 16) : Introduction of Citizen Energy Communities (CEC)
 - Transposition Deadline : 31 December 2020
- Member States shall provide an **enabling regulatory framework** for RECs and CECS
- Member States shall ensure that RECs and CECs are **treated in non-discriminatory and proportionate manner** with regard to their activities as market participants
- For RECs, main elements of the enabling framework shall be **integrated in the NCEP**

2. ENERGY COMMUNITIES FRAMEWORK IN THE CEP

- RECs and CECs are social concepts with a common legal framework
- Open legal concept
 - Any form of entity
 - Open and voluntary participation
 - Effective control by members or shareholders
- Primary purpose is to provide environmental, economic or social community **benefits** for members or shareholders rather than financial profits
- RECS and CECS are **Market Participants**
 - Generation, consumption, energy storage, energy sharing

Rights

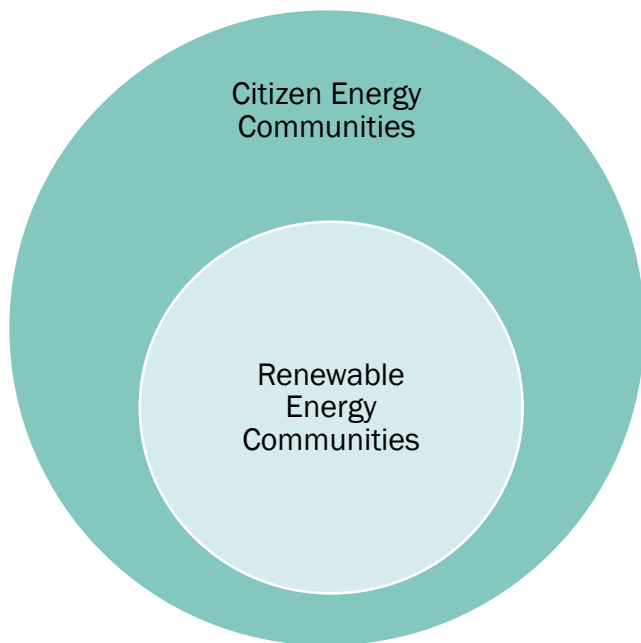
- **Equal footing** with other market participants (producers, suppliers, consumers...)
- **Access all suitable energy markets** directly or through aggregation in a non discriminatory treatment
- **DSO cooperation** for energy sharing

Obligations

- **Maintaining the rights and obligations** of the members as final consumers
- **Comply with registration and licensing procedures**
- Subject to relevant charges ensuring a fair contribution to the **overall cost sharing of the system**
- **CEC, balancing responsibility**

2. ENERGY COMMUNITIES FRAMEWORK IN THE CEP

Discrepancies	CEC	REC
Participation and control of the private sector	Small enterprises (Under the condition of Recital 44)	Autonomous SMEs, participation does not constitute their primary commercial or professional activity
Effective control Geographic proximity criteria	Effectively controlled by members or shareholders	Effectively controlled by members or shareholders located in the proximity if the renewable energy projects that are owned and developed by the legal entity
Energy sources	Electricity	Renewable energy
Activities	<p>Generation,, consumption energy storage, agregation</p> <p>Energy sharing</p> <p>Supply</p> <p>Energy efficiency services or charging services for EV or provide other energy services to its members or shareholders</p> <p>MS can allow to manage DS networks</p>	<p>Produce, consume, store and sell renewable energy.</p> <p>Energy sharing</p>



3. MAIN CHALLENGES FOR IMPLEMENTATION

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- **Methodological challenges**
- Pre-existing various initiatives and frameworks:
 - Collective self-consumption in France
 - Energy Community in Greece
- Identify barriers to the development of business models under development

- **Definition of the legal concepts**
 - Autonomous and effective control by members
 - Primary commercial or professional activity
 - Proximity criteria for RECs
 - Purpose to provide environmental, economic and social benefit
- **Regulatory challenges to ensure an enabling framework**
 - Protection of consumer rights of the Members of the ENCOM and/or the ENCOM itself vs. Financial strength of the ENCOM
 - Definition of a new market activity of « energy sharing »?
 - DSO s cooperation
 - Fair, cost reflective, transparent and non-discriminatory charges
 - Non-discriminatory, fair and transparent procedures

4. STATE OF PLAY OF IMPLEMENTATION

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- **TASK Forces dedicated** to the follow-up of the implementation process regarding CECs and RECs : ASSET Study, BRIDGE Task FORCE
- **Different implementation pathways** regarding the legal concept:
 - **Proximity criteria** : Use of Voltage, Distance based (Ex: France), administrative...
 - **Voluntary participation**: Ex: LUX: Notice period to leave the ENCOM of max. 1 year
 - **Energy sharing**;
 - geographical constrained
 - new role of the DSOs: DSOs charged for the measurement of energy under the control of NRA, obligation to attribute energy, to share DATA. Ex: Austria, LUX
 - Contribution to the **overall cost sharing of the system**
Ex., remuneration for participation to avoid some distribution costs, exemption of grid fees
- **Enabling framework** progressively implemented by State Members
 - Support schemes (remuneration schemes, national regulatory support...)
EX: Greece, Germany
 - Rights and responsibilities flexibility to facilitate market integration Ex: Portugal

5. CONCLUSION

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- Implementation still ongoing for RECS
- Potential of ENCOM in terms of benefits for consumers, the energy system and in regard to the contribution to energy transition **still need to be understood**
- Existing frameworks laid the groundwork to develop new business models
- Flexible framework will enhance development of new projects
- **Monitoring of market innovation and cross-exchanges of best practices** will be the cornerstone for the next steps of the implementation work
- NRAs have **the duty to monitor the removal of unjustified obstacles** to and restrictions on the development of ENCOMS

→ A framework to be designed through best practices to enable consumers engagement in the energy transition



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Thank you for your attention