

The Power of energy communities

As part of our POWER project, we organised a webinar on the rights to produce, trade, sell, store and own renewable energy across Europe. While citizen energy has been a driving force of the energy transition in some European countries, such as Germany and Denmark, further power of energy communities across Europe is needed to achieve a transition to 100% renewable energy and face our climate emergency. The good news is that this can become a reality once the EU directives of the “Clean energy for all Europeans package” are translated into national law. Two directives play a major role: the renewable energy directive (RED II) and the electricity market directive (EMD). Both put consumers at the centre of the energy transition. While RED II focuses on the rights of citizens to produce renewable energy, EMD ensures more transparency on electricity bills and enables energy consumers to participate actively, individually or through communities, in all markets, either by generating electricity and then consuming, sharing or selling it, or by providing storage services. This is groundbreaking for the decentralised energy transition, because it's the first time that rights and duties of citizens, prosumers and energy communities are regulated by the European commission and have to be transposed into national law.

But what is the current situation for the new rule book in Germany, Denmark, Poland and Turkey?

Germany

It is well-known that energy cooperatives have been a major part in pushing for a renewable energy transition in Germany. Partly due to the Renewable Energy Sources Act (EEG) which provided feed-in tariffs to encourage the generation of renewable energy, many citizens installed PV modules on their roofs or established energy cooperatives. There are currently approx. 870 citizens' energy cooperatives in Germany, with over 180,000 members. However, the number of new energy cooperatives has stagnated and there has not been much progress in peer-to-peer energy trading, definitions for renewable energy communities or even new models, such as tenant models, which still face many challenges, such as high bureaucracy and economic feasibility. The European directives have not been adapted in German law, but bring new hope to the decentralised energy community.

Denmark

Also Denmark has a history of cooperatives, particularly in the heating sector. 64% of all Danish heating is delivered via district heating systems owned by 350 consumer cooperatives and 50 larger municipal owned non-profit

companies. There was also a breakthrough for wind power, with increasing capacities from 5MW in 1985 to 840MW in 1998 due to feed-in tariffs of 85% of consumer price for cooperatives and fair connection costs. Now only 20% of the shares of land-based wind projects have to be in the hands of local citizens which is partly leading to increased protests against wind turbines. While past developments were fruitful, the current situation and future remains challenging. However, RED and EMD will be adopted after public consultation in mid-2020 and is likely to plant new seeds.

Poland

Although there are no energy cooperatives in Poland, in 2019 micro-installations of PV modules increased by approx. 200%. This is due to new governmental instruments, such as tax deductions and direct subsidies for micro-installations, as well as the increase in coal generated electricity prices. While a new cooperative legislation was passed last year, there are strict rules. For example, only rural areas are eligible with a total of three communities. Despite persisting obstacles, the interest in community power is growing and the new renewable energy directives are likely to help the push for decentralised energy initiatives. This might also be a boost for wind energy, the largest renewable energy source in Poland, where production numbers have been unchanged since 2016 due to new regulations on the distance between houses and wind turbines.

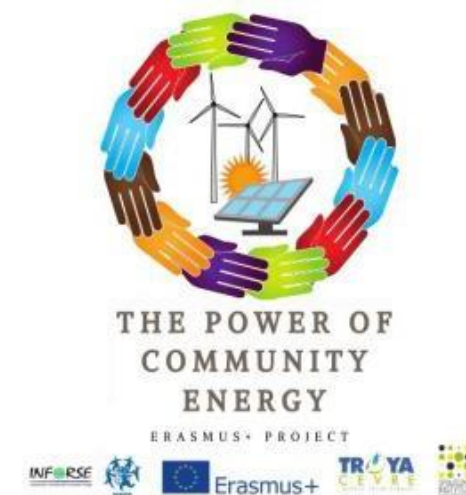
Turkey

In 2014, the concept of community energy was added to Turkish law for the first time, with some new additions to regulate the right of energy production in 2016. Immediately after this amendment 10 energy cooperatives were established. However, in 2019 the law was changed - a "common counter" was introduced and the installation of solar power plants was banned. Since cooperative members often live in different places, common counters are rather impossible. While there are currently 50 energy cooperatives in Turkey, only four of them received their permissions and made their installation

before the law changed in 2019, which means they produce energy. Further eight energy cooperatives are about to set up solar power plants. However, the remaining cooperatives are on hold and are putting their efforts into removing the regulation that prevents the establishment of local renewable power plants on non-agricultural land and to facilitate the allocation of non-agricultural public land to renewable energy cooperatives, and to remove the common counter requirement.

For more information, all presentations and the recording of the webinar can be found here:

<https://www.wecf.org/de/energiegemeinschaften-ein-blick-auf-die-aktuelle-rechtslage-in-europa/>



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SPEAKERS & TOPICS



Katharina Habersbrunner
RED II and its potential for energy revolution



Gunnar Boye Olesen
Energy sharing concepts in Denmark



Joanna Furmaga
Challenges of civic energy in Poland



Derya Nazan Ünverir
Energy cooperatives in Turkey