Energy Communities, an organisational model

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The Energy Communities Definitions

Eligibility criteria for Renewable Energy communities (RECs): more stringent than for Citizen energy communities (CECs) in all but one respect... CEC Effective control CEC REC Broader Geographic 4 K 🕸 U RESCOP.EU





Democratic Governance

A way to ensure the

One Member One Vote

Collegial votes

Representation votes



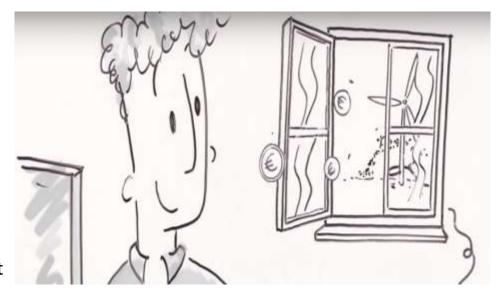


Effective Control and the principle of autonomy

Preserve the independence of the organisation

Effective control is not defined explicitly in either the Renewable Energy Directive or the Electricity Directive. It is for Member States to define, consistent with their existing company laws. However:

- a. The recitals to the Electricity Directive state that the "decision-making powers within a citizen energy community should be limited to those members or shareholders that are not engaged in large-scale commercial activity and for which the energy sector does not constitute a primary area of economic activity". This means that medium and large companies, both inside and outside the energy sector, should not be able to control or direct citizen energy communities, either through their investment or membership.
- b. For renewable energy communities, effective control must rest with members that are "in **proximity to the projects owned** and developed by the community." This means that members that are outside this proximity should not be able to control or direct citizen energy communities, either through their investment or membership.





Effective Control and the principle of autonomy

To ensure legal clarity, and proper acknowledgment and support of RECs in EU legislation, the definition should explicitly incorporate the principle of autonomy. Integrating this principle will:

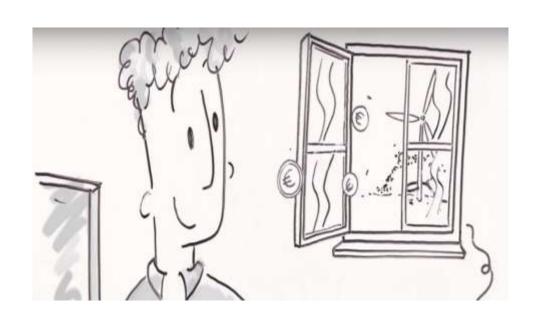
- avoid abuse of RECs by traditional energy companies by establishing a minimum level of independence that RECs should have other market participants and/or investors;
- balance the desires for flexibility with the necessity to ensure that decision-making control lies with local members/shareholders;
- ensure that participation by individual members or shareholders particularly energy companies – does not place the independence of the REC at risk, either through their voting power (in the board or the general assembly) or through their investment;
- prevent speculation by companies into RECs, ensuring longer-term financial stability.
- ensure RECs can enter into partnerships with other commercial energy companies without losing their identity or democratic control; and
- ensure trust by citizens in the concept of RECs, which will be important for uptake and acceptance of the clean energy package and its implementation.



Energy Cooperatives:

A different way to do business

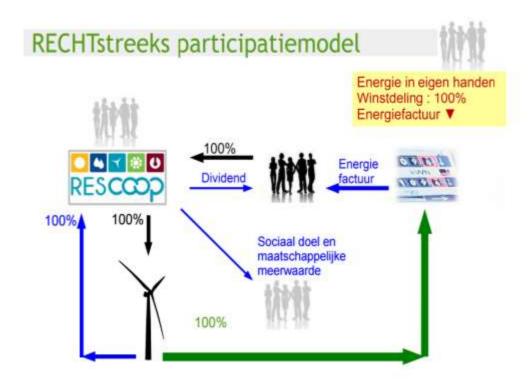
- Voluntary & open membership
- Economic participation
- Democratic ownership
- Autonomy & independence
- Training & education
- Cooperation amongst cooperatives
- Concern for community





Just some of the benefits of energy communities

- 1) Revenues from local renewables to meet local needs
- 2) Collaboration between local actors
- 3) Democratic community ownership
- 4) A gateway into the energy transition: benefiting the system in a time of change



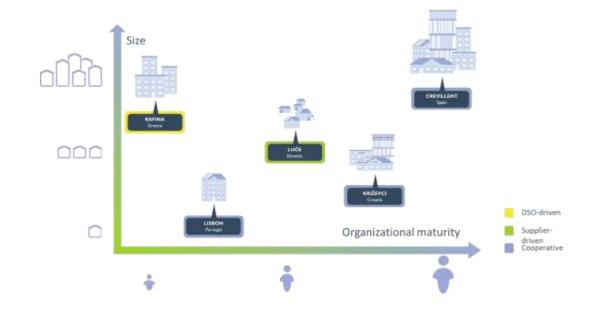
Community vs non-community local energy systems





COMPILE – Collective Engagement

- •5 pilots, in 5 countries, with each various levels of maturity both technical and engagement.
- •Integrate all the actors (citizens, local government and energy companies) for the development of an Energy Community in order to deliver a successful deployment of technical tools.









The Maturity Scale, a work in progress

Social Capital

- Membership base
- Interaction with the members

Financial Capital

- Traditional indicators
- Project financials

Political Capital

- Relationship with external actors
- Supportive networks

Technical Capital

- Structuring factors
- Technical Capabilities





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If you want to know more, please contact us!

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