

# Citizen and Renewable Energy Communities

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# Agenda

## ☀ Definitions and elements of communities

1. Organisational form - legal entity! Which type of legal entity?
2. Who can participate in a community?
3. Who can govern a community?
4. What activities can be performed?
5. What is motivation for establishing communities?

# What are energy communities?

<b>Citizen Energy Communities (CECs)</b> <b>Article 2(11) EMD 2019/944</b>	<b>Renewable Energy Communities(RECs)</b> <b>Article 2 (16) RED II</b>
<p><b>a legal entity that:</b></p> <p>(a) is based on <b>voluntary and open participation</b> and is <b>effectively controlled</b> by members or shareholders that are natural persons, local authorities, including municipalities, or small enterprises;</p> <p>(b) has for <b>its primary purpose</b> to provide environmental, economic or social community benefits to its members or shareholders or to the local areas where it operates rather than to generate financial profits; and</p> <p>(c) may <b>engage</b> in generation, including from renewable sources, distribution, supply, consumption, aggregation, energy storage, energy efficiency services or charging services for electric vehicles or provide other energy services to its members or shareholders</p>	<p><b>a legal entity:</b></p> <p>(a) which, in accordance with the applicable national law, is based on <b>open and voluntary participation</b>, is <b>autonomous</b>, and is <b>effectively controlled</b> by shareholders or members that are located in the proximity of the renewable energy projects that are owned and developed by that legal entity;</p> <p>(b) the shareholders or members of which are natural persons, SMEs or local authorities, including municipalities;</p> <p>(c) <b>the primary purpose</b> of which is to provide environmental, economic or social community benefits for its shareholders or members or for the local areas where it operates, rather than financial profits</p>

# Who can participate in a community, who can govern?

	<b>CECs</b>	<b>RECs</b>
<b>Participation (open and voluntary)</b>	Natural persons Legal entities, without limitation	Natural persons Local authorities, including municipalities and SMEs Low-income and vulnerable households!
<b>Effective control</b>	Natural persons, local authorities or small enterprises; Large companies engaged in energy sector – no (recital 44 EMD)	Members who are in the proximity of the project

# Activities

	<b>CECs</b>	<b>RECs</b>
<b>generation</b>	<b>+ (only electricity)</b>	<b>+ (electricity and heat)</b>
<b>consumption</b>	<b>+</b>	<b>+</b>
<b>storage</b>	<b>+</b>	<b>+</b>
<b>supply/sale</b>	<b>+</b>	<b>+</b>
<b>sharing of energy</b>	<b>+</b>	<b>+</b>
<b>distribution</b>	<b>+</b>	
<b>aggregation</b>	<b>+</b>	<b>+</b>
<b>energy efficiency services</b>	<b>+</b>	
<b>charging of electric vehicles</b>	<b>+</b>	

- Subject to all rights and obligations that apply to chosen activity/activities (licensing, registration, ..)

# Purpose

➤ **Economic benefits**

Creating local jobs

Lower energy bills

Energy independence

➤ **Environmental benefits**

Reduction of emissions

➤ **Social benefits**

Local cohesion

Public acceptance and trust

Energy democracy

## Community has to be a legal entity

- National legislation can decide which type of legal entity will be available for communities
- It can be:
  1. any type of legal entity (LLC, JSC, cooperatives, partnerships, associations, etc.)
  2. specific type of legal entity (cooperatives, partnership)
- EMD instructions on CECs: cooperatives, partnerships, SMEs,.. (Recital 44)
- Subject to all rights and obligations that apply to chosen legal form (cooperatives, associations, partnerships, etc..)

# Example

## SCOONSHIP Floating neighbourhood in Amsterdam

**Organisational form:** Cooperative

**Participation:** 46 members

**Control:** Board, appointed by all members of Assembly

**Activities:** generation of renewable electricity and storage (500 PV solar panels, plus batteries) and heat generation (30 heat pumps), electro-mobility (car sharing, e-bikes)

**Purpose:** sustainable housing



Source: SCOONSHIP





**THANK YOU**  
**FOR YOUR ATTENTION**

## **GET IN TOUCH**

 [www.energy-community.org](http://www.energy-community.org)

 [Ener\\_Community](https://twitter.com/Ener_Community)

 [/company/energy-community](https://www.linkedin.com/company/energy-community)

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