

THE ENERGY COMMUNITY

Policy Guidelines on Grid Integration of Prosumers

Energy Community Secretariat
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Policy Guidelines on the Grid Integration of Prosumers:

- *Built on EC working document “Best Practices on Renewable Energy Self-consumption” (2015)*
- *ECDSO-E Study on “Distributed Generation for Self-Consumption, Key Aspects and Recommendations of Good Practice”*
- *Provides guidelines for small-scale renewable plants for self-consumption*

Clean Energy Package

- *Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources generation migration from transmission to distribution*
- *Directive (EU) 2019/944 on common rules for the internal market in electricity*



POLICY GUIDELINES
by the Energy Community Secretariat
on the Grid Integration of Prosumers

PG 01/2018 / 5 Feb 2018

COMPLIANT



Harmonisation of PG with CEP definitions

Policy Guidelines on the Grid Integration of Prosumers:

- *‘Prosumer’ is an electricity consumer that produces part of his/her electricity needs from his/her own power plant and uses the distribution network to inject excess production and to withdraw electricity when self-production is not sufficient to meet his/her own needs*
- *‘Self-consumption’ is the consumption of an electricity consumer with an installed distributed generation system intended for his/her own or on-site consumption and entitled to receiving remuneration for the non-consumed electricity fed into to the grid.*

RED II

(14) ‘renewables self-consumer’ means a final customer operating within its premises located within confined boundaries or, where permitted by a Member State, within other premises, who generates renewable electricity for its own consumption, and who may store or sell self-generated renewable electricity, provided that, for a non- household renewables self-consumer, those activities do not constitute its primary commercial or professional activity;

(15) ‘jointly acting renewables self-consumers’ means a group of at least two jointly acting renewables self-consumers in accordance with point (14) who are located in the same building or multi-apartment block;

Policy Guidelines provide as et of recommendation regarding grid integration of prosumers in relation to:

- **LEGAL AND REGULATORY FRAMEWORK**
- **TECHNOLOGY AND CAPACITY CRITERIA**
- **SELF-CONSUMPTION COMMERCIAL SCHEMES**
- **EXCESS ENERGY TREATMENT**
- **GRID COSTS**
- **VAT AND OTHER TAXES AND LEVIES**
- **IMBALANCE SETTLEMENT**
- **GRID CONNECTION**

PG recommendations on Legal and Regulatory framework

RED II Article 21:

6. Member States shall put in place an enabling framework to promote and facilitate the development of renewables self-consumption based on an assessment of the existing unjustified barriers to, and of the potential of, renewables self-consumption in their territories and energy networks. That enabling framework shall, inter alia:

- (a) address accessibility of renewables self-consumption to all final customers, including those in low-income or vulnerable households;*
- (b) address unjustified barriers to the financing of projects in the market and measures to facilitate access to finance;*
- (c) address other unjustified regulatory barriers to renewables self-consumption, including for tenants;*
- (d) address incentives to building owners to create opportunities for renewables self-consumption;*
- (e) grant renewables self-consumers, for self-generated renewable electricity that they feed into the grid, non-discriminatory access to relevant existing support schemes as well as to all electricity market segments;*
- (f) ensure that renewables self-consumers contribute in an adequate and balanced way to the overall cost sharing of the system when electricity is fed into the grid.*
- (g) Member States shall include a summary of the policies and measures under the enabling framework and an assessment of their implementation respectively in their integrated national energy and climate plans*

PG recommendations on Technology and Commercial criteria

RED II - Article 21 Renewable self-consumers

2. Member States shall ensure that renewables self-consumers, individually or through aggregators, are entitled:

- (a) to generate renewable energy, including for their own consumption, store and sell their excess production of renewable electricity, including through renewables power purchase agreements, electricity suppliers and peer-to-peer trading arrangements, without being subject:
 - (i) in relation to the electricity that they consume from or feed into the grid, to discriminatory or disproportionate procedures and charges, and to network charges that are not cost-reflective;*
 - (ii) in relation to their self-generated electricity from renewable sources remaining within their premises, to discriminatory or disproportionate procedures, and to any charges or fees;**
- (b) to install and operate electricity storage systems combined with installations generating renewable electricity for self-consumption without liability for any double charge, including network charges, for stored electricity remaining within their premises;*
- (c) to maintain their rights and obligations as final consumers;*
- (d) to receive remuneration, including, where applicable, through support schemes, for the self-generated renewable electricity that they feed into the grid, which reflects the market value of that electricity and which may take into account its long-term value to the grid, the environment and society.*

PG recommendations on energy storages

A support to self-consumers with energy storages should be considered:

- ***Renewable self-consumers should be entitled, individually or through aggregators, to install and operate electricity storage systems combined with installations generating renewable electricity for self-consumption without liability for any double charge, including network charges, for stored electricity remaining within their premises.***
- ***A support for the deployment of an integrated installation of DG and energy storage equipment should be considered taking into account its long-term value to the grid, the environment and society.***
- ***ToU tariffs should be used to incentivise self-consumers with an integrated energy storage systems to discharge batteries at times of high wholesale electricity price periods.***
- ***In the network planning, system operators should analyse where the self-consumption with the integrated energy storage could best support the network.***
- ***Self-consumers with an integrated energy storage system should be incentivised to provide maximum support to the grid, namely to discharge batteries during peak demand periods (as opposed to discharging the battery as soon as the PV generation drops below self-consumer's demand). In designing network tariff structures the regulators should consider the possible support of energy storage systems to the network.***

RED II - Article 21 Renewable self-consumers

3. Member States may apply non-discriminatory and proportionate charges and fees to renewables self-consumers, in relation to their self-generated renewable electricity remaining within their premises in one or more of the following cases:

- (a) if the self-generated renewable electricity is effectively supported via support schemes, only to the extent that the economic viability of the project and the incentive effect of such support are not undermined;**
- (b) from 1 December 2026, if the overall share of self-consumption installations exceeds 8 % of the total installed electricity capacity of a Member State, and if it is demonstrated, by means of a cost-benefit analysis performed by the national regulatory authority of that Member State, which is conducted by way of an open, transparent and participatory process, that the provision laid down in point (a)(ii) of paragraph 2 either results in a significant disproportionate burden on the long-term financial sustainability of the electric system, or creates an incentive exceeding what is objectively needed to achieve cost-effective deployment of renewable energy, and that such burden or incentive cannot be minimised by taking other reasonable actions; or**
- (c) if the self-generated renewable electricity is produced in installations with a total installed electrical capacity of more than 30 kW.**



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