Background of the New EU-Directive: Will There Be Place for Community Power?

Baggrund for ny EU-Direktiv: Vil det indeholde Community Power?

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Organizers:

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Will There Be Space for Community Power?

THE NEW EU RENEWABLE ENERGY DIRECTIVE

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Folkecenter
Local communities have to be at the core of the transition towards 100% renewable energy
Local Opposition

- Currently there are about 110 groups against wind turbines in Denmark.

- Even if 80% of the Danes are in favour of wind turbines, 80% are against wind turbines to be built nearby their living places. (NIMBY effect)
It is not the wind turbines that local citizens oppose to, but the model behind the wind turbines.
Community ownership is focused on the objective of using the income generated by renewable energy projects to benefit the residents of local communities, i.e. the main objective is achieving the **common good**. In contrast, the main objective of commercial ownership models is to generate private profit.
Wind Power & Community Ownership

for improvement of infrastructure, creation of new jobs, for finance for local schools in rural areas, for taking care of elder and/or ill people, addressing poverty and limited energy access, for supporting local organisations, for environmental projects, for local public e-transport, etc.

Provide benefits not just for a few investors but for everybody in the community so they can all see renewable energy as a local improvement.
Wind Power & Community Ownership

- The areas with the weakest economies are also the ones with the best wind conditions.
- Lack of awareness and local resistance prevents rural communities from making the most of their wind resources.
Community Ownership

New Development

RENEWABLE ENERGY

Acceptance

Improved Economy

Initiatives
100 % RE
&
Community Power*

*for Common Good
European and Danish support schemes for renewable energy should promote implementation of community-owned projects.
The New EU Directive on the Promotion of the Use of Energy from Renewable Energy Sources

“The European Union (EU) has long been worldwide leader in the promotion and development of renewable energy [...]”

“This ambition should cover not only the objective to increase deployment of renewable energy, but also the supply by European companies of key components inside and outside the EU.”

“The new framework sets out the European Union target of at least 27% for the share of renewable energy consumed in the EU in 2030. This target is binding at EU level and will be fulfilled through individual Member States' contributions guided by the need to deliver collectively for the EU.”
The New EU Directive on the Promotion of the Use of Energy from Renewable Energy Sources

“By acting at EU-level, several barriers to public and private investments (e.g. related to authorisation procedures) could be tackled, addressing the lack of coordination between various authorising bodies at national level [...]”
Article 22

Renewable energy communities

“[...] an SME or a not-for-profit organisation, the shareholders or members of which cooperate in the generation, distribution, storage or supply of energy from renewable sources, fulfilling at least four out of the following criteria:

(a) shareholders or members are natural persons, local authorities, including municipalities, or SMEs operating in the fields or renewable energy;

(b) at least 51% of the shareholders or members with voting rights of the entity are natural persons;
Article 22

Renewable energy communities

(c) at least 51% of the shares or participation rights of the entity are owned by local members, i.e. representatives of local public and local private socio-economic interests or citizens having a direct interest in the community activity and its impacts;

(d) at least 51% of the seats in the board of directors or managing bodies of the entity are reserved to local members, i.e. representatives of local public and local private socio-economic interests or citizens having a direct interest in the community activity and its impacts;

(e) the community has not installed more than 18 MW of renewable capacity for electricity, heating and cooling and transport as a yearly average in the previous 5 year.
Article 22

Renewable energy communities

1. Member States shall ensure that renewable energy communities are entitled to generate, consume, store and sell renewable energy, including through power purchase agreements, without being subject to disproportionate procedures and charges that are not cost-reflective.

2. Without prejudice to State aid rules, when designing support schemes, Member States shall take into account the specificities of renewable energy communities.
The Directive Ought to...

- define **COMMUNITY POWER** and clearly differentiate it from LOCAL POWER and CITIZEN POWER, which should also be defined;
- set binding goal for community power for 2030;
- ensure that the tariff system in all countries makes community power projects bankable; **NO BIDDING PROCESS**

Community-owned projects should get a fair guaranteed price:

- **production cost + fair community bonus**
Communities for RE

RE for Development of Communities
Thank you for your attention