Committee of the Regions Opinion

Stakeholders consultation: "Models of local energy ownership"

1. Are there any examples from the Member States of regionalising energy infrastructure (such as taking up or taking back ownership of street lighting) and/or issues which have pleased community members?

- The Occitanie Regional Council in Southern France set up the Regional Energy and Climate agency at the beginning of 2018.This structure is the first one in France and it will be responsible for investing directly in renewables and promoting the reduction of energy consumption. Endowed with 10 million euros of annual budget, this structure born in December has several levers of action to initiate the energy transition of Occitanie.

- In Belgium, municipal entities can decide to manage one or more fields of common interest together. An *intercommunale* is an association that 2 or more municipalities can create in order to do so. The intercommunales can create companies, which a private company may also join. There are also intercommunales operating in the energy sector. All Belgian Distribution System Operators are intercommunales. Due to the liberalisation of the energy market the private monopolist Engie/Electrabel has retreated from the so-called 'mixed' intercommunales. As a result all DSO's are purely publicly owned now. They are not completely independent from the Region whose regulator granted them the right to provide the service.

- The collaboration between the Duero and the Douro regions. Among the different areas of cooperation, the regions of Duero in Spain and Douro in Portugal also announced to collaborate in the energy field. The project is quite new but very promising!

- In order to tackle challenges related to the energy transition, German Stadtwerke, Blankenburg, has cooperated for 4 years with another utility, Halberstadtwerke.

- In Haren, Germany, 147% of the local power demand is covered by renewables, mostly wind and solar. In the border town of Emmen, the figure only reaches 3%. If direct energy flows were allowed between the two cities at distribution level, this would allow Emmen to tap some 79.000 MWh of excess electricity from its neighbouring German city, enough to power the annual consumption of an average of 24.000 households. The two local authorities have started looking at opportunities, including Horizon 2020 funding, to bring this **cooperation project** to fruition.

- Stadtwerke Munich prioritises projects in Munich and its surrounding region. The company currently operates 24 photovoltaic plants in this region. The portfolio in Munich and the surrounding region also includes 13 hydroelectric power plants, a biogas processing plant,

a cogeneration plant, two geothermal plants and a wind park. Further power plants are planned. (https://www.swm.de/english/company/energy-generation/renewable-energies.html)

- Cross-border renewable energy crowdfunding

2. Is the local/regional authorities' role in taking over energy infrastructure becoming significant?

We are aware of more and more cases where local authorities are taking back control of the energy system. For example, with the report "Reclaiming Public Services" TNI provided an overview of remunicipalisation taking place all over the world. In Germany, we have witnessed a remunicipalisation wave. However, it is not yet possible to identify a clear European trend in the energy sector. There is too much fragmentation and it is very difficult to grasp the amplitude of this phenomenon.

It is clear that within the current global climate/energy governance framework, local authorities are part of the solution. Only by distributing control among local actors will we be able to get to a fair energy transition and effectively fight climate change. Furthermore, this would contribute to local development and the reduction of (energy) poverty. Energy Cities president Eckart Würzner referred to grid ownership as a "cash machine", as the earnings generated can be directly re-invested in the community.

There is an enormous interest among local authorities to embark in such process and take control of their grids, but also a lot of uncertainty on the "hows and whats" and fear to fail. Energy Cities is currently providing assistance to cities in this regard, by sharing best practices, bringing in experts and pioneers through the organisation of workshops and trainings. Such activities are fundamental to fill in the current knowledge and confidence gap. EU funds should be specifically devoted to this purpose so that similar activities could be extensively implemented all over Europe.

- **Remunicipalisation in Germany**: a 2013 study by the Wuppertal Institute counted 70 new municipal utilities as well as 200 cases where the electricity grid concession contract was awarded to municipal utilities already in operation in 2005. This movement was inspired by the example of Schoenau in the Black Forest, where in the 1990s in the wake of Chernobyl, citizens mounted a successful initiative to win back the concession to own their grid. Energy remunicipalisation initiatives have since been launched in a number of large cities through citizen initiatives, such as Berlin, Hamburg and Stuttgart, but also in much smaller municipalities, like Titisee-Neustadt. In addition to the award of new concession contracts, a number of factors have contributed to this remunicipalisation momentum: strong political and citizen mobilisation in favour of bringing these activities back under public and/or local citizen control, increasing dissatisfaction with private operators' management and the desire to better coordinate and boost the local energy transition

- **Barcelona Energia**: more recently, the city of Barcelona launched its own energy company, Barcelona Energia, a public electricity distributor for the Barcelona Metropolitan Area. Barcelona Energia works towards the transition to a sustainable energy model by boosting self-sufficiency and favouring locally produced 100% green energy. Other cities in Spain are now adopting a similar initiative (such as Cadiz and Pamplona)

- **Hostětín, Czech Republic**: Looking at smaller scale the town of Hostětín (Czech Republic) provide a good case for municipal energy. With the price of natural gas rising, households tend to disconnect from gas-fired municipal plants and return to coal boilers thereby causing increased pollution. In order to avoid that, the town of Hostětín (Czech Republic) has decided to build a municipal heating plant, using wooden chips in combination with solar energy. This is contributing to the energy self-sufficiency of the town together with 9 thermo-solar systems on family house rooftops as well as a facade collector installed on the educational centre and large scale collector on the roof of the local cider house.

3. What is the role of local energy communities when the energy infrastructure is managed by the local/municipal authority?

Energy communities represent a distinct market actor in the energy system. Composed of citizens, energy communities empowering citizens to get involved collectively in the ownership and governance of renewable energy generation, services and infrastructure. Aimed at providing economic, social and environmental benefits for their members and the local community over profits, energy communities represent a social innovation in the energy sector.

Energy communities play many roles at the local level. As a European association, REScoop.eu represents approximately 1,500 energy communities (also known as renewable energy cooperatives, or REScoops) across 12 different Member States. These members engage in various activities from renewable energy generation and retail supply to energy efficiency, electric vehicle sharing, aggregation, provision of other energy services, district heating and power distribution. As such, they can play many roles and provide a number of benefits including:

- **Provision of local, clean renewable energy** - most energy communities generate electricity from renewables such as solar PV and wind, and export it to the grid. Larger energy communities supply local renewable electricity to their members. Citizens, local small businesses, and local authorities can become members of REScoops, or be supplied with renewable electricity from the REScoop. This contributes directly to the decarbonisation objectives of the local/municipal authority, and empowers local citizens.
- **Provision of technical expertise** - the aim of energy communities is to provide services to their members and local communities where they reside. When it comes to local authorities/municipalities, REScoops often provide technical expertise and other services that support the objectives of the authority. For instance, in Gent, the local REScoop, Energent, provides technical advice to local citizens that are receiving support by the city of Gent to invest in renewables and energy efficiency. Moreover, local/municipal authorities can procure power and other energy services from REScoops. Lastly, REScoops can act as strategic partners to assist local/municipal authorities in developing and implementing decarbonisation plans, for instance under the Covenant of Mayors. As an example, Ecopower, a cooperative from Flanders, was recently chosen by the city of Leuven to help them prepare for the energy transition.
- **Act as a partner to support local economic and social objectives** - Energy communities contribute to local economic resiliency. In many cases, citizens will establish an energy community in order to invest in renewable energy production, the profits from which are then reinvested back into the local community. This model has been used to fund education initiatives in kindergartens, renovations of community centres and local

infrastructure such as harbors, initiatives to address energy poverty and vulnerable citizens, energy efficiency in public buildings, and electrification of transport. All of these initiatives have contributed to local economic development. In fact, it has been shown that community-owned wind farms in Germany generate eight times as much local value as internationally-owned wind farms.

There are a number of reports which demonstrate the benefits that energy communities provide at local level. Below are a couple:

- The benefits of community ownership of renewable energy: Joint paper by Friends of the Earth Europe and REScoop.eu
- From remote island grids to urban solar co-operatives

4.How do local authorities interact with members of the public/recipients of energy community services?

As pointed out in Energy Cities publication "Local energy ownership in Europe" reinforcing the relationship between citizens and local authorities is a central component of local energy ownership initiatives, and fits into a wider perspective: reinventing local governance models around the notions of co-production and co-development; in other words: "deciding with citizens rather than for citizens".

REScoops see local authorities as natural allies who both serve the same stakeholder: the citizen. As such, many energy communities already work actively with local authority and have developed innovative ways of collaborating.

An increasing number of examples illustrate the opportunities and merits of direct citizen participation in local public energy companies, which brings many benefits. For citizens, direct participation means playing an active role in the company's governance at a local level, a guarantee of increased responsiveness. Financial participation in companies and projects run by the local authority also contributes to keeping citizens' savings in the local economy, while making them "meaningful".

Some examples:

- Plymouth City Council identified community energy as a potential solution to energy poverty and played a major role in the creation of Plymouth Energy Community in 2013. Today the community includes 1200 individuals and organisations, working towards the transition to an affordable and low carbon energy system. They provide their users access to grants to cancel energy debt, free and assisted insulation and advice on the best tariff options.

- As part of its commitment to the European Covenant of Mayors, the city of Mouscron, Belgium, teamed up with its citizens to launch the "Coopem" (Cooperative Energy of Mouscron) a joint venture between the city and its inhabitants that provides local households with attractive solar investment opportunities.

- Amel & Bülingen municipalities in the German speaking region of Belgium decided to initiate and participate in a large wind farm on municipal property. 50% of the project will be public and owned by the municipalities (25% Amel and 25% Bülingen). The remaining 50% will be privately owned by two local energy cooperatives. 25% will be owned by

Courant d'Air, 25% by Ecopower. A Special Purpose Vehicle (SPV) will be put in place to accommodate the Public Private Partnership.

- In order to encourage Czech citizens to leave their comfort zone by ceasing to be passive consumers, Litomerice has launched an aid program for the installation of solar thermal panels. Financial incentives have also been introduced to encourage people to give up coal-fired, unsustainable heating.

- Many cities have created on-line tools that facilitate the development of projects by citizens and energy communities. For instance, the city of Gent has created a solar map and a heat map to help citizens see whether certain roofs throughout the city are suitable for installation of solar PV or housing renovations. Many cities, such as Bristol in the UK, and Freiburg in Germany, have also developed these tools.

A number of innovative examples of collaboration between energy communities and local authorities can be found in a report recently published by REScoop.eu, entitled "REScoop - Municipality Approach".

At the moment, members of REScoop.eu are establishing a European Cooperative Society that will act as a fund to support the development of new public private partnerships to invest in renewable energy and energy efficiency projects. The fund will tackle the main challenges that prevent both energy communities and local authorities (both individually and jointly) from investing in such projects.

5. What risks/opportunities have been identified for local/regional authorities in economic, legislative or regulatory terms, and what needs to be done or stopped?

We need a level playing field and non-discrimination in the internal energy market. This should be based on equal treatment: similar market participants should be treated the same, while market participants in substantially different positions or situations should receive different treatment. We identified the following priorities from a legislative/regulatory perspective:

- Priority access/dispatch for renewables, especially for smaller actors, must be maintained until it is demonstrated that market distortions for inflexible, dirty overcapacity have been dealt with. Retroactive changes to existing EU policy support must be avoided.
- De minimis thresholds on balancing responsibility for smaller actors must be maintained, while balancing responsibility itself should be coupled with guaranteed full access to balancing markets for renewable energy communities.
- Provisions on the definition of local energy communities, and their roles and responsibilities under Article 16 of the Electricity Directive, need to be clarified so that they can benefit from a level playing field to participate in all markets across the energy system. This includes providing energy communities, including local authorities, the right to own and operate distribution networks and/or community networks (i.e. micro-grids).

6. What is the role of the local energy community and have there been any conflicts of interest requiring redress?

No answer.

7. Are rules or legislation needed to support energy infrastructure at local/municipal/regional level with a view to meeting the goals set under the European Energy Union (safety, sustainability, and security of supply)?

According to a study by CE Delft, by 2050 citizens could own around 45% of renewable energy production. However, this is only potential. In order to be realised, rules and legislation need to provide prosumers, energy communities and local authorities with a level playing field to participate in Europe's internal energy market.

The need for special rules regarding prosumers and energy communities in the energy sector has been well demonstrated (See Clientearth (2016). Prosumer Rights: Options for an EU legal framework post-2020; ClientEarth (2015). Promoting citizen participation in the energy transition: recommendations for an EU legal framework to support community energy).

First, citizens and energy communities are in a sufficiently different legal and factual situation compared to other market participants. Yet, they have no official recognition under EU legislation. They have thus been operating under regulatory frameworks that were designed for a centralised energy system where large energy companies produce energy from dirty fossil fuels. Citizens and energy communities have historically been treated the same as larger traditional energy companies, leading to both explicit and implicit discrimination. Therefore, these market actors need acknowledgment so that they can benefit from proportionate and different treatment when necessary.

Second, while some Member States have developed enabling measures designed to help citizens and energy communities participate in the market, many Member States either have no measures whatsoever or actively put barriers in place to make it hard to participate. Therefore, citizens and energy communities need rights to ensure that they can participate in the energy transition without having to worry about unjustified barriers.

In particular, as regards the operation, management or ownership of energy infrastructure, such as power distribution networks, national legislation and regulations in many Member States make this virtually impossible for local actors such as local/municipal authorities or energy communities. This is designed to keep the monopolists in their current position. Rules are needed in order to open up this activity to local actors so that they can compete on a level playing field to own and operate local energy infrastructure in line with the social and environmental objectives/values of the local population.

8. Does the regulatory framework need to be adapted to allow for the support given to potential investors (prosumers) when exploiting small capacities of renewable energy sources (e.g. 100 kW)?

The existing legal and regulatory framework was designed for large centralised power plants that transport dirty fossil fuel across long distances to passive consumers. This framework inherently discriminates against smaller distributed energy resources that are now contributing to more 'active' customers operating in a more 'decentralised' energy system.

The market design and regulation needs to acknowledge the specificities of the market actors that invest in small generation units for renewables production. First, it is important to acknowledge that it is often citizens (either individually or collectively) investing - not sophisticated investors or businesses. Regulatory frameworks need to protect citizens and ensure their investments are protected.

As such, they should not have to take on the burdens associated with:

- **balancing responsibility** - balancing responsibility implies a high amount of technical expertise and assumption of financial risk, more than any average citizen is capable of taking on. Many times, citizens can procure balancing services from a third party. However, this can be costly and where markets are not functioning, service providers can take advantage, making the economic case unworkable. Imposing this burden on such a small actor that neither has the technical or bargaining expertise to handle this responsibility is discriminatory.
- **cumbersome licensing and administrative requirements** - navigating licensing and other administrative requirements is costly, complicated and time-consuming. For non-professionals, these burdens will often prevent citizens and communities from investing.
- **auctions and tenders for support** - citizens and communities do not have the capacity to compete in competitive bidding for renewables support. In particular, they are unable to spread higher risk across multiple projects, to finance sunk costs without certainty of success, or to meet high participation criteria.

Fundamentally, regulations need to be minimal and simplified, when possible. Furthermore, citizens and communities need transparency, and access to technical and financial information.

Regarding market design, smaller actors need to be guaranteed access to markets, not just for renewable energy but also for flexibility. As more renewables come into the system, flexibility will become a key issue. As smaller actors tend to have less flexibility to provide compared to say, a large industrial plant, they tend to face more barriers gaining market entry. However, aggregators that can bundle small loads and generation into bigger units to sell into the market, providing more opportunities for small actors to gain access (for instance to markets for balancing and congestion management). The energy market design must allow for this.

9. Are there any positive examples of local energy community involvement in the Member States?

REScoop.eu has around 1,500 members across 12 different Member States. Therefore, the number of positive examples of the local environmental, social and economic benefits these energy communities provide are many. A number of these have been documented, which you can find here:

- REScoop 20-20-20 Best Practices Report I
- REScoop 20-20-20 Best Practices Report II
- REScoops - leading the way for a fair energy transition
- Community Power: Model legal frameworks for citizen-owned renewable energy

Below are some specific examples:

- Crowdfunding for renewable energy installations: in Krizevci (Croatia) the Green Energy Cooperative (ZEZ) launched the first crowd-investing initiative in the country, supported by Križevci local authorities. Thanks to this initiative, a solar PV system is being installed on the rooftop of Križevci Business Centre's administrative building.
- The Zeeland Climate Fund, financed through the CO2 compensations from major companies, organizations and large event organisers in Zeeland Province (NL). The fund seeks to offset CO2 emissions in the territory of Zeeland by supporting (citizen-steered) projects that have an added value for the community and the regional economy.
- Bégawatts project in Brittany (first French wind farm developed and financed by local citizens), these projects have drawn the attention of lawmakers who integrated a number of provisions in favour of participative projects in the 2015 Energy Transition Act (Poize, 2015).
- The city of Cadiz elaborated an action plan against energy poverty. The plan was developed by a group of unemployed citizens, who previously had been trained as energy advisers and given an eight-month contract by the city council. Thanks to the plan, they tackled unemployment in their region while raising awareness on energy issues and helping the ones in need.

- Hvide Sande, Denmark Hvide Sande represents how small communities collectively benefit from renewables projects, not just individuals that have money to invest. Hvide Sande is a small fishing community with the fifth largest port on the west coast of Denmark. In 2010, the local Homsland Dunes Tourism Association, along with local unions, industry and utilities, established a community foundation for the purposes of constructing three offshore wind turbines of 3MW on shoreline owned by the harbour. This allowed the project to both maximise wind potential, and to get around strict planning restrictions, which usually prohibit installation of wind turbines within 300 metres of the shoreline. Prior to the establishment of the foundation, private developers had been unsuccessful in gaining authorisation for a similar project, mainly because of public dissent. Because it was community led, the project proposed by the community foundation was successful. While the project benefits the tourism association, it was also intended to broadly contribute towards local development of the harbour and the community. According to its bylaws, the foundation has a purpose to "support the development of Hvide Sande harbour and the tourism in Ringkøbing/Skjern Municipality by production of renewable energy." The foundation owns 80% of the project, while the other 20% is owned by Hvide Sande Nordhavn Møllelaug I/S, a partnership, as required under national law. The board is made up of members from within the community, including two representatives from the harbour. Furthermore, members from the tourism association are prohibited from serving on the

board in order to maintain independence. The harbour also benefits from an annual rent of DKK 4.8 million paid by the foundation. Once established, the foundation raised the appropriate amount of capital; then, as a distinct legal entity, it borrowed the rest from a local lending institution. Once this is paid off (estimated at between 7-10 years), the foundation will have approximately €1.2 million per year to spend on local development.

- Odenwald,Hesse, Germany - In Odenwald (Germany) the local municipality supported the foundation of a local energy cooperative that has raised over 10 million euro from local citizens to finance projects in the community. An overall budget of 36 million euro, was invested in RES production installations so that the members could get access to clean energy. The revenues were then partly used to construct the House of Energy, a former brewery transformed into a space where public administration institutions sit side by side with energy consultants, architects, craftsmen and mortgage lenders willing to answer customer questions relating to energy. The House of Energy also has a canteen, kindergarten, parking lots and public event and exhibition spaces. Odenwald E.g. is a member of DGRV and thus part of the REScoop family.

- Eeklo, Belgium - Ecopower,, a cooperative from Flanders, Belgium, won a tender to install a 6.4 MW wind project, held by the municipality of Eeklo. The project allows for community ownership, and Ecopower reinvests part of the profits in the local community, for example through a community benefit fund in Eeklo, which funded a solar-roof on an e-bike charging station. Revenues from the project are also used to finance the wage of a part-time energy expert. This person works on behalf of the municipality and initiates new RES projects or energy efficiency measures in public buildings. This person also supports local citizens who want to save energy in their private homes.

- Westmill, UK - Westmill Co-op was established in 2004 to build and operate a community-owned wind farm at Westmill Farm in Oxfordshire. The co-op has financed the purchase and construction of five wind turbines through a 4.6m fundraising campaign that saw the public able to buy shares in the project and was supplemented by a bank loan. Westmill Windfarm Co-op has over 2,000 members. Profits from the 5 turbines are distributed to community funds, such as sustainable energy and educational activities along with share interest to the members. Westmill funds an energy conservation trust to promote energy conservation in the local community. WeSET provides information and grants for efficiency measures within the local area as well as supporting arts and education projects.

A new framework for energy communities in Greece

In January 2018, the new law for energy communities was approved by the Greek parliament. With this, Greece becomes one of the first European countries to incorporate into national law some of the most progressive elements of the upcoming EU energy legislation related to energy citizens and communities.

One of the most important provisions of the law is the right of self-consumers to produce and consume their own energy from renewable sources that are not installed at the site of consumption: virtual net metering. In this way, many households, and small and medium enterprises, that do not have available roof space can still own a renewable energy system that is installed at another point to the grid and offset their consumption with the power generated as they would if the installation was at their site, paying only for the fair share of this grid service.

According to official statistics, 45% of all buildings in Greece are multi-apartment blocks, meaning that the majority of the Greek households have no available rooftop space to install a solar PV system. Without virtual net metering, the average Greek household is de facto excluded from the possibility of being a prosumer/self-consumer. This is a serious obstacle

from realizing the vision of EU to give access to clean energy to all Europeans. It's no coincidence that despite the solar potential of Greece, there are only 42.000 households with solar panels when there are more than 4.700.000 residential solar installations throughout Europe.

Greece is striding forward with very progressive rules to enable everyone, even the poorest in society, to benefit from renewable energy, lowering bills and making more comfortable homes. Now the renewable energy directive gives all European countries the option to establish electricity sharing schemes such as virtual net metering. With over 42% of Europeans living in Apartments, electricity sharing such as virtual net metering means that renewable energy can benefit the many not just the few.

10. Models for local energy communities, including regulatory standards and incentives given by local/regional authorities.

There are different ways a local community could take control of its energy system, including cooperatives, (re-)municipalised companies, and through city-citizens partnership concepts. In 2012, REScoop.eu produced a report on different business models to act as a starter for citizens that want to start a cooperative energy community. ClientEarth also highlighted different successful legal forms of energy communities in several different EU Member States.

While we have multiple examples available (such as the one previously reported in this document), we are, in particular for citizens/cities cooperation, missing actual models and clearly defined guidelines (specific to the national/regional context) that local communities could use to embark in such initiatives. Project such as Municipalities in Transition are working on it, but there is still a lot that could be done. For example, it would be extremely helpful to have an analysis of local grids systems in order to support cities in their energy transition.

A non-exhaustive overview of some existing remunicipalisation models can however be provided based on the case studies presented in Energy Cities publication "Local energy ownership in Europe":

- Integrated operators, the "enforcing agents" of local energy policies: this model is commonly found in large German cities with large-scale Stadtwerke; integrated operators operate along the whole value chain (production, distribution, supply) and are integrated into multi-sector public utilities (energy, water, waste, transport, etc.), like Stadtwerke München.

- Public investment instruments: in this model, the development of new projects (essentially renewable energy and energy efficiency projects) is given priority through an investment instrument, sometimes associated with project technical assistance (project management). This model may combine the development of in-house projects with facilitation and participation in third-party projects. Most French regional operators in the energy sector (like SPL Oser or SEM Energie Posit'IF) fall into this category.

- Local public energy suppliers: these initiatives are mainly focused on the development of local energy offers, usually with a social agenda (tackling fuel poverty) sometimes associated with energy generation projects: examples include municipal initiatives developed in the United Kingdom, like Robin Hood Energy in Nottingham, Bristol Energy or Our Power in Scotland.

- Distribution network operators: although possible, this model exclusively dedicated to the management of distribution networks is quite rare in Germany. In France, a few local distribution companies belong to this category.

- Pooling and cooperation initiatives between local companies

By looking at local examples, we identified the following actions governments could adopt in support of energy communities:

- Set legal support and targets for the development of community and municipal energy.
- Setting a long term trajectory to boost investors' confidence at citizen and community level.
- Both the development of renewable energy cooperatives and local energy companies should be supported by an enabling legal and regulatory framework.
- Cities wishing to become energy providers or take control of the local grid should not be hampered in the process.
- Governments should set objectives and provide measures to allow energy cooperatives to thrive and set-up successful collaborations with local authorities on renewable energy and energy efficiency (e.g. through new business models, rules on public procurement, measures to address energy poverty).
- Provide incentives such as tax reductions, financial assistance, or administrative support and technological expertise to citizens' actions and actions of local authorities.
- Equitable access to support schemes for renewables.

EU support for new business models from the new Renewable Energy Directive
The post-2020 Renewable Energy Directive, which has just been agreed between the European Parliament, Council and EU Commission, provides many new opportunities for socially innovative models for energy communities.

In particular, the new Directive provides:

- a new definition of 'renewable energy community', which is meant to mean a legal entity that is independent, based on open participation, and effectively controlled by citizens, local authorities or small and medium enterprises. Importantly, the community must have a main purpose to provide social, economic or environmental benefits to its members or the local community, rather than to make profits.
- A requirement for Member States to develop enabling frameworks for renewable energy communities that include, inter alia, regulatory and capacity building support for public authorities in enabling, as well as participating in, renewable energy communities.

With a new definition, EU legislation now acknowledges a new type of local energy market actor that can be distinguished from traditional for-profit market actors, specifically in terms of ownership/control, governance, and purpose. The supportive provisions that come along with a supportive framework for renewable energy communities also provides a positive signal that local authorities can play a role, not only in supporting renewable energy communities, but also in direct participation in renewable energy communities with local citizens and cooperatives.