



EU Directives and Transposition

PIA 1

Online meeting

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Agenda

- Introduction
- What does transposition of EU directives mean?
- What has to be transposed and how should it be done?
- Proposed timelines and next steps
- Discussion

Self-consumption and energy communities have been defined in EU legislation (« Clean Energy Package »)

1. Recast of the Renewable Energy Directive (RED II)
 - Renewables self-consumer
 - Renewable energy communities
2. Recast of the Electricity Market Directive (EMD)
 - Active consumer
 - Citizens energy communities
3. Governance Regulation
 - National Energy Action Plans (NECPs)

Every citizen has now **the right to**

- generate,
- self-consume
- store and
- sell renewable energy,

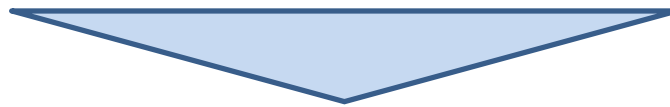
and to participate in energy communities



Introduction

Parts of the Clean Energy Package have to be transposed to national legislation, EMD by 31/12/20 and RED II by 30/6/21

But there is a risk that MS do not transpose these directives adequately, too late or without proper public consultation



How should MS transpose the prosumer-related provisions? And how can citizens' input be ensured?



Why is a proper transposition important?

- This is about individual and collective rights
- If not done well, citizens cannot fully enjoy these new rights
- Therefore being consulted early on in the process is crucial.
- As every MS has different legislation in place, the detailed implementation needs to be followed as well.



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General information about the transposition process

- EU Regulations are so strong, they are imposed directly on MS, they don't need transposition, they just have to be implemented
- Directives need to be transposed, i.e. translated, to national legislation.
- To that end, a deadline is given by the EC
- In case of delays, an infringement procedure is started.
- The EC carries out a conformity check.
- However, sometimes the problems occur in lower-level legislation or regulation.

General Transposition Performance of Member States is quite divers



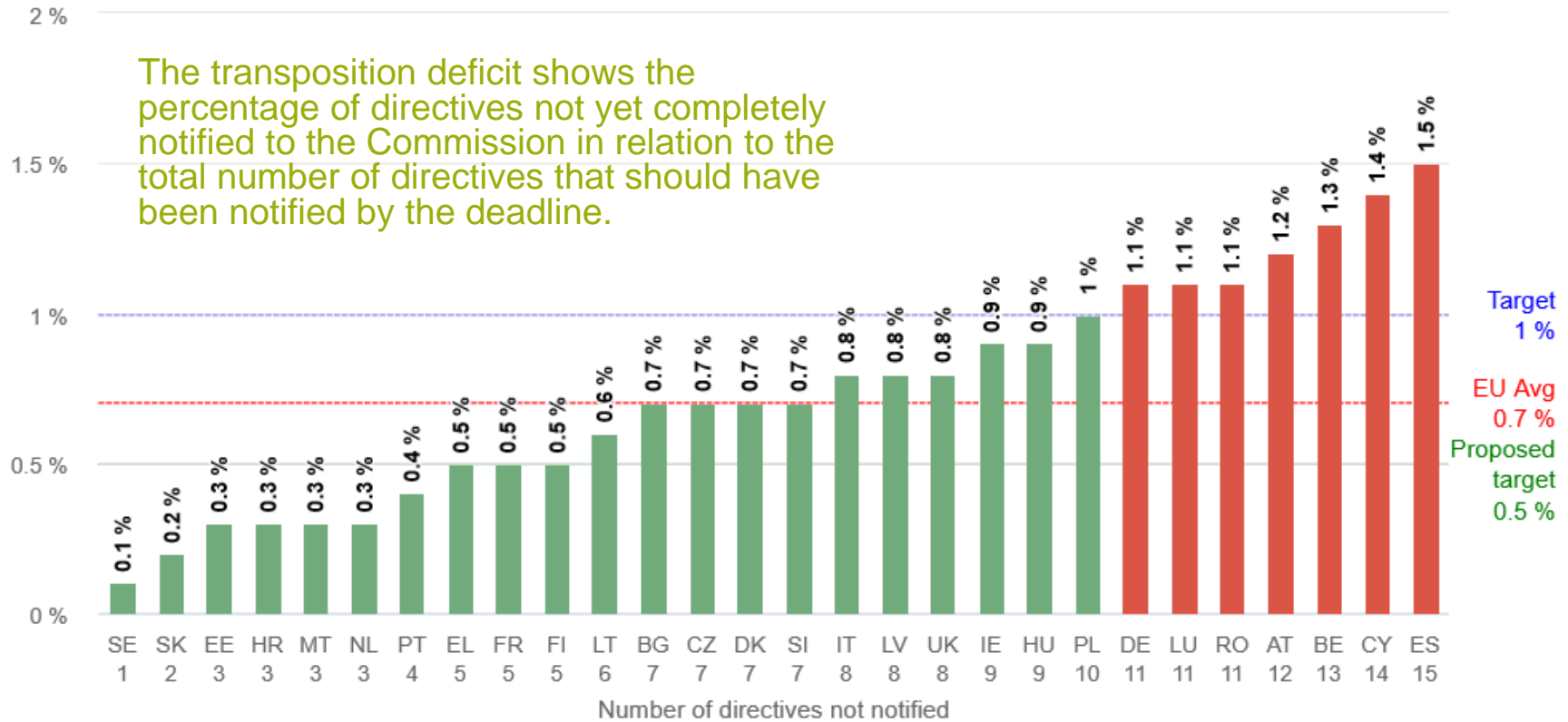
This report takes into account all transposition notifications made by **10 December 2018** for directives with a transposition deadline on or before **30 November 2018**

Source: EC 2019 https://ec.europa.eu/internal_market/scoreboard/performance_by_governance_tool/transposition/index_en.htm



Transposition deficit: 7 Member States still exceed the 1% target

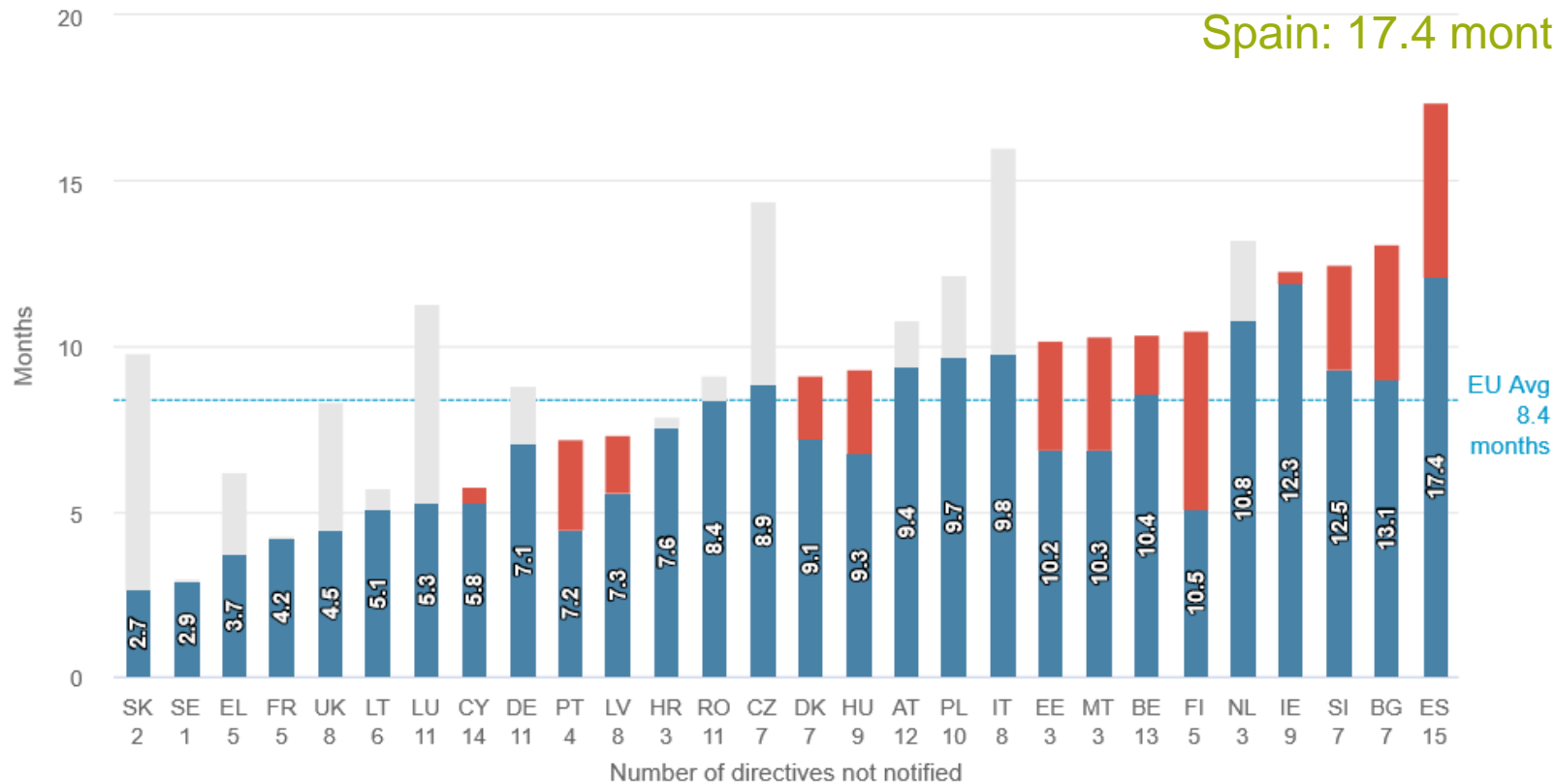
Transposition deficit of Member States as of 10 December 2018





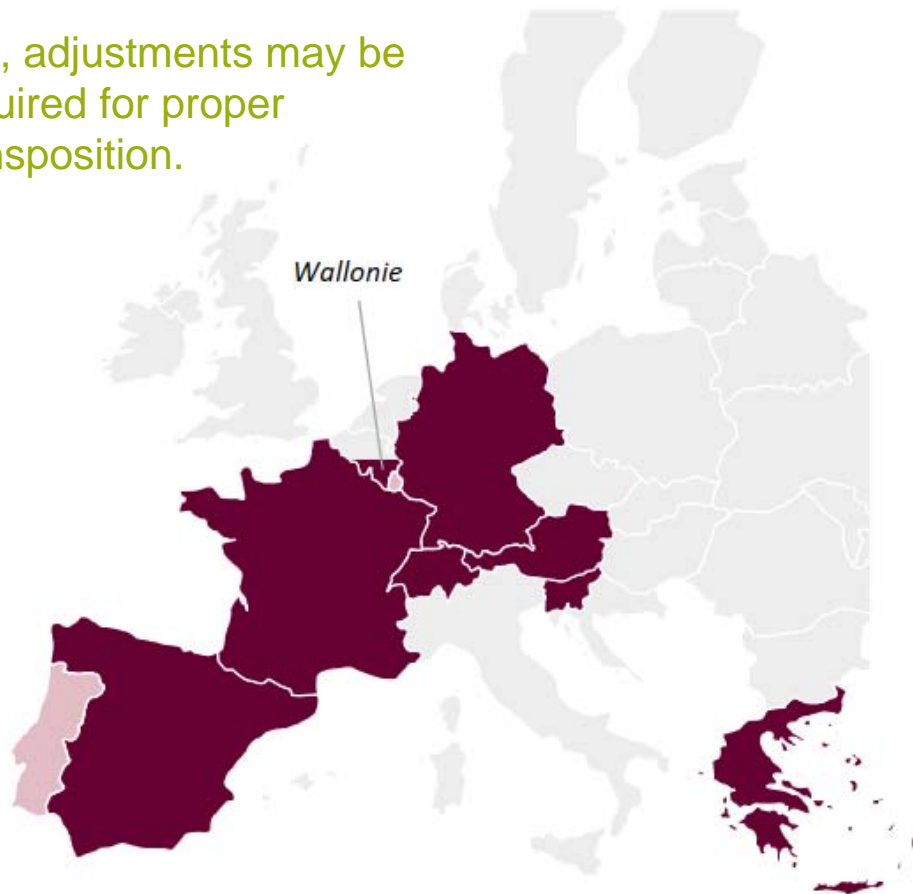
Transposition delays: Outstanding directives are late by an average of 8.4 months

Indicator [4]: Total transposition delays



Different starting points: In 2019, nine MS had legislation on collective self-consumption in place

Still, adjustments may be required for proper transposition.



By contrast: Individual self-consumption models exist in most countries.

Collective self-consumption not to be confused with energy communities!

Source: Sia-Partners France 2019_Enerplan_Energy-Lab_Autoconsommation-collective_VF-1



Examples: Suppositions: How DE and ES may transpose RED II and EMD

Germany

- RED II: Most likely amendments to EEG
- EMD: **to be checked**
- **Cooperatives and other organisations suitable for RECs/CECs - tbc which laws apply**

Spain

- RED II: Self-consumption and shared self-consumption are already largely defined in Royal Decree 244/2019
- EMD: Amendment to Electricity Law – tbc
- **Cooperatives and other organisations suitable for RECs/CECs – tbc which laws apply**



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What needs to be transposed? Key articles on prosumer rights and energy communities

RED II

- xxx

EMD

- xxx

Will still be filled

Implementation of Governance regulation / NECPs

- NECPs could have been the first step for transposition



Principles for prosumer policies

4. Establishing energy responsibility and coherence at all levels

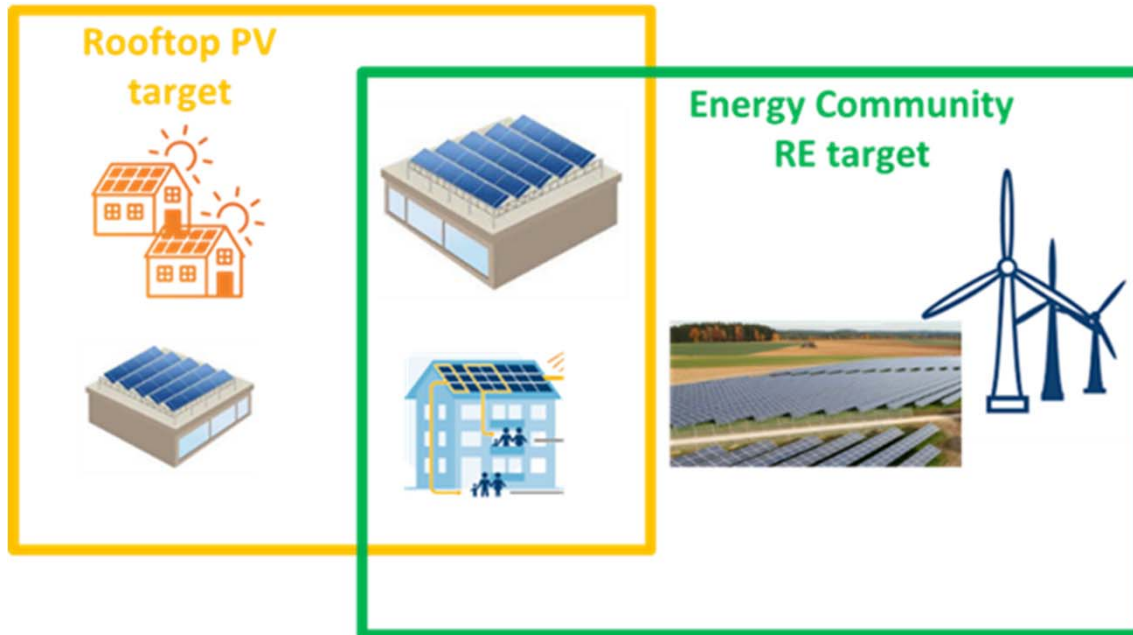
1. Setting ambitious targets

5. Ensuring prosumer representation in governance processes

2. Ensuring economic viability through favourable framework conditions

3. Fostering Renewable Energy Communities

1. Setting ambitious targets



1. Targets for roof-top PV

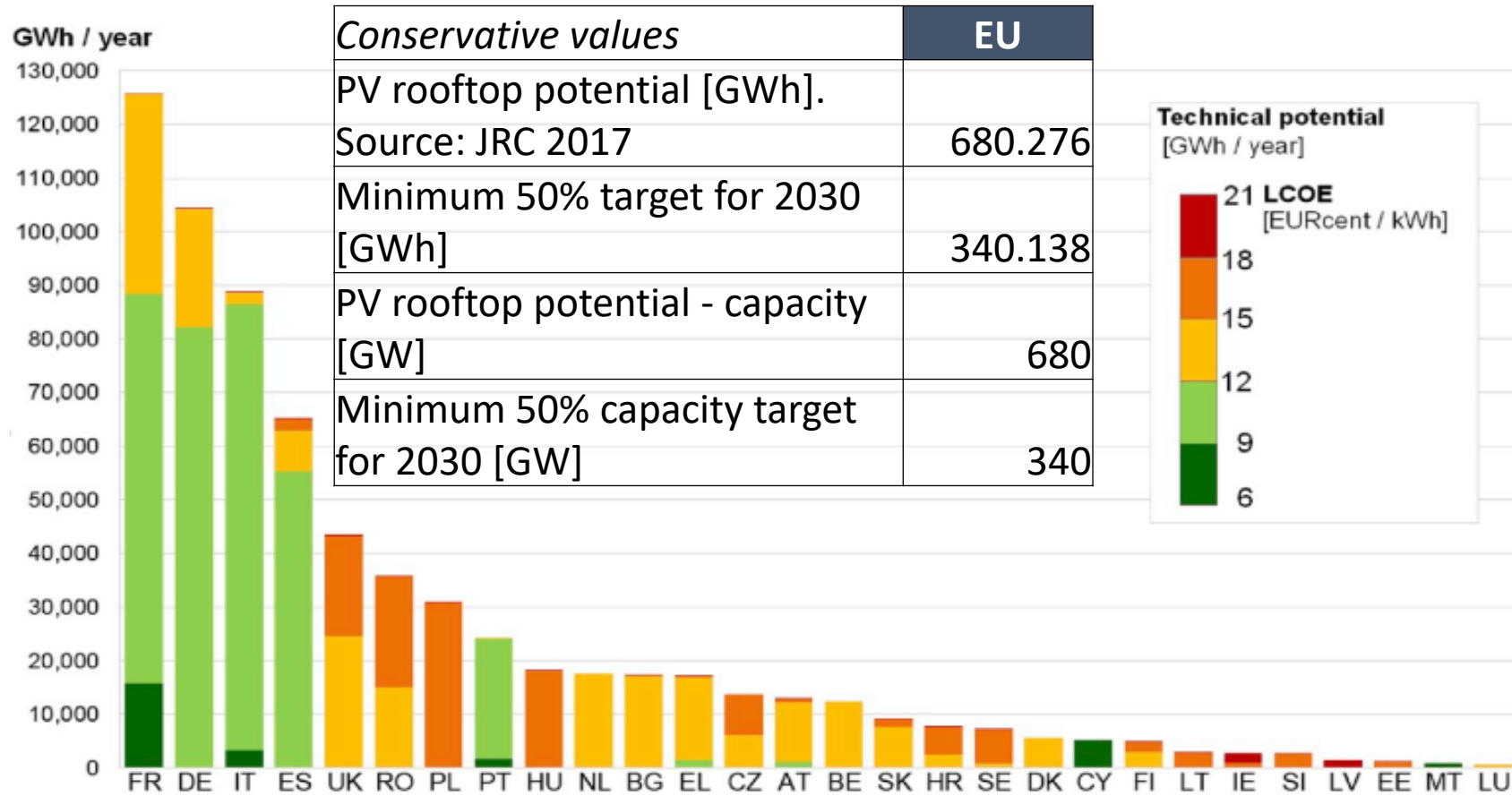
- minimum target of at least 50% by 2030
- Important: Maximum use of roof space

2. Targets for energy communities (ECs)

- 30-50% share of the total national RE target (new builds)
- Number of ECs



EU roof-top PV target of some 340 GW by 2030





Targets should include all (large and small) RE projects initiated by energy communities (RECs and CECs)

- **Targets can be**
 - share of total national RE target, e.g. 30-50%
 - Share of households being members of a an EC, e.g. 5% by 2030 (currently: 1,500 European ECs with 1 million citizens -> 0.2% of EU population or 0.4% of the households; some 10-20% long term target)
 - Number of (renewable) energy communities
 - Number of members in (renewable) energy communities
 - Number of jointly acting renewable self-consumption activities
- **Appropriate and some kind of obligation required to include ECs in RE projects**
 - especially if close to settlements to increase social acceptance.



2. Ensuring economic viability

- Allow for self-consumption beyond a building
- Fair remuneration for excess electricity
- Conducive rate design
- Simple taxation mechanisms
- Unconditional priority grid access



3. Fostering Renewable Energy Communities

- Define national forms of energy communities
 - Allow for simple legal set-up
- Conduct transparent cost-benefit analyses
 - NECPs should either reference such analysis or provide a plan on how and when to do it.
- Remove administrative, technical, financial and legal barriers, e.g. by creating single contact points
- Support participation of energy poor and marginalised households
- Provide energy-related education and literacy



4. Energy responsibility and coherence at all levels

- Distributed Energy leads to distributed responsibilities
 - Local, regional and national actors have to become (energy) accountable by defining their own energy and climate plans.
- Ensure environmental, social and economic sustainability
 - Use of built-environment is key
- Pursue a common 100% renewable goal
- Ensure coherence with other legislative frameworks



4. Ensure Policy Coherence: Prosumerism effects and is affected by various legislative and regulatory frameworks

Climate	Infrastructure & Development	Social affairs	Data & security protection
Environment	Economic & fiscal policies	Trade & international investment	Education

- Several frameworks acknowledge importance of RE but prosumerism is still not mentioned
- Policy makers should get more familiar with opportunities that prosumers can offer



5. Ensuring prosumer participation in governance processes

- **Acknowledge importance of governance**
 - Prosumers are currently not sufficiently represented in decision and policy making processes.
 - Roles of different stakeholders need to be defined.
 - Ensure participation at EU, national and local level
- **Governments should actively seek the input and advice of prosumer representatives**
 - Encourage / support creation of prosumer representatives
 - See next slides on timelines for stakeholder consultation...



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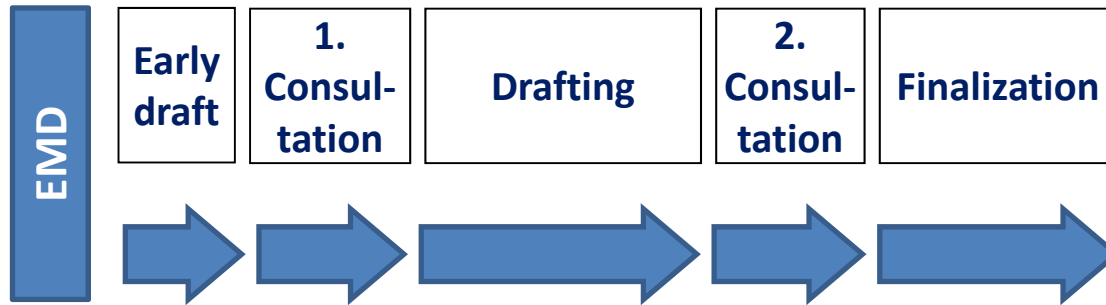


Aarhus convention

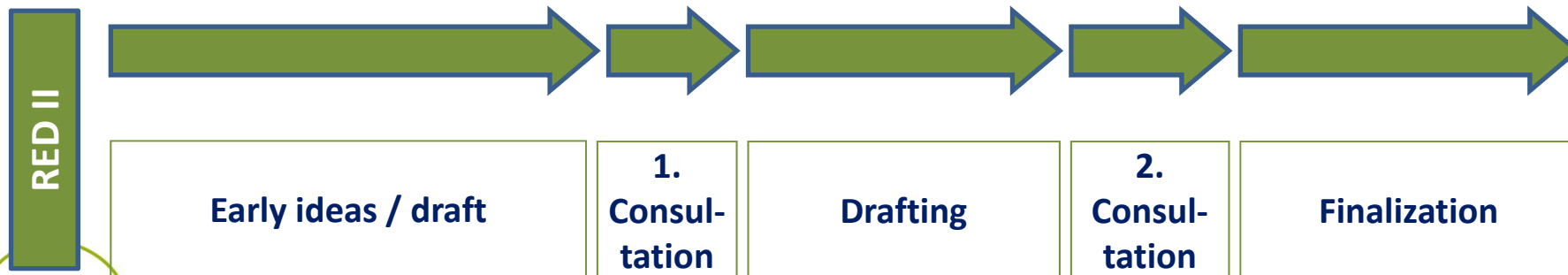
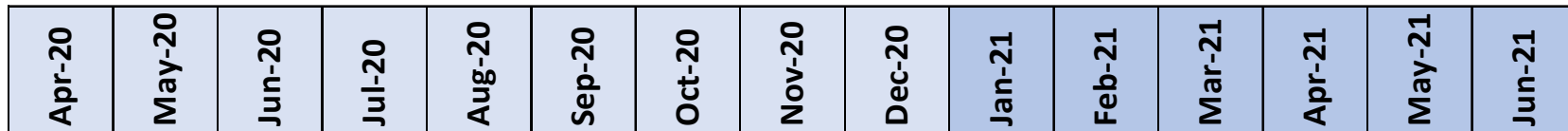
- Participatory governance rights
 - Right of access to information
 - Public participation right
 - Right of access to justice
- Public participation
 - consultations should happen when options are still open
 - they should provide sufficient timeframes
 - and their results shall be taken into account



Suggested timelines for transposition of EMD and RED II

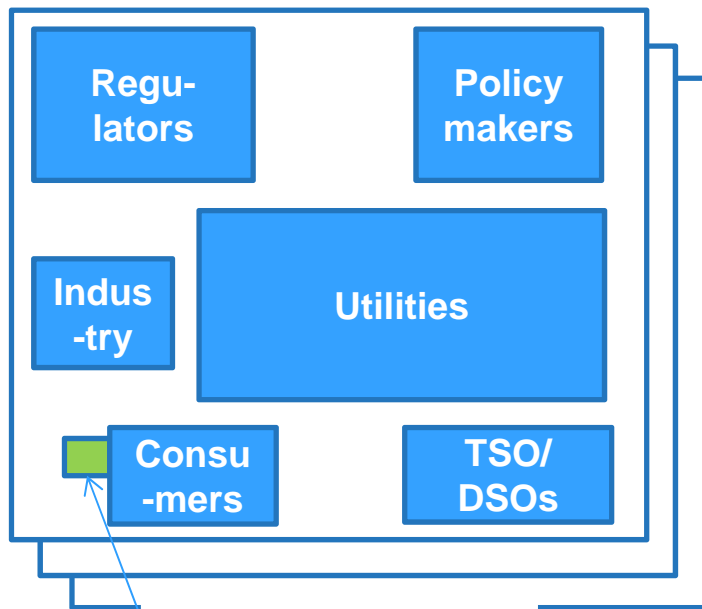


2-stage stakeholder consultations for both directives recommended; at least during one month. Parallel consultations in Sep/Oct 2020.



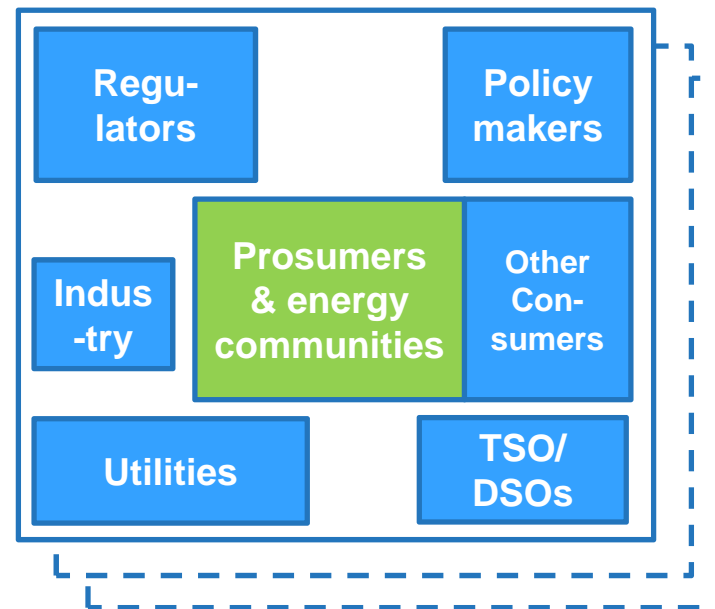
Vision of a Prosumer centred Energy Union

Today's typical European energy system (national)



Prosumers & energy communities

Future European Energy Union





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Discussion

- Do you think the recommendations are feasible?
- Which other points should be looked at?
- Do you think you can help influence the transposition process with your government?

Please let us know your feedback and ideas!



Thank you for your attention!

For more information:

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<http://www.fundacionfin.es/congreso-navarra-autoconsumo-generacion-energia/>



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SELECTED REGULATORY ASPECTS – new EU law

- A challenge to adapt the situation to new EU requirements
 - Definitions (various elements)
 - Renewable v. Citizen Energy Communities
 - Consistency in all EU MSs
 - Adaptation of existing forms to new requirements (new forms? difference with other legal forms? Added value?)



NECPs

- https://ec.europa.eu/info/energy-climate-change-environment/overall-targets/national-energy-and-climate-plans-necps_en#final-necps



Task 3.2B: Sustainability guidelines – key messages

1. Promote only grid-connected projects that can support the energy system
2. Maximise renewable capacity in the built environment
3. Take environmental impact assessments and material efficiency seriously
4. Promote inclusive business models that allow participation of all citizens
5. Prioritise local installers and contractors
6. Contribute to maintain grid infrastructure