

Energy law in support of environnement objectives : The case of energy communities

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21 April 2023 Law as a tool for the social and ecological transition





Agenda



The EU legal framework for energy communities



Energy communities – a driver for the social and ecological transition ?

Cours de droit de l'environnement - 21 novembre 2022



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The EU legal framework for energy communities



Energy communities – a driver for the social and ecological transition ?

The European legal framework

2 European Directives :

- Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (« Red II »)
- Directive 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity ("IEMD")

Art 288 Treaty on the Functioning of the European Union :

"A directive shall be binding, as to the result to be achieved, upon each Member State to which it is addressed, but shall leave to the national authorities the choice of form and methods"



1) There is a lack of public acceptance of renewable energy





2) NIMBY can be solved by enabling citizens to participate to energy projects



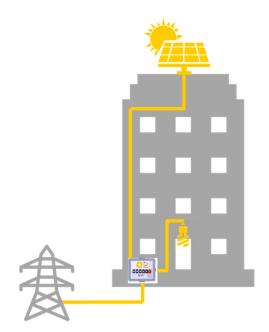


2) NIMBY can be solved by enabling citizens to participate to energy projects



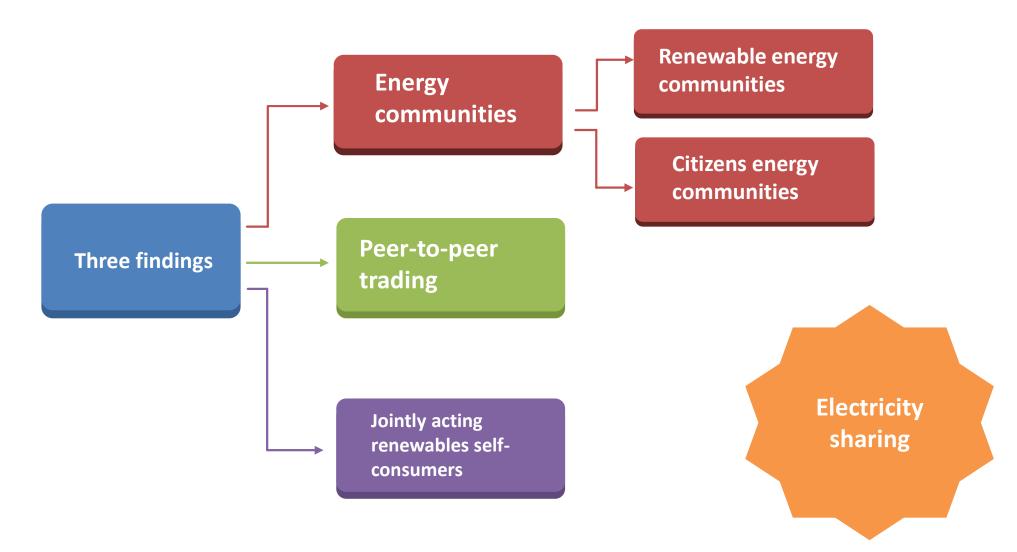


3) But such participation is limited to a financial participation

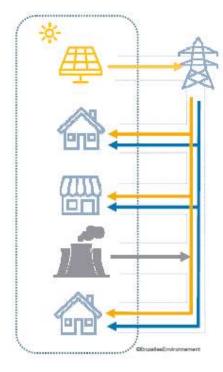




Three new legal forms and a new activity



Citizens Energy Community (CEC)



Source : Bruxelles environnement

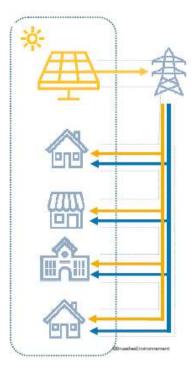
Separate legal entity

Members : any natural or legal person <u>but</u> controlled by individuals, local authorities or small businesses

Includes electricity from nonrenewable sources

Electricity sharing if the community **owns** the production facilities

Renewable Energy Community (REC)



Source : Bruxelles environnement

Separate legal entity

Members : individuals, SMEs or local authorities but control by members in **proximity** of renewable energy projects

Exclusively renewable energy

Electricity sharing if the community **owns** the production facilities

Renewable Energy Community (REC)

Common features

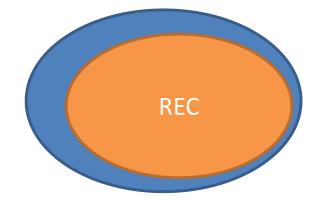
Differences

Separate legal entity

Main objective: to provide environmental, economic or social community benefits to its members or the local areas in which it operates, rather than to generate financial profits

Participation in various activities in the energy sector: production, sharing, storage, aggregation, etc. CER : Renewable energy exclusively

CER : proximity criteria





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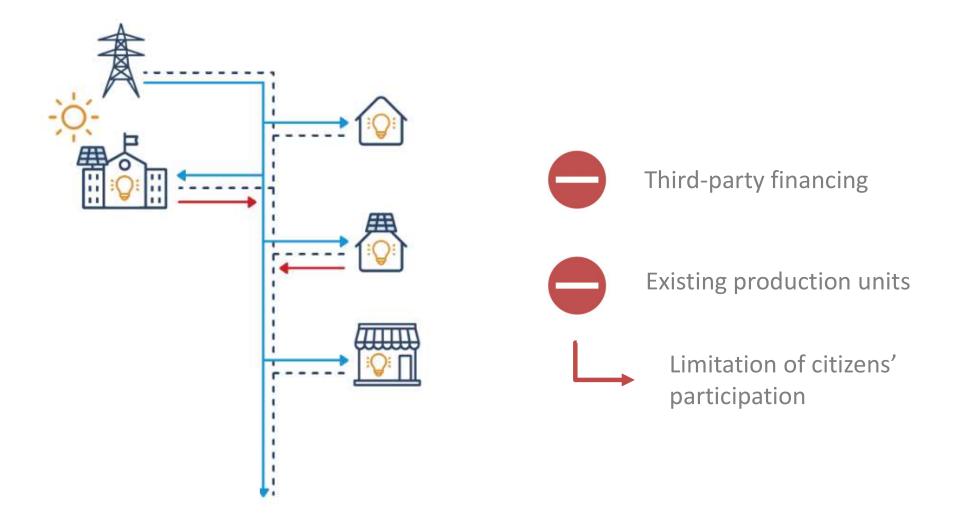
Energy communities, a driver for the social and ecological transition ?



Citizens participation Legal structure of the energy community

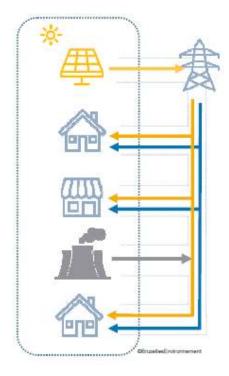
deployment of renewable energy Reduction of greenhouse gases emissions from the energy sector

Meeting climate targets



Source : Bruxelles environnement

Solution at **Flanders** level : broadening of the scope of energy sharing for CEC



Source : Bruxelles environnement

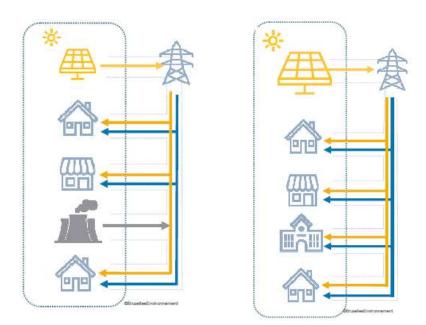
Separate legal entity

Members : any natural or legal person <u>but</u> controlled by individuals, local authorities or small businesses

Includes electricity from nonrenewable sources

Electricity sharing if the community owns **or has user rights** to the production facilities

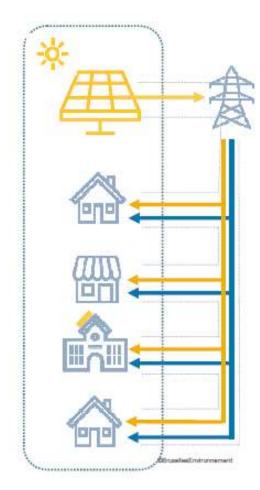
Solution at **Walloon** level : broadening of the scope of energy sharing for both CEC and REC



Electricity sharing if

- the community owns or has user rights to the production facilities, or
- The electricity is self-produced by a member of the community.

Source : Bruxelles environnement



Source : Bruxelles environnement

Solution at the **Brussels** level : the local energy community (LEC)

- Separate legal entity
- Members : individuals, SMEs or local authorities
- Exclusively renewable energy
- Electricity sharing if
 - the community owns the production facilities ; or
 - Either **one or more members** own the production facilities or have a **right of use** over them.

Complexification of the framework

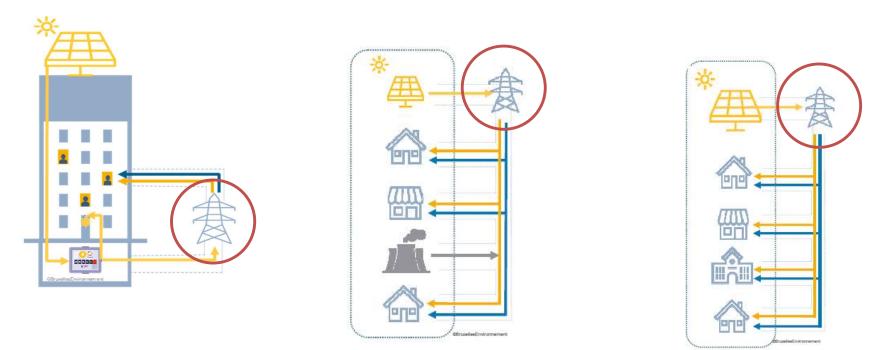
Opening to financial actors

Increasing citizens' participation





The question of network charges for energy sharing



Art. 22, para. 4, (d) IEMD "citizen energy communities are subject [...] to transparent, nondiscriminatory and cost-reflective **network charges** in accordance with Article 18 of Regulation (EU) 2019/943, ensuring that they contribute in an adequate and balanced way to the overall cost sharing of the system"

The question of network charges for energy sharing

Brussels regulator tariffs decision for electriciv sharing

Surcharges régionale

Tarif d'utilisation du réseau

Tarif d'utilisation du réseau

Tarif transport

heure pleine

heure creuse

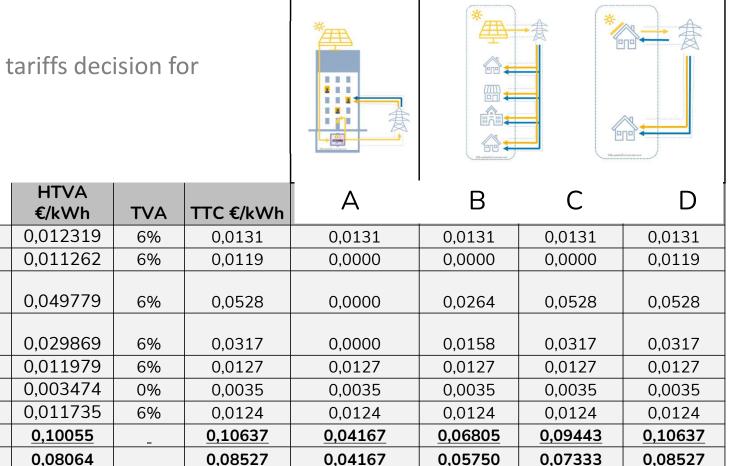
Cotisation fédérale

Total €/kWh pleine

Total €/kWh creuse

Surcharges Elia

Tarif OSP



The legal status of energy community

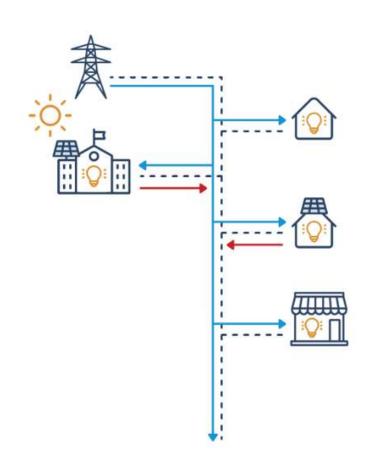
Notification vs. Authorization

| Region | Authorization | Notification |
|---------------------------|---------------|--------------|
| Flanders | | Х |
| Brussels | Х | |
| Wallonia | | |
| Creation of the community | | X |
| Energy sharing | Х | |



The proximity criterion

From



То





Energy communities, a driver for the social and ecological transition ?



Citizens participation Legal structure of the energy community

deployment of renewable energy Reduction of greenhouse gases emissions from the energy sector

Meeting climate targets





Thank you for your attention!

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