6th EUSALP Energy Conference Reliable, affordable and sustainable energy in the Alps

Citizen involvement in the energy transition

Matteo Mazzolini (Energy Agency of Friuli Venezia Giulia) Bolzano, 11 October 2022



The working group within APE FVG

The Agency has set up an internal working group that works steadily on Renewable Energy Communities (REC) from a technical, economic and regulatory point of view.



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Supporting Local Authorities in the development of RECs

- Regulatory updates > constantly evolving framework
- Information and dedicated events > knowledge is power!
- Participatory paths > collect interest in developing a CER
- Objectives of RECs > mutual / social at this stage!
- Management, economic and financial models > functioning of a CER
- Technical-economic simulations (sensitivity analysis) > sustainability of a CER
- Legal-administrative documentation > establishment of a CER
- Market exploration > identification of the most economically advantageous technology suppliers
- CER management > technical-administrative assistance in a non-profit perspective



Transposing RED II

LEGISLATIVE DECREE 8 November 2021, n. 199 Implementation of RED II (UE) 2018/2001

- into force since 15 December 2021
- only renewable energy plants that individually have a power not exceeding 1 MW can access the incentive scheme for RECs;
- only plants entered into operation after the date of entry into force of this decree;
- possibility of joining existing plants up to 30% of the total power of the community;
- energy shared by plants and consumption users connected under the same primary substation.



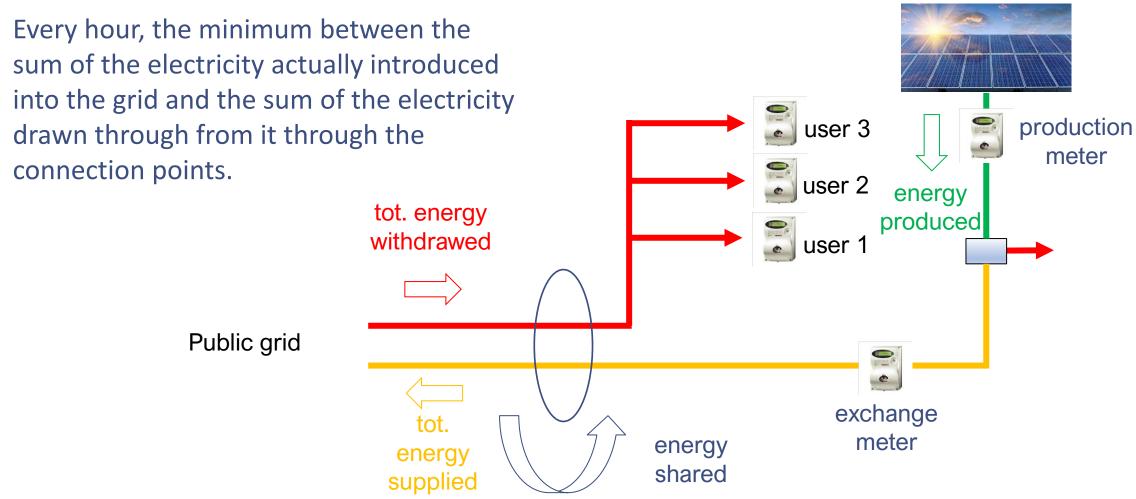
What is a Renewable Energy Community?

Renewable Energy Community is a legal entity that:

- is based on **open and voluntary participation** (provided that, for private companies, participation in the renewable energy community does not constitute the main commercial and / or industrial activity) and is autonomous;
- whose shareholders or members who exercise control power are individuals, small and medium-sized enterprises (SMEs), local authorities or local authorities included therein, municipal administrations, research and training bodies, religious, third sector and environmental protection bodies as well as local administrations contained in the list of public administrations disclosed by ISTAT, located in the territory of the same Municipalities where the production plants owned by the renewable energy community are located;
- whose primary objective is to provide community-wide environmental, economic or social benefits to its shareholders or members or to the local areas in which it operates, rather than financial profits.



Energy shared instead of Energy produced





Great expectations

Over the last year, many Local Administrations have begun to consider RECs among the preferred tools for implementing the energy transition.

The reasons:

- evolution of the regulatory framework in a positive sense (but the implementing decrees envisaged by the D.L. 199/2021 are still missing);
- possibility of actively involving citizens in the energy transition process, both as producers and consumers (prosumers);
- willingness to reduce the costs for the energy expenditure of the local community;
- role of promoter and guarantor of the initiative as well as aggregator of interest;
- possibility of accessing public funds for investments in RES to be made on public properties;
- pursuit of mutual and non-profit purposes in favor of local communities.



But...

- misleading idea that with a REC the energy expenditure can be significantly reduced or even municipal budgets can be adjusted;
- little knowledge of what a REC is and how it works in the current national regulatory context;
- strong influence of commercial operators who systematically visit the Administrations with various proposals in a profit perspective;
- reduced internal skills and operational capacity that significantly limit the possibility of acting independently;
- loss of the perspective of the REC as a tool for cultural growth for local communities in the perspective of the energy transition;
- risk of political exploitation of the instrument and consequent loss of credibility in the medium term.



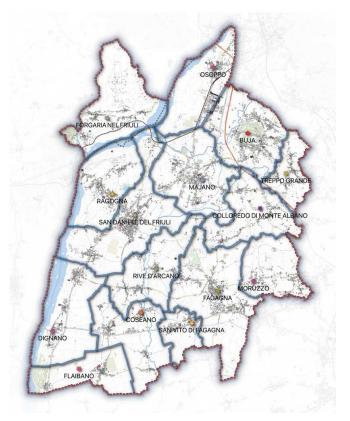
Municipalities as promoters of RECs

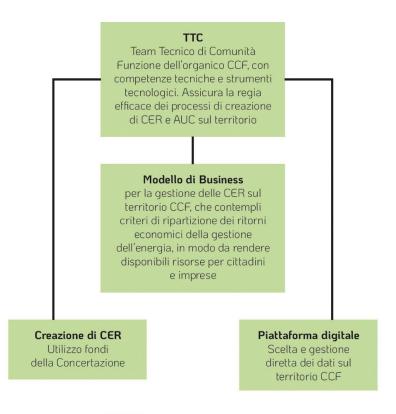
- Fight against vulnerability and energy poverty
- Promote the development of RECs in relation to the real possibilities offered by the moment
- Develop and disseminate a culture (social mutuality) of RECs among citizens
- Support the dissemination of independent and objective information
- Promote the participation of users who would otherwise be excluded
- Collect expressions of interest and accompany them
- Promote the development of RES at a decentralized level
- Facilitate and support the development of autonomous investment initiatives (crowdfunding, cooperatives, consortia, etc.)
- Develop sustainable economic models over time
- Integrate the logic of RECs into the broader one of the energy transition



The first pilot initiative in FVG

Non repayable Regional financing of 5,5 M € Comunità Collinare del Friuli → 15 Municipalities → ~ 50.000 inhabitants





Duration:

September 2021 →

December 2023

Web:

https://recocer.eu



National and international cooperation

APE FVG in collaboration with RENAEL and GSE has activated a collaboration aimed at supporting the Public Administration in the development of RECs:

- technical tables for training and updating personnel of Public Authorities;
- information and dissemination on incentive schemes;
- development of guidelines and standardized reference models;
- individual assistance for the development of RECs.

Several European cooperation projects see the Municipalities of Friuli Venezia Giulia as protagonists to transfer know-how and encourage the development of sustainable REC models:

- ALPGRIDS CER (concluded)
- ECCEA CER (under evaluation)
- REDIRECT Thermal CERs (under evaluation)



The call for RECs of Autonomous Region FVG

- 5 October 2022 → published the regional call for "for the design and construction of photovoltaic systems and for the establishment of RECs"
- Design and construction of photovoltaic systems (supply and installation of modules and inverters), connection works and other connection interventions
- Charges for setting up a REC(e.g. technical-economic feasibility study, notary costs, economic consultancy)
- "First come, first served" procedure: 21 October → 31 October 2022
- Financial endowment of € 8.5 million
- Financial coverage: up to 80% of eligible expenditure with a maximum contribution ceiling of € 500,000
- Beneficiaries: Public Bodies and Economic Public Bodies of the FVG
- If in self-consumption regime: max 80% of contribution
- If REC: 30% max contribution up to 500 kWp and 45% over 500 kWp (they are a state aid according to Reg. "De Minimis" or Reg. 651/2014)



The PNRR call in favor of municipalities with less than 5000 inhabitants

- Mission 2, Component 2, Investment 1.2: promoting renewables for energy communities and self-consumption
- € 2.2 billion to be spent by 2026: 1,600 million for renewable energy communities and 600 million for collective self-consumption
- 2,000 MWp of new electricity generation capacity from RES in distributed configuration (energy storage systems are also allowed to increase self-consumption)
- Beneficiaries: Public Administrations, families and micro-enterprises in Municipalities with less than 5,000 inhabitants (at greater risk of depopulation)
- Interest-free financing up to 100% of costs and a maximum duration of 10 years
- The plants that will benefit from the incentive must have a limit capacity of 200 kWp
- Call publication: by the end of 2022



Thank you for the attention



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