

Report on second Dutch/Flemish country desk and policy lab

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Horizon 2020 project COME-RES

On 1 September 2020, the research project "COME RES" was launched. With a duration of 30 months, this project aims to support the roll-out of renewable energy communities in nine European countries and thus stimulate and facilitate collective renewable energy production. The results of the project can be consulted via the project website: COME-RES | Home. Interested parties can also register on the website for the COME RES Newsletter and follow the project on Twitter and Linkedin.

The COME RES project works directly with market players and stakeholders and organises solution-oriented dialogues with stakeholders to jointly create solutions to overcome existing barriers to the growth of renewable energy communities. To facilitate these dialogues, each country has a so-called country desk.

Belgian/Dutch country desk

Also in Flanders (Belgium) and the Netherlands, the partners of the project, VITO, TUEindhoven and REScoop.eu, want to have a regular dialogue with stakeholders through the so-called 'country desk'. Together with local partners, they reflect on the factors that stimulate or inhibit the growth of energy communities.

The participants of the Country Desk meet at least three times during the lifetime of the project and exchange ideas and good practices in order to promote the roll-out of renewable energy communities in Flanders and the Netherlands. The thematic focus in Flanders and the Netherlands is on integrated approaches (e.g. microgrids, virtual power plants). The reports of the country desk meetings in Flanders and the Netherlands are also available on the project website: COME-RES | Belgium and COME-RES | The Netherlands.

Aim of second country desk and policy lab

The second meeting of the Dutch/Flemish country desk took place on 30 November 2021. Dirk Vansintjan of REScoop.eu presented the current status with regard to the transposition of the provisions on renewable energy communities (RECs) by the EU Member States. Erika Meynaerts (VITO) and Erik Laes (TUEindhoven) illustrated how the COME RES project contributes to the practical implementation of these provisions in Flanders and the Netherlands. Following the country desk meeting, an interactive policy lab was organized on the enabling framework for renewable energy communities in the Netherlands and Flanders.

The country desk meeting and policy lab were a joint initiative of VITO/Energyville, TUEindhoven and REScoop.eu. The plenary session was chaired by Erik Laes (TUEindhoven), coordinator of the Dutch Country Desk. The policy lab was moderated by Erika Meynaerts (VITO/Energyville), Kelsey van Maris (VITO/EnergyVille) and Erik Laes (TUEindhoven). Maarten Tavernier (VVSG), Martijn Messing (ENPULS) and Dirk Vansintjan (REScoop.eu) supported the policy lab as reporters. The



event was facilitated by Sara Tachelet (REScoopP.eu). Stavroula Pappa (REScoop.eu) and Kellan Anfinson (TUEindhoven) helped to shape the country desk meeting and the policy lab.

Agenda

- 10u00 10u10: Welcome
- 10u10 10u25: Status of the transposition of the provisions on renewable energy communities (RED II) (*REScoop.eu Dirk Vansintjan*)
- 10u25 10u35: Questions
- 10u35 11u05: Contribution of the COME RES project to the implementation of the provisions on renewable energy communities (REDII) (VITO & TU Eindhoven – Erika Meynaerts & Erik Laes)
 - Contributions to be expected from the different work packages
 - Assessment of starting conditions of RECs in the different target regions
 - Assessment of potential of RECs with focus on target regions in Flanders and the Netherlands
- 11u05 11u15: Questions

BREAK

- 11u25 12u00: Interactive workshop on the enabling framework for renewable energy communities (VITO, TUEindhoven, REScoop.eu)
 - o Introduction: requirements in REDII (art. 22 § 4)
 - Based on the requirements of the European Directive, what are the key priorities on which the enabling framework for RECs should focus?
 - o How can these priorities be put into practice?
- 12u00 12u30: Main conclusions from the workshop (Martijn Messing ENPULS, Dirk Vansintjan – REScoop.eu, Maarten Tavernier – VVSG)



List of participants

A total of 36 stakeholders from 27 different organisations participated in the country desk meeting and policy lab, with representation from local and national governments, intermunicipal organisations, energy cooperatives, network organisations, project developers, grid operators and research institutions:

- Coöperatie Energiecentrale Sparrenburg
- Energy cooperative ECOOB
- VVSG
- WVI
- Kamp C
- Energie Samen
- Energiecoöperaties Hart van Brabant
- Energiecoöperaties Noord-Oost Brabant
- REScoop Vlaanderen
- VITO
- TU Eindhoven
- Enpuls Provincie Brabant
- REScoop.eu
- Vlaams Energie -en Klimaat Agentschap
- Flux50 & Kermtstroomt
- Fluvius
- Boerenbond
- Brabantse Milieufederatie
- City of Genk
- KBC
- Province of West-Vlaanderen
- Province of Oost-Vlaanderen
- Provincie of Antwerpen
- Universiteit Antwerpen
- Ministerie van Economische Zaken (Nederland)
- TKI Urban Energy
- AT Osborne

Summary of presentations

Dirk Vansintjan (REScoop.eu) presented the transposition tracker of REScoop.eu which assesses the progress of the transposition of the Renewable Energy Community (REC) and Citizen Energy Community (CEC) definitions in the European Member States. The main conclusion is that the majority of the Member States did not reach their deadline and little efforts have been made with regard to the enabling framework. Good examples of the transposition of the definitions are: Belgium, Ireland and Sweden. This tracker is subject to change based on new information



received. In the future REScoop.eu will also track the progress in the enabling framework. Dirk Vansintjan provided an overview of the transposition of the definitions for Flanders and the Netherlands, which can also be consulted on the website of REScoop.eu:

- o Flanders: https://www.rescoop.eu/policy/flanders-rec-cec-definitions
- o The Netherlands: https://www.rescoop.eu/policy/netherlands-rec-cec-definitions

Dirk Vansintjan also referred to the survey commissioned by the European Climate Foundation on the support for RES in local areas in the UK, Poland, France, Germany, Greece, Spain, Italy, Romania, Bulgaria, Czech Republic: https://europeanclimate.org/resources/europeans-support-new-wind-and-solar-projects-in-their-local-area/. The survey showed that 61% of those questioned (across the selected countries) said they would be likely to join an energy cooperative if one was set up in their local area. Support was highest in Romania (85%), Italy (75%), Bulgaria (75%), Poland (74%), Greece (71%) and Spain (69%). Unfortunately, the survey did not cover Belgium/Flanders, nor the Netherlands.

Erika Meynaerts (VITO/Energyville) illustrated how the COME RES project and the different deliverables (outputs) can contribute to the practical implementation of the provisions on renewable energy communities in RED II in Flanders and the Netherlands. She also presented the main conclusions from Deliverable 2.1, an assessment of the starting conditions for RECs in nine European countries: Belgium, Germany, Italy, Latvia, the Netherlands, Norway, Poland, Portugal, and Spain. The report is based on a systematic assessment of the starting conditions, including technical, institutional, legal and policy conditions. Besides the consideration of the NECPs, the analysis includes an assessment of the legal frameworks for RECs being developed in the COME RES countries as required by RED II (status February 2021). The assessment confirms that there is still a lot of work to be done on the development and implementation of the enabling framework but also in adapting existing support mechanisms for RES to the specific characteristics of RECs.

The deliverable can be consulted on the COME RES project website: https://come-res.eu/fileadmin/user upload/Resources/Deliverables/COME RES D2.1 Assessment report FINAL.pdf

Erik Laes (TUEindhoven) explained the methodological approach for assessing the potentials for RECs in the COME RES target regions in Deliverable 2.2. These assessments rely on a common methodology and take into consideration the specific climate, energy, technological and socioeconomic conditions. They are based on a cascade approach: starting from the technical RES potential (e.g. based on data such as available land, rooftop areas, housing types, climatic conditions) or politically agreed targets, an estimate is made about the fraction of this potential that could be particularly suitable to be 'unlocked' by community approaches. Erik Laes presented the results for the target regions in Flanders (Limburg and West-Vlaanderen) and the Netherlands (Noord-Brabant). Looking at the REC potential for wind projects in West-Vlaanderen and Limburg, a share of 20% of the investments financed by citizens for both target regions can be considered a feasible goal, while higher shares (in the range of 50–100% of the investments financed by citizens) will be very challenging. With regard to PV, the Flemish Local Energy and Climate Pact aims for an additional cooperative/ participatory project per 500 inhabitants in Flanders by 2030 (assuming an average PV project of 18 kWp). Given the investment potential for REC PV projects, these ambitions can be considered feasible. In the Netherlands, a political



goal of 50% ownership of RES capacity on land by the local environment by 2030 has been set forward. The results of the REC potential calculation for Noord Brabant show that this target can most likely only be reached by complementing the direct citizen investments with investments by local SMEs and local authorities.

The deliverable can be consulted on the COME RES project website: https://come-res.eu/fileadmin/user upload/Resources/Deliverables/Del 2.2 Assessment Report of Potential.pdf

During the presentations the participants could write down their questions in the chat and/or share additional information. Below an overview is given of the most important conclusions and references:

Transposition tracker for Flanders and Brussels Capital Region:

Brussels Capital Region: https://www.rescoop.eu/policy/brussels-rec-cec-definitions

Flanders: https://www.rescoop.eu/policy/flanders-rec-cec-definitions

Also in Wallonia, there are experiments of some intermunicipal organisations such as IDETA. In Wallonia, the legislation has been transposed in spring 2019, without Energy Decree for the time being (information dd. autumn 2020) - it seems to be a transposition like in France + negotiations with DSO about possible discounts.

The assessment that was presented by Dirk Vansintjan focuses only on the transposition of the 2 definitions. There will be a follow-up analysis that will focus on 'the enabling framework'. Of course, transposition is no guarantee for effective implementation, that will, amongst other things, depend on the enabling framework.

Wetsvoorstel Energiewet in the Netherlands:

https://www.rijksoverheid.nl/documenten/publicaties/2021/11/26/wetsvoorstel-energiewet-uht

In Flanders, there is concern about the possible interpretation that citizens' energy communities would be possible without citizens, whereas the EU wants to support citizens' initiatives.

The European Commission's revised State Aid Directive is likely to include energy communities as a category to which different rules may apply as in Ireland, for example.

There are of course also people who want to invest but do not have the money to do so (Energy Poverty). Is likely also a potential for RECs under the right conditions.

Energy sharing: in Flanders collective energy sharing is applied since 2004 through the cooperative energy supplier Ecopower with top scores from VREG and Greenpeace, in Wallonia applied since 2012 through the cooperative energy supplier Cociter (https://mijngroenestroom.be/).

The province of Limburg has a provincial council decision since 2013 with a support model for wind energy (20% direct citizen participation) but not applied in practice, unlike in the province of East-Flanders where a similar support model is used:



https://www.rescoopv.be/sites/default/files/PRB_LIMBURG_20131120-draagvlakmodel_windenergie.pdf.

Summary of policy lab

Following the country desk meeting, an interactive policy lab was organized on the enabling framework for renewable energy communities in the Netherlands and Flanders. The participants were allocated to three break-out rooms which dealt with the following questions:

- Based on the requirements of the European Directive (REDII, art. 22 §4), what are the key priorities on which the enabling framework for RECs should focus in Flanders/the Netherlands? (output: list of priorities)
- How can these priorities be put into practice in Flanders/the Netherlands)? (output: suggestions for specific actions/measures that can be implemented by national and local authorities in Flanders/the Netherlands)

Padlet was used as a tool to support an interactive discussion between the participants.

Break-out room 1 (Noord-Brabant): moderator Erik Laes (TU/e) and reporter Martijn Messing (program coordinator social innovation and Enpuls)

Top 3 priorities chosen by the participants:

- 1. Collaboration with the DSO (5 votes)
- 2. Support and capacity building for local authorities (4 votes)
- 3. Access to finance and information for energy communities (3 votes)

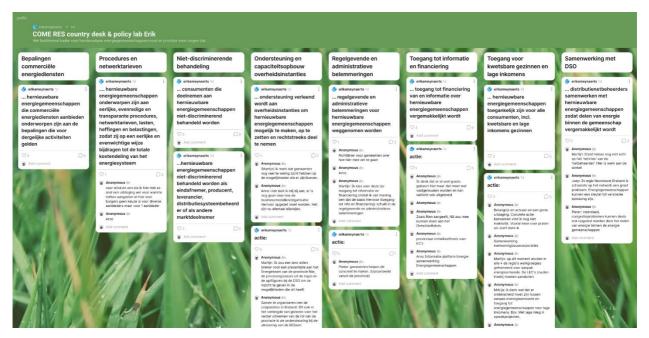
Concerning the **collaboration with the DSO**, a lot of areas of the distribution network in Noord-Brabant are facing a transport capacity problem. This should be seen as an opportunity for promoting energy sharing within energy communities, as this could relieve some of the capacity problems. New network codes are being developed by the ACM (the Dutch market authority) which go in the right direction. However, the DSO itself does not yet consider this to be a strategic priority and internally, work is needed to change their mindset on this topic.

Concerning **support and capacity building for local authorities**, the participants were of the opinion that a lot of municipalities (particularly the smaller ones) did not yet have a clear idea about the added value of working together with energy cooperatives to deliver on local climate goals. Differences in strategic vision also play a role. The municipalities in the region Hart van Brabant for instance are mainly interested in reaching the '50% ownership by the local environment' goal by investing themselves in energy projects (without the help of energy cooperatives). A recent dialogue between the delegate of the provincial government and the energy cooperatives in Noord-Brabant however created a lot of goodwill to take further initiatives for supporting local energy communities. As a follow-up of this dialogue, it was suggested to set up a network with the energy team of the provincial government, key figures of the DSO, the responsible process managers for the different RES regions in Brabant, and representatives of the energy cooperatives to come to a shared understanding of the role of energy communities in the energy transition.



Concerning the access to finance and information for energy communities, a positive aspect is that the provincial government owns a fund of about 2 billion Euros resulting from the sale of Essent. This money will be invested by the province in future-proof solutions. It is up to the energy cooperatives to challenge the fund managers and prove that they can work out such future-proof projects. Nevertheless a problem for the energy communities remains that they have to invest in feasibility studies before they can file a request for support with this fund. For small cooperatives acting on a voluntary basis it is hard to come up with this money. A solution could be to provide a loan for these feasibility studies, to be repaid later in case the project proves to be successful (a financing model used in some other provinces – the so-called 'ontwikkelfonds').

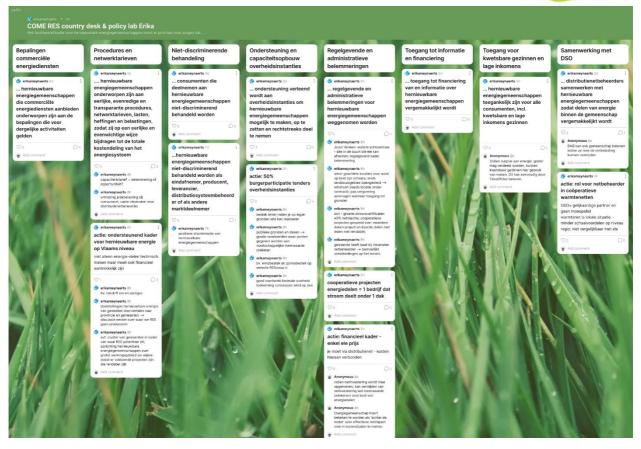
Figure 1: Padlet break-out room 1 (Noord-Brabant)



Break-out room 2 (Flanders): moderator - Erika Meynaerts (VITO/Energyville) and reporter - Maarten Tavernier (VVSG)

Figure 2: Padlet break-out room 2 (Flanders)





Top 3 priorities chosen by the participants: regulatory and administrative barriers, non-discriminatory treatment of RECs, collaboration with DSO.

Existing regulation (e.g. injection in the distribution network, strict interpretation of "producer" and "consumer" of energy) and financial support mechanisms (green certificate system or PV call; differences in taxes on electricity and gas) can be **barriers** for RECs to have a profitable business case. Regulation and financial support mechanisms have to be adapted to take into account the specific characteristics of RECs which often have small scale RES projects and a primary aim to share the energy produced amongst their members (and not to maximize the self-consumption of the owner of the roof). If you remove the regulatory and administrative barriers this would create opportunities for RECs to invest in RES.

Two examples with specific actions to remove the barriers for RECs:

o In Flanders the land available for wind projects is scarce which resulted in a rush for wind and wind developers speculating on land (putting it already under contract). In Flanders you can only apply for a permit for a wind turbine if you have contract with the owner of the land. As such citizen led initiatives that want to invest in a wind turbine in their municipality do not have access to land. Some of the municipalities in Flanders have tried to resolve this barrier by publishing a decision of the municipal council in which is stated that there should be a minimum percentage of citizen participation in wind projects on their territory. However, this decision is not legally enforceable and a Flemish decree is needed such as the participation plan in the Netherlands to make it legally enforceable. (link to request of REScoop Vlaanderen to the parliament to make citizen participation in PV and wind projects as stated in the decisions of municipal provincial councils legally enforceable: or



https://www.rescoopv.be/sites/default/files/20200611open%20windbrief%20global%20wind%20day%202020-REScoopV.pdf)

o Industrial companies that have a large roof are still supported by the green certificate system for PV based on the "non-profitable top" calculations which takes into account that these large scale PV installations are still profitable at an injection rate of 40%. Cooperative PV projects that are spread across several roofs and installations < 40 kWp cannot profit from the green certificate system. Injection of the energy produced in the distribution network to share it with cooperants has a negative impact on the profitability of the business case. Cooperative projects that want to share the energy produced should be considered as one company or one large "roof".

There are also several good examples in Flanders of PV and wind projects on roofs and land owned by the local authorities with criteria on e.g. citizen participation and creating added value for the local community, specified in the public tender. As such RECs have equal opportunities as commercial developers (example of public tender for wind and PV project can be found on the website REScoop Vlaanderen: https://www.rescoopv.be/burgermeesterconvenant).

Capacity building is needed for local authorities in public tendering, citizen participation and RECS. Similar approach is considered by the federal government in the tendering process for the 2^{nd} concession for off shore wind.

A translation of national and regional goals on renewables to the local level can stimulate local RES projects. If municipalities have limited RES potential they can join forces with neighboring municipalities to reach their targets. It should be avoid that RES projects are set up on the scale of a small district. RECs should aim for a scope that provides you with sufficient opportunities and social capital to become a viable cooperation.

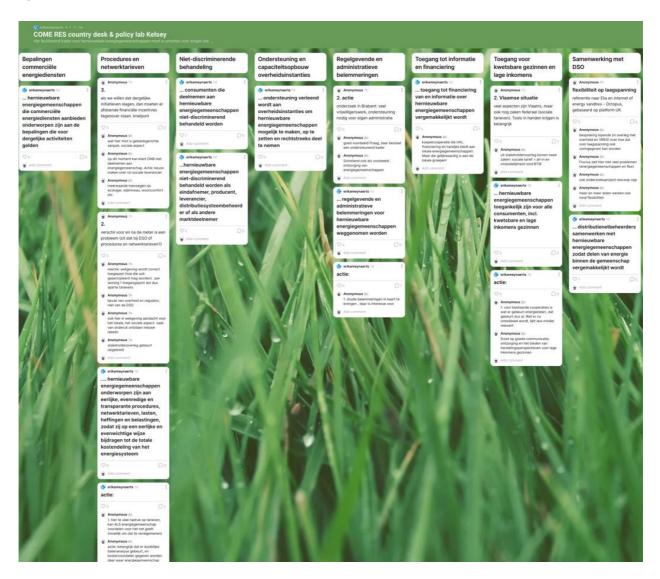
Instead of non-discriminatory treatment of RECs, focus should be on positive discrimination of RES and RECs is needed. RES production should be stimulated in a positive way given the ambitious targets. As soon as you pass the meter and have to inject the energy produced in the distribution network, the distribution related costs and taxes have a large impact on the profitability of your business case. If you only have the cost of the electricity produced you have a different business case. If RECs contribute to the balancing of the distribution network, they should be rewarded for this effort. There should be a stable and transparent framework provided by the Flemish government that stimulates RES, not only making energy sharing technically feasible but also financially feasible. Regulation should not only by adopted to stimulate RES production for avoiding investments in the distribution network (e.g. capacity tariff) but to maximize RES production. A tax shift from electricity towards natural gas can be an important measure to make investments in RES electricity production and district heating networks more attractive.

There are several good examples in Flanders of **cooperation** between energy cooperatives and the **DSO**. However, cooperation becomes difficult in projects in which the DSO wants to have a monopoly position in managing the distribution of electricity and gas, but also heat. In Flanders there are three cooperative district heating networks (Oostende, Eeklo, Mortsel) in which there was an initial role for the DSO. The DSO stepped out of these projects as there was only the possibility of equal partnership. As the distribution of heat is a very local issue and not regulated yet, the setup of a local district heating network supplied with e.g. residual or waste heat would be a great opportunity for RECs to collaborate with local authorities.



Break-out room 3 (Flanders): moderator Kelsey van Maris (VITO/Energyville) and reporter – Dirk Vansintjan (REScoop.eu)

Figure 3: Padlet break-out room 3 (Flanders)



Top 4 priorities chosen by the participants: procedures and network charges, access for vulnerable and low-income households, regulatory and administrative hurdles and access to information and financing.

The discussion kicked off with the topic of **procedures and network charges**, where participants thought the emphasis was too much on charges and tariffs. It is important that first, a costbenefit analysis is performed, so that cost advantages can be allocated if and where energy communities can offer advantages to the net. On the other hand, if it is the aim for RECs to succeed, there is a clear need for sufficient support/financial incentives, as is done for renewable energy in various forms. Another aspect of this is the local and social aspect of that support: it would be good to really tailor the support to what is needed in the concrete



region/neighbourhood/REC that is applying for it. In that way it is possible to create added value in terms of ecology, comfort of living, etc. on the level of the neighbourhood.

The discussion then shifted topic to the **DSO**, as the question was raised where these charges would be levied. The DSO replied that they apply the rules and regulations in a correct manner, which implies 1 access point per dwelling. It is emphasized that this is a perspective, a choice, from the government's and from the regulator's side. Also in this respect, there could be more attention for local, social aspects, as it is often bottom-up that new ideas and solutions are found. The DSO indicated that they are organizing stakeholder meetings to that aim. Additionally, they are talking with government and VREG on the topic of flexibility, especially on the low voltage grid. It is indicated that more RECs are now interested in flexibility. Reference is made to a project from Elia and Octopus Energy, a UK platform. Also, a research project by REScoop, REScoopVPP, is mentioned (https://www.rescoopvpp.eu/).

Zooming in closer on the social aspect that was brought up a couple of times, the topic of access for **vulnerable and low income households** was taken up. The situation in Flanders/Belgium was sketched, and it was indicated that although Flanders has a lot of competences in this domain, there are still policies that are regulated by the federal level, such as the social rates and VAT. According to some, the iniatives that the Flemish government is taking concerning sharing of energy, is what is already happening in the field; hence, this seems less relevant for the RECs. Another aspect of this topic is the households that are customers of the DSO (instead of from an energy provider); currently, they cannot take part in a REC. A concrete action here could be making a decision in the role of the so-called social energy provider.

The last topic discussed was the **regulatory and administrative hurdles**, together with the **access to information and finance**. It was mentioned that the hurdles are not really administrative or regulatory, it is sufficiently clear what is expected and allowed, but rather the hands (and financial means) to carry out the work. It would be good if there existed an umbrella organization that would provide information, administrative and financial support to local RECs, but that is on an equal footing with those RECs. Good practices like Prague (supporting framework) and Scotland are mentioned.



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