

Summary of the 2nd thematic workshop 21.09.2022 and policy roundtable 24.10.2022 in Norway

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COME RES is a project supported by Horizon 2020 which aims to bring the necessary knowledge to increase the share of renewable energy from renewable energy communities in the electricity supply. The project focuses on frameworks that facilitate the establishment of renewable energy communities, as well as different models. An important part of the project is knowledge exchange between research and stakeholders, and between different regions in the partner countries Norway, Belgium, Italy, Latvia, the Netherlands, Poland, Portugal, Spain and Germany. CICERO leads the work package exploring framework conditions, drivers and barriers. CICERO, together with the project partner Norwegian Water Resources and Energy Directorate (NVE) also organise the work of bringing in perspectives from relevant Norwegian stakeholders from local government, energy sector, industry and civil society to the COME RES project.

The project has gathered a reference group with important actors who have three meetings throughout the project period. In addition, 2 thematic workshops and policy roundtables have been held to address current topics with the intention of formulating recommendations for authorities and others to promote renewable energy communities. This summary is the result of the 2nd thematic workshop held 21<sup>st</sup> of September and the policy roundtable held 24<sup>th</sup> of October in Norway.

# 2<sup>nd</sup> thematic workshop: Renewable energy communities and opportunities in the energy crisis

On 21 September 2022, CICERO invited to the workshop "'Renewable energy communities and opportunities in the energy crisis". The purpose of the workshop was to discuss opportunities and challenges related to the development of renewable energy communities in Norway in light of the current energy situation with high electricity prices and a lack of energy in Europe. The workshop was organized by CICERO in collaboration with NVE.

The event was held in the Lyng meeting room in Oslo Science Park, but there was also the option of digital participation to reach more participants. 48 participants registered to participate, 16 attended physically and 18 participated via Teams

The event was divided into two sessions with key note presentations followed by panel discussions. Lunch was served between the sessions. with lunch in between. The moderators were Hege Fantoft Andreassen (senior communications advisor) and Karina Standal (senior researcher), both from CICERO.

#### Session 1

The workshop was opened by Hege Fantoft Andreassen who presented the COME RES project. Karina Standal then gave a presentation on renewable energy communities and opportunities in today's energy situation. In her presentation, she went into the concept of community energy and its many definitions. COME RES is based on the EU's framework (the recast Renewable Energy Directive/REDII) and the definition of Renewable Energy Communities, and how this features in the Norwegian context. The EU focuses on renewable energy communities because studies show that local ownership in such energy projects can increase social acceptance of renewable energy and the energy transition. Furthermore, it can create a fairer energy transition since energy communities can make the economic and social threshold lower for people to get involved in energy production at grassroots level. Renewable energy communities



provide opportunities to tailor local systems to meet local energy needs, as well as prevent or postpone grid development and thus save financial and environmental costs. Standal also presented two example models from an urban and rural context.

After Standal's presentation Toril Ringholm, (Professor at UiT - the Arctic University of Norway) presented the Drivkraft-project in connection with Senja island. The project is led by Senja municipality and is a collaboration between research and municipalities around climate, environmental and energy planning for sustainable district municipalities. Among other things, the project emphasises engaging the population, especially young people, and business to become effective tools for the transition to a low-carbon society.

After Ringholm's presentation, Jan Bråten, (senior advisor at Statnett) gave a presentation on the role of local energy resources in the energy transition. Bråten gave an overview of the energy situation in Norway and Europe and future energy needs to reach the climate goals in Norway. Bråten emphasised that there will be a great need for flexibility in the energy system (that consumption must be balanced throughout the day) and that its value is the most locally where consumption takes place. Furthermore, it will be necessary to utilise a greater diversity of emission-free energy solutions in combination from a system perspective (e.g. both in electricity and heating). This could result in lower costs, less damage to the environment and delays of the transion, as well as enable a more robust energy system.

The presentations were followed by a panel discussion to discuss the presentations (led by Karina Standal) with Toril Ringholm, Jan Bråten, Maren Aschehoug Esmark (section manager NVE) and Oddvin Breiteig (senior advisor NELFO). In the conversation, it was discussed what kind of role municipalities and local authorities can play in facilitating and benefiting from renewable energy communities and what resources they then need. The importance of cooperation was highlighted. Furthermore, it was discussed what kind of policy and regulations that can facilitate local solutions. The need to think holistically (with regards to integration of a variety of solutions and climate variation throughout the year) was highlighted as well as challenges between how legislation such as the Energy Act and the Planning and Building Act work (or do not work) together. It was raised that the current regulatory system is designed to ensure centralised supply and thus does not fully incorporate models such as renewable energy communities, but that regulatory changes are in process.

#### Session 2

After lunch, Wilfried Piementa de Miranda (Managing Director of Alpha Venturi) presented the HOLONI project which is a collaboration with the City of Copenhagen. Through the project, they have prepared and delivered technology services that show the potential for implementing roof-based solar systems in given areas. This gives local authorities better knowledge in the decision-making process. De Miranda also presented other technological tools for renewable energy communities that provide opportunities for better interaction, guarantees of origin, etc. This was followed by a summary from two of the studies in the COME RES project. Nora Ytreberg (PhD fellow CICERO) and Karina Standal presented findings from qualitative interviews and a survey among stakeholders in Norway and the COME RES countries in Europe. The findings show that renewable energy communities are considered to play an important role in the energy transition, especially with regard to increasing the share of renewable energy and creating social acceptance. What is considered relevant technologies, forms of organization and actors varies between countries and regions, but in Norway housing associations and agriculture are considered very relevant. The studies show that there are a wide range of barriers for renewable energy



communities. The survey mainly highlights regulations and the lack of a legal framework, while the qualitative interviews emphasize both regulations and dimensions such as competence, trust in sharing economy models, acceptance and awareness. Among the Norwegian participants in the study, most wanted the authorities to develop a guide for renewable energy communities. The presentations were followed by a panel discussion (led by Karina Standal) with Wilfried Piementa de Miranda, Maren Aschehoug Esmark, Jan Bråten and Ketil Krogstad (special advisor, Norges Boligbyggelags Landsforbund SA (NBBL)). In the conversation, it was discussed whether it is important to develop the local solutions in order to increase acceptance of the energy transition. Emphasis was placed on the fact that it will be important for households and businesses to be able to adopt local solutions given the current energy situation. At the same time, renewable energy communities are not a tool to 'win' people's acceptance of large-scale energy infrastructure. Support schemes and how they are geared towards stimulating innovation versus energy efficiency measures or the inclusion of low-income groups were also discussed. Again, the need to rethink the energy system as a whole was raised, but this is timeconsuming. It was pointed out that in order to adopt solutions quickly, it will also be important to make minor changes such as changing support and opportunities to share self-produced electricity within certain limitations.

After the panel discussion, it was opened for questions and discussion from the participants.

The workshop ended at 14.

### 2<sup>nd</sup> Policy roundtable

CICERO Center for Climate Research, in collaboration with project partner Norway's Water Resources and Energy Directorate (NVE), arranged a closed policy roundtable with representatives from NVE, The Norwegian Energy Regulatory Authority (RME), ENOVA¹ and CICERO on 24 October 2022, at 12-14:15. The Ministry of Petroleum and Energy was also invited to the meeting, but was prevented from participating. The event was held in NVE's premises (Mjøsa) in Middelthun's gate 29 and digitally via Teams. Participants: Maren Aschehaug Esmark, section manager NVE, Ingvill Sjøvold Nilsen, senior advisor NVE, Ingvild Grøtterud Birkeland, department engineer RME, Martin Windju, senior advisor NVE, Monica Berner, senior advisor Enova, Karina Standal, senior researcher at CICERO/head of COME RES in Norway and Merethe Dotterud Leiren, research director at CICERO.

#### Purpose and program

The purpose of the event was to disseminate research findings on drivers and barriers for renewable energy communities in Norway and to have a dialogue about the opportunities and the role renewable energy communities can play in today's Norwegian energy context with high energy costs due to climate change, the phasing out of fossil energy in Europe and Russia's invasion of Ukraine. Particular emphasis was placed on dialogue around: 1) sharing of self-produced electricity, 2) the current model with exemption from electricity tax and network rental for self-produced electricity, 3) government support schemes and 4) narratives around Norwegian energy and the power system concerning what is understood as beneficial to society and cost-effective at national and local level. Four presentations

<sup>&</sup>lt;sup>1</sup> State enterprise owned by the Ministry of Climate and Environment and manages the Climate and Energy Fund. This fund is utilised for e.g. financial support for local energy solutions.



were held: The EU's green contribution, focus on renewable energy communities and advantages of such models / Merethe Dotterud Leiren; Summary of research findings on drivers and barriers for renewable energy communities in Norway / Karina Standal; Energy communities and their implementation under the Clean Energy Package / Stavroula Pappa REScoop.eu and Regulations concerning grid distribution and renewable energy communities in Norway / Ingvild Grøtterud Birkeland RME, Martin Windju NVE.

For more details see attachment and the summary in Norwegian.

## Attachment: Pre-sent memo to the policy roundtable on renewable energy societies in Norway at the COME RES project

The EU project Come Res: Community Energy for the uptake of RES in the electricity sector. Connecting long-term visions with short-term actions aims to produce knowledge about framework conditions, potential, drivers and barriers as well as organizational and business models for renewable energy communities in Europe. Furthermore, the project also has a stated purpose of helping to support political processes to scale up renewable energy communities (e.g. the implementation of the revised renewables directive) and knowledge exchange between relevant actors. In this regard, the project aims to carry out workshops, reference groups and dialogue with authorities. In Norway, we have a national reference group consisting of 36 different user partners within power and network companies, technology companies, property developers and other businesses, civil society and interest organisations and municipalities. The project has a geographical focus on Norway and Latvia, as well as selected regions with a low incidence of renewable energy communities in Belgium, Italy, the Netherlands, Poland, Portugal, Spain and Germany.

The transition to a low-emission society and obligations in relation to the Paris Agreement pose major challenges to the energy system in Norway. This has become even more relevant during the energy crisis in Europe due to phasing out of fossil energy sources, as well as the war in Ukraine. In Norway, too, hydropower is a variable resource and it is demanding to deal with high electricity prices and new grid tariff models in a context where the amount of power needed is increasing.

In this regard, renewable energy communities can play a role by being tailored to local energy needs. An example could be island communities where the need for power for ferry transport and new businesses (farming and fishing) is more than the current energy supply can handle without expensive grid development. Furthermore, renewable energy communities in housing associations or for businesses can reduce costs and thus vulnerability to fluctuations in price, in addition to meeting new needs such as electrification of transport etc. Under the right conditions, renewable energy communities can also use a number of energy sources in a micro-system that increases energy security and optimises the system.

COME RES' work since autumn 2020 shows that it is still demanding to establish renewable energy communities in Norway and several other European countries. This is due to complex factors such as power systems that are geared towards a centralized power supply (in regulations and legislation), lack of support in the form of information and financial incentives, little awareness of renewable energy



communities in society in general and resistance to specific renewable energy resources (mainly onshore wind power), as well as a lack of quantifiable political objectives to scale up renewable energy communities. An overall finding from the COME RES project is that the threshold for creating renewable energy communities is very high – it requires high investments, technical knowledge, as well as knowledge of regulations and administrative procedures. In addition, relevant partners are often required. A finding from the work is also that many relevant actors consider renewable energy communities to be an important factor in 1) facilitating a smarter and more flexible energy system on the way to a low-emission society, 2) limiting costly grid development, 3) increasing the share of renewable energy and 4) increasing acceptance for the energy transition.

Through several discussions with the reference group and other relevant actors in Norway (carried out via meetings, workshops and interviews), there are some points that have stood out and that can be a starting point for discussion:

- The option to share self-produced electricity beyond the meter. Today's proposed regulations will solve much of this, but there will still be many who fall outside (both according to the kWh limit and property limits). There is a great desire among certain actors to share between properties in e.g. a housing association or public buildings in close proximity to each other to optimize the energy system (e.g. sun at different times of the day or sending electricity from a school to a swimming pool).
- Today's model with exemption from electricity tax and grid tax on self-produced electricity is an
  incentive that has challenges for grid companies and the distribution of costs for the distribution
  network if a large potential within renewable energy communities is unleashed. Some also
  perceive this as favouring solar energy. Some therefore want a reassessment of the model and
  other government support schemes to provide financial incentives to renewable energy
  societies
- Today's government support schemes are perceived as too narrow 1) the emphasis is on
  providing incentives for new technology and not energy efficiency 2) it is aimed at private
  homeowners and commercial players (plus customer scheme and Enova support). In sum, this
  is perceived to trigger support for households with the resources to adopt new technology and
  not low-income households or private actors who want to form renewable energy communities
- There are many different narratives/discourses around Norwegian energy and the power system, with sometimes very conflicting values and interests. Some actors feel that it is difficult to participate and be heard. This is linked, among other things, to the perception of what is perceived as beneficial and cost-effective at national and local level.



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