

Advancing Renewable Energy Communities

3rd Country Desk Meeting and Policy Lab

"Action Plan for Małopolska Province"

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COUNTRY DESK

The Horizon 2020-Project COME RES

COME RES - Community Energy for the uptake of renewables in the electricity sector aims at connecting long term visions with short-term actions to facilitate the market uptake of renewable energy sources (RES) in the electricity sector. The project has a specific focus on target regions in Belgium, Germany, Italy, Latvia, the Netherlands, Norway, Poland, Portugal, and Spain, where community energy has the potential to be further developed and model regions where community energy is in a more advanced stage of development. COME RES covers diverse socio-technical systems including community PV, wind (onshore), storage and integrated community solutions. The project is coordinated by the Environmental Policy Research Centre (FFU), Freie Universität Berlin (FUB) and with 16 European partners in the consortium.

The Polish Stakeholder desk

Country desks have been set up in all COME RES partner countries to enable informal dialogue forums where, in addition to project results, current topics such as barriers, drivers and development opportunities for RECs are regularly discussed with actors and stakeholders. The Polish country desk is coordinated by KAPE – The Polish National Energy Conservation Agency.

In Poland, the country desk concentrates on community PV and community integrated solutions in the Warmian-Masurian target region. The desk involved a core group of 25 stakeholders, including policy makers, national and regional (renewable) energy organisations, energy clusters, academia, civil society, banks, regional funds for environmental protection and water management, the PV industry, public utilities as well as local authorities and members of the parliament.

Minutes of the country desk meeting

The meeting was the third meeting of the Polish Country Desk in the COME RES project and was held online on 02.12.2022. The meeting was attended by 14 people. During the meeting, the plan for creating an Action Plan for Malopolska was presented and the results of the surveys and barriers to the development of energy communities in Poland were reviewed. Later there was a discussion and a summary, which concluded the last Country Desk meeting in the COME RES project. Polish Country Desk was bringing together national, regional and local stakeholders, including policymakers, research organisations, regional fund, RES company and other representatives of the energy community.

The main aim of the event entitled "Action Plan for Małopolska Province".



The purposes of the meeting was to provide an update on the status of the COME RES project and create action plan for Małopolska province as a policy lab. Anna Dyląg reviewed comparative of the regulatory and enabling framework for renewable energy communities in the 9 COME RES countries (D7.1), the results of the stake-holder survey (D3.4) and presentation of business models for REC (D4.3).



Transpozycja dyrektywy RED II - projekt

Społeczności energetyczne oparte na odnawialnych źródłach energii (REC)

 UC 99 "Projekt ustawy o zmianie ustawy o odnawialnych źródłach energii oraz niektórych innych ustaw"
 <u>https://www.gov.pl/web/premier/projekt-ustawy-o-zmianie-ustawy-o-odnawialnych-zrodlachenergii-oraz-niektorych-innych-ustaw7</u>

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Figure 1 – Slide from the presentation during Country Desk and Policy Lab

During the meeting, stakeholders discussed about the solutions for below barriers:

- Lack of clear/appropriate legislation for the renewable energy community. These cause stagnation and delays in the establishment of energy communities.
- Lack of economic incentives and financial support effectively discourages (especially) local government officials from engaging in the conceptual process of establishing RECs.
- Regulations that limit the ability of renewable energy communities to sell surplus energy to the grid.
- Regulations that limit the ability of renewable energy communities to share self-generated electricity (e.g., between members, neighboring properties).
- Problems with DSOs that block the connection of competing power co-ops to the electricity grid.
 DSOs also fail to disclose the grid's connectivity, causing stagnation in energy investments.
- For the Małopolska Region (in mountainous areas), a significant barrier is the lack of sufficient capacity in electricity grids.



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Bariery

- Brak świadomości istnienia wspólnoty energetycznej jako koncepcji/modelu
- Brak akceptacji dla modeli współpracy lub wspólnych inwestycji
- Brak jasnych/odpowiednich przepisów prawnych dotyczących społeczności energetyki odnawialnej
- Brak zachęt ekonomicznych i wsparcia finansowego
- Przepisy, które ograniczają możliwości sprzedaży nadwyżek energii do sieci przez społeczności korzystające z energii odnawialnej
- Przepisy, które ograniczają możliwości społeczności zajmujących się energią odnawialną w zakresie dzielenia się samodzielnie wyprodukowaną energią elektryczną (np. między członkami, sąsiednimi nieruchomościami)
- Brak uwagi w polityce krajowej lub lokalnej na temat społeczności odnawialnych źródeł energii jako koncepcji i
 potencjalnych korzyści, jakie mogą one przynieść
- Brak sieci współpracy i wymiany wiedzy pomiędzy potencjalnymi interesariuszami

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Figure 2 – Slide from the presentation during Country Desk and Policy Lab

During the meeting, the stakeholders also discussed facilitation at both the national and local government levels, which could accelerate the creation of energy communities in Poland.

Particular attention was paid to regulations defining the right of energy cooperatives to become suppliers or producers selling surplus electricity to the grid. In Poland, only energy clusters can sell energy (however, they are not a legal entity - excluding RED II as RECs). It was also called for the implementation of a full legal definition of renewable energy communities. Gaps in this regard limit, on the one hand, the full transposition of the directive, on the other hand, the nature of the users.

Another facility analysed by participants was the plan to introduce pre-investment support instruments for energy clusters and energy cooperatives. These are due to appear in the first quarter of 2023.

Another time (for the first time at the thematic workshop (10.11.2022), there was a discussion on facilitating access of low-income and vulnerable households to participation in energy communities.

The role of local governments in initiating discussions and facilitating cooperation among relevant stakeholders, such as research institutions, the business sector, energy companies, etc., was emphasized.

The discussion of the Action Plan for the Małopolska region was preceded by an analysis of the recommendations that were presented by the Krakow Climate Panel¹. They included, among others:

- recommendation to create energy communities,
- development and implementation of a comprehensive education and information program on climate and environmental challenges, aimed at residents,

¹ <u>https://www.krakow.pl/aktualnosci/250281,2163,komunikat,krakowski panel klimatyczny -</u> <u>rekomendacje.html?_ga=2.29278655.244826494.1623649944-1679293581.1613555315</u>



- creation of a one-stop energy advice center,
- taking steps to amend the law on the introduction of the collective prosumer.

Consultation with the desk stakeholders: The online survey

During the Country Desk meeting, the results of an online survey that was sent out in May and June 2022 to national office members and KAPE affiliates were presented. There were a total of 64 respondents, of which about 72% completed the survey. Those who responded to the survey were, in many cases, associated with RECs (they came from the RES industry). Approximately 25% of respondents were representatives of national and local governments, non-governmental organizations and networks, research organizations, municipal utilities and community/cooperative energy initiatives. 53% of respondents indicated that they were involved in renewable energy communities. Some of the key findings from the survey:

- Respondents consider the following activities to be most relevant or promising for RECs: electricity generation, heating, storage and flexibility services, and transportation. In Flanders, more than 75% of respondents also consider the built environment an important activity for HEG. Agriculture is considered the least important activity for RECs.
- Respondents consider local governments and grid companies to be the most important activities for RECs (about 90%)
- Respondents consider the following technologies to be the most important for RECs: PV (about 95%), bioenergy (85%) and hybrid systems (85%).
- Most of the barriers presented in the survey are considered important or very important by more than 80% of respondents. Lack of REC regulations and lack of financial support were considered the most important barrier to REC development. Lack of networks and knowledge and acceptance of the cooperative model were considered the least important barriers to REC development.
- More than 80% of respondents consider all aspects presented in the survey to be important or very important for REC development. Nearly 100% of respodents believe, regulations for energy sharing are important and very important. The next facilitators according to the respondents are: regulations for the sale of energy by RECs and trasposition of the implementation of the definition of RECs.
- For respondents, the most important support for RECs is financial support (about 95%) and reduction of administrative barriers (about 90%).
- In Poland, it is very important to provide financial support to citizens, SMEs and civil society
 organizations that initiate RECs, as well as to allocate adequate areas for RECs.
- In Poland, almost 50% of respondents are not familiar with REDIA and REC regulations and opportunities.



 A majority of respondents consider fair and equitable participation of RECs in the electricity system (including transparent cost-benefit analysis and equitable sharing of grid costs among all consumers) as the most urgent enabling measure to be implemented. Facilitating access to financing for RECs is also considered another choice in Poland.

Regional Energy Action Plans For Małopolska province

During the Policy Lab, the stakeholder team identified activities for Malopolska province that could multiply the creation of energy communities. The proposed activities are:

- 1. Action 1: The emergence of an energy community incubator.
- 2. Action 2: Public inventory of power grids is the basis for planning places where REC can be created.
- 3. Action 3: Municipalities should request more information from the DSO operator
- 4. Action 4: Create tax exemptions for the installation of renewable energy communities.
- 5. Action 5: Promote the simplification of administrative procedures for self-consumption projects with power over 100kw.
- 6. Action 6: Promoting teaching in professions related to the energy transition

Based on the results of the Policy Lab, Anna Dyląg (KAPE) developed a synthesis of the main findings, presenting the proposed actions in a clear and concise manner. In the final stage, the draft action plan was circulated to a core group of stakeholders for their approval and feedback. The team offered participants the opportunity to make additional comments and suggestions.

Concluding discussions and mingling

The main lessons learned from the Country Desk meetings were to emphasize the role that legislation, clear ways of holding RECs accountable, and the development of cooperation with DSOs have in building energy communities. As long as the Polish legislator does not take into account the role of all REC members in the creation of the new law, and does not create a transparent and fair way of settlement between members and the electricity grid, the development of energy communities will be marginal. In addition, the establishment of long-term support instruments such as pre-investment grants and tax credits would encourage various entities to engage in RECs. And the final key element for the development of RECs in Poland is the co-operation of DSOs with RECs. At present, DSOs are reluctant to co-operate with entities that are geared towards creating RES installations (in the broad sense).



Time	Activity
11:30-11:45	1. Welcome: Anna Dyląg (KAPE)
11:45-12:00	2. The COME RES project methodology for the development of regional action plans: Anna Dyląg (KAPE)
12:00-12:15	 Baseline for the development of an action plan in Małopolska province: Anna Dyląg (KAPE)
12:15-12:45	4. Barriers and enablers for the development of RECs: Anna Dyląg (KAPE)
12:45-13:30	5. Development of the action plan for Małopolska Province (All)
13:30	6. Final summary and conclusion: Anna Dyląg (KAPE)

Table 1 - Agenda of Country Desk and Policy Lab.

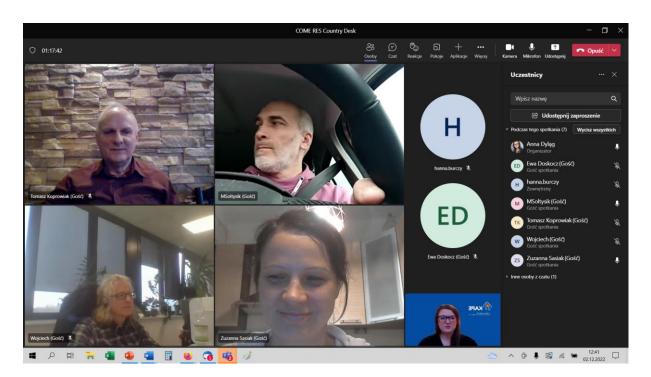


Figure 3 – Picture from Country Desk and Policy Lab



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