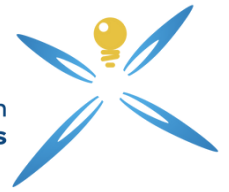




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Why self-consumption



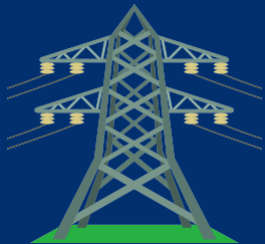
Self-Consumers

Lower energy bills, autonomous energy, potential revenues from selling excess energy.



Network Operators

As part of network planning, system operators should analyse how and where self-consumption and storage could best support the network.



System

Using demand response to increase system flexibility lowers the need for backup electricity generation capacity.



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Definitions

Active Customer

A final customer, or a group of jointly acting final customers, who consumes or stores electricity generated within its premises located within confined boundaries or, where permitted by a Member State, within other premises, or who sells self-generated electricity or participates in flexibility or energy efficiency schemes, provided that those activities do not constitute its primary commercial or professional activity.

Citizen Energy Community

Legal entity based on voluntary and open participation, effectively controlled by members or shareholders that are natural persons, local authorities, including municipalities or small enterprises. Its primary purpose is to provide environmental, economic or social community benefits to its members or shareholders or to the local areas where it operates, Citizen energy community may engage in generation, including from renewable sources, distribution, supply, consumption, aggregation, energy storage, energy efficiency services or charging services for electric vehicles or provide other energy services to its members or shareholders.

Renewable Self-Consumer

A final customer operating within its premises located within confined boundaries or, where permitted by a Member State, within other premises, who generates renewable electricity for its own consumption, and who may store or sell self-generated renewable electricity, provided that, for a non-household renewables self-consumer, those activities do not constitute its primary commercial or professional activity.

Jointly Acting Renewables Self-consumers

A group of at least two jointly acting renewables self-consumers in accordance with point (14) who are located in the same building or multi-apartment block.

Renewable Energy Community

A legal entity that:

- (a) Is based on open and voluntary participation, is autonomous, and is effectively controlled by shareholders or members located near the renewable energy projects owned and developed by the entity.
- (b) Has shareholders or members that are natural persons, SMEs, or local authorities, including municipalities.
- (c) Has a primary purpose of providing environmental, economic, or social community benefits rather than financial profits.

Legal framework
Internal Market for Electricity Directive 2019/944 (IMED)
Renewable Energy Directive 2018/2001 (RED II)



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Recommendations on the EU best practices of Self-consumption Regulations for Implementing them within the Eastern Partnership Region

By incorporating the following components, the Eastern Partnership countries can create a conducive environment for the self-consumption of renewable energy, leading to a more sustainable and efficient energy system.



Establish a clear and explicit regulatory framework: A reliable, transparent, and supportive legal and regulatory framework that allows all final customers to generate, store, and sell self-generated electricity is crucial for promoting and implementing self-consumption. Hereby, creating an enabling framework for energy communities, enabling P2P trading, establishing a single point of contact and supporting engagement of energy poor consumers in self-generation is recommended.



Implement net-billing: Taking into consideration the recommendations set by the Policy Guideline issued by the Energy Community Secretariat on grid connection of prosumers and Directive 2018/2001 on the promotion of the use of energy from renewable sources, the introduction of net billing as a financial incentive for prosumers is recommended.



Incentivise: Clearly define financial incentives and their requirements, such as feed-in tariffs or tax benefits, to encourage the adoption of self-consumption practices.



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Cost-reflectivity: The self-consumption regulatory framework should respect the principles of cost reflectivity, cost recovery, and avoidance of cross-subsidisation among network users.



VAT: VAT legislation should allow the implementation of self-consumption schemes.



Consumer rights: Maintain the same consumer rights for consumers with self-consumption, for example, around switching suppliers to ensure quality of service and contractual certainty.



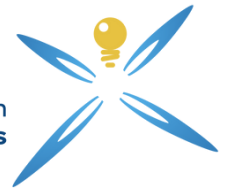
Ensure grid integration: Develop clear rules for grid connection and system integration to ensure the unimpeded integration of self-consumption systems with the existing energy infrastructure.



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Promote consumer awareness: Launch public awareness campaigns to educate consumers about the benefits of self-consumption and how to effectively implement it through a single point of contact.



Monitor and evaluate: Establish monitoring mechanisms to track the progress of self-consumption initiatives and evaluate their impact on energy consumption, renewable energy deployment, and the overall energy system, including key performance indicators that should be defined comprehensively.

Sources:

POLICY GUIDELINES by the Energy Community Secretariat on Integration of Renewables Self-Consumers PG 03/2020 / 28
September 2020

Customers and Retail Markets and Distribution Systems Working Groups Regulatory Aspects of Self-Consumption and
Energy Communities CEER Report, Ref: C18-CRM9_DS7-05-03, 25 June 2019