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Overview of support schemes for prosumption within the EU

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Federation of national renewable energy associations from EU Member States, representing all sectors.

Objectives:

- Defend the interests of independent power, fuel and heat production from renewable sources
- Promote non-discriminatory access to the energy market
- Create, maintain and further develop stable and reliable framework conditions for renewable energy sources
- Advocacy work on European and national levels
- Complaints and court cases against unfair favoritism for nuclear and fossil power



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The energy system of tomorrow: an increased role for consumers

Energy from citizens and energy cooperatives as

- Substantial contribution to national renewable energy targets
- Additional capital for needed investments in renewables

Empowerment of consumers (households, cooperatives, SMEs)

- Produce, use and sell surplus energy
- Minimum of bureaucracy and administrative burdens
- Exemption from auctions and tenders

European Commission's 2015 communication on Delivering a New Deal for Energy Consumers saw the combination of decentralised generation and storage options with demand-side response as the way forward. It considered that consumers were up until now not properly rewarded for their active participation in the energy market, and were sometimes prevented from self-generation and self-consumption.



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Benefits of the development of electricity self-consumption

- Local jobs
- Local wealth creation as money for energy stays within community (instead of paying for energy imports)
- Reduced energy poverty
- Energy security as neither import nor transport is required
- Increased social acceptance for renewables
- Democratic energy system
- Energy consciousness resulting in decreased energy consumption



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Remuneration models for prosumption in Europe

- Net-metering: prosumers feed excess electricity into the grid and consume it later when they need to, paying only for the net difference. The netting period can be an hour, a day, a month or a year.
- Feed-in tariffs (FiTs): prosumers pay the retail price for the power they consume from the grid and are offered long-term contracts by large energy providers at an above-the-market price.
- Feed-in premiums (FiPs): also long-term contracts, but take the form of a bonus added to the current market price. The premium can be fixed or sliding.





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Member States	Existing support schemes
Lithuania	Net-metering for prosumers with PV installations with a capacity not exceeding 10 kW. RES-E prosumers do not pay for the public interest (services and price).
Poland	Prosumers of solar energy with installation with capacity up to 40 kW are allowed to feed into the grid the surplus of energy produced with favourable conditions.
Hungary	Net-metering system addressed to household-sized power plants with a capacity not exceeding 50 kVA
Denmark	Net metering system. Reduced contributions to the regular taxes, levies or network charges usually applied to electricity taken from the grid.
United Kingdom	Prosumers exempted from contribution to support schemes for RES. Indirect costs for CfD and feed-in tariff handled by the suppliers and deducted from the consumer invoice
Croatia	Remuneration for self-consumed or surplus electricity sold to the grid. Self-consumers are exempted from grid and system cost contribution.
Cyprus	Reduced contributions to the regular taxes, levies or network charges usually applied to electricity taken from the grid.



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Member States	Existing support schemes
Bulgaria	No specific schemes for self-consumption are in place, i.e. the volume of self-produced RES electricity is not being measured nor being subject to any financial contribution to the overall system costs.
Slovenia	Net-metering system.
Malta	Scheme to promote the use of PV systems for residential use Solar water heating systems in private households supported. Feed-in tariff payable to households is income-tax and VAT exempt.
Romania	The development of renewable energy sources as been challenged by numerous reforms related to the renewable energy sector and the electricity infrastructure.
Greece	Net metering process eligible for PV plants. Wind, solar, geothermal and biogas plants eligible for subsidy for self-consumption and for tax regulation mechanism.
Finland	Prosumers of renewable energy are entitled to remuneration for surplus electricity sold to the grid through private purchase agreements.



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Member States	Existing support schemes
Czech Republic	The Energy Act allows consumers to generate and consume their own electricity, however, they are often subject to a license and obligations that apply to the supplier of electricity.
Luxembourg	A tax regulation mechanism, which exempts from tax income the revenue from PV installations with a capacity from 1 to 4 kW deemed non-commercial, contributes to promoting renewable energy
Latvia	A net-metering system applies to all prosumers who have a grid connection capacity below or equal to 3*16A (mainly solar). In the yearly bill settlement, the consumed electricity is netted with the generated electricity feed into the grid. Prosumers are required to pay the fees for grid use.
Estonia	There are currently no preferential treatment schemes in place for energy cooperatives, prosumers and SMEs in Estonia.
Slovakia	Self-consumption is in general allowed to households with voltage level of less than 0.4/0.23kV, connection capacity <16 A. No compensation for the excess energy. The government started a discussion concerning a new approach for self-consumption.
Ireland	Ireland is expected significant changes in its electricity market system due to reforms which should lead to the implementation of a new Renewable Energy Support Scheme (RESS)
Sweden	Tax reduction is available for prosumers of electricity from renewable sources who feed their excess of electricity into the grid.



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Outcome of the Trilogue negotiations on RED II for self-consumption

- Agreement between EP, EC and Council to establish the right of European citizens, local authorities, small businesses and cooperatives to produce, consume, store and sell their own renewable energy, without being subject to punitive taxes or excessive administrative barriers.
- Bans punitive measures, such as the Spanish sun tax, which up until now hampered small-scale RE production.
- Acknowledgement of the role that energy cooperatives play in the energy transition, making it easier for people to set up their own RE projects and giving them the opportunity to drive a transformation of the energy system.
- Negotiations on Market Design will be key in determining whether these new market actors have access to an equal playing field across Europe's energy market.



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Thank you for your attention!

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