Energy communities in Estonia – legislation and the best examples

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Valmiera

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Topics briefly

- Current legal framework- REC and CEC in Estonian law
- Next steps
- Main challenges and themes (October2022)
- Energy communities and local municipalities
- Good examples and practices

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Current legal framework – CEC in Estonian law

Citizen Energy Community (CEC) is defined in the amended Electricity Market Act (entered into force on May 23, 2022) as a market participant.

The amended Electricity Market Act:

- Lists the main characteristics of the energy community and promotes the creation of energy communities
- Obliges Distribution System Operator (DSO) to cooperate with energy communities
- Regulates the ownership relations of distribution network operators and electric car charging infrastructure.

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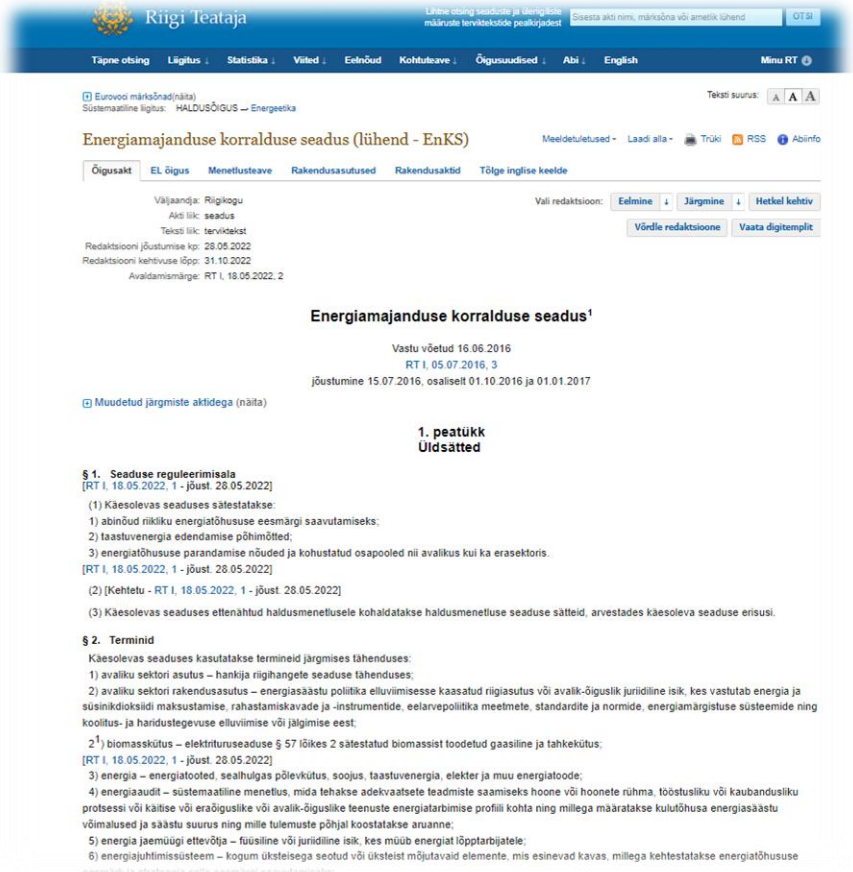
Current legal framework – REC in Estonian law

Renewable Energy Community (REC) is defined in the Energy Management Act (entered into force on May 28, 2022)

<u>The amended Energy Management Act:</u>

- lists general principles, rights, obligations of REC-s
- formulates a definition of a renewable energy community



Riigi Teataja

Täpne otsing | Lõigitus | Statistika | Viited | Eelnõud | Kohtuteave | Õigusuudised | Abi | English | Minu RT

Eurovoci märksõnad(näita)
Süstemaatiline liigitus: HALDUSÕIGUS – Energeetika

Teksti suurus: A A A

Energiamajanduse korralduse seadus (lühend - EnKS)

Meeldetuletused | Laadi alla | Trüki | RSS | Abiinfo

Õigusakt | EL õigus | Menetlusteave | Rakendusasutused | Rakendusaktid | Tõlge inglise keelde

Väljaandja: Riigikogu
Akti liik: seadus
Teksti liik: tervikdekst
Redaktsiooni jõustumise kp: 28.05.2022
Redaktsiooni kehtivuse lõpp: 31.10.2022
Avaldamismärge: RT I, 18.05.2022, 2

Vali redaktsioon: Eelmine | Järgmine | Hetkel kehtiv
Võrdle redaktsioone | Vaata digitemplit

Energiamajanduse korralduse seadus[1]

Vastu võetud 16.06.2016
RT I, 05.07.2016, 3
jõustumine 15.07.2016, osaliselt 01.10.2016 ja 01.01.2017

Muudetud järgmiste aktidega (näita)

1. peatükk
Üldsätted

§ 1. Seaduse reguleerimisala
[RT I, 18.05.2022, 1 - jõust. 28.05.2022]

(1) Käesolevas seaduses sätestatakse:
1) abinõud riikliku energiatõhususe eesmärgi saavutamiseks;
2) taastuvenergia edendamise põhimõtted;
3) energiatõhususe parandamise nõuded ja kohustatud osapooled nii avalikus kui ka erasektoris.
[RT I, 18.05.2022, 1 - jõust. 28.05.2022]

(2) [Kehtetu - RT I, 18.05.2022, 1 - jõust. 28.05.2022]

(3) Käesolevas seaduses ettenähtud haldusmenetlusele kohaldatakse haldusmenetluse seaduse sätteid, arvestades käesoleva seaduse erisusi.

§ 2. Terminid

Käesolevas seaduses kasutatakse termineid järgmises tähenduses:
1) avaliku sektori asutus – hankija riigihangete seaduse tähenduses;
2) avaliku sektori rakendusasutus – energiasäästu poliitika elluviimisesse kaasatud riigiasutus või avalik-õiguslik juriidiline isik, kes vastutab energia ja süsinikdioksiidi maksustamise, rahastamiskavade ja -instrumentide, eelarvepoliitika meetmete, standardite ja normide, energiamärgistuse süsteemide ning koolitus- ja haridustegevuse elluviimise või jälgimise eest;
2^1) biomasskütus – elektrituruseaduse § 57 lõikes 2 sätestatud biomassist toodetud gaasiline ja tahkekütus;
[RT I, 18.05.2022, 1 - jõust. 28.05.2022]
3) energia – energiatooted, sealhulgas põlevkütus, soojus, taastuvenergia, elekter ja muu energiatoode;
4) energiaaudit – süstemaatiline menetlus, mida tehakse adekvaatsete teadmiste saamiseks hoone või hoonete rühma, tööstusliku või kaubandusliku protsessi või käitise või eraõiguslike või avalik-õiguslike teenuste energiatarbimise profiili kohta ning millega määratakse kulutõhusa energiasäästu võimalused ja säästu suurus ning mille tulemuste põhjal koostatakse aruanne;
5) energia jaemüügi ettevõtja – füüsiline või juriidiline isik, kes müüb energiat lõpptarbijatele;
6) energiajuhtimissüsteem – kogum üksteisega seotud või üksteist mõjutavaid elemente, mis esinevad kavas, millega kehtestatakse energiatõhususe

Current Estonian legal framework – next steps

Both laws provide the definition and main characteristics of 2 types of energy communities.

NEXT STEPS

Currently under development:

- a specific legal supporting framework, which sets a specific measures/activities supporting the creation and operation of energy communities are .

Still missing (most discussed):

- Some detailed specifications of energy communities (for example a clear proximity definition)
- More detailed description of DSO and energy community cooperation
- The role of local public authorities (like municipalities) is not clearly defined in the law although those institutions are expected to promote and drive the transition

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Main themes and challenges in Estonia

General challenges:

- People still do not have a habit to cooperate in the energy sector
- Lack of trust (the ability and willingness to cooperate is low).
- Potential initiators do not have the financial resources or good funding schemes
- Lack of good examples
- Lack of active (local) leaders

Most discussed themes currently:

- interest towards the creation of energy communities has been increased (related to increased energy prices)

People are mostly interested in production for their own consumption (reduce electricity costs) and energy security

It is more complicated to invite people to participate in the energy community if the production is consumed by a third party (for example, solar parks with the participation of citizens on the roof of public buildings, etc)

- Limited grid connection capacities

In many regions, connecting to the electricity grid as a producer is limited or even impossible

Focus on PV stations without the possibility to sell to the grid – only for local consumption!!!

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Current situation – main themes and challenges

!!!Hot topic: Local municipalities as initiators and supporters of local energy community projects

Local governments are developing local Climate and Energy Action Plans
- supported by EEA financial schemes
- Coordinated by Environmental Investment Center https://kik.ee/en/grants/climate-change-mitigation-and-adaptation-plans

- Majority of action plans includes energy community topic.
- Mostly as one of the measures how to increase local renewable energy production and consumption, how to involve local community

This has increased the interest of municipalities in the topic of energy communities.
Workshop, seminars, discussions.

Municipal challenges:
- Lack of financial resources
- Lack of knowledge and competent staff
- Several legal issues, especially related to public procurement requirements

Municipal guide:
https://www.rescoop.eu/uploads/rescoop/downloads/COMPILE_D4.4.1_Municipal-Guide.pdf

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Examples and practicies – community energy pilots in Tartu

Energy cooperation between different buildings with different consumption profiles or between apartement buildings.

Several cases of consumption sharing and grid flexibility, including balancing and consumption management between public multifunctional building and EV charger

Balancing and consumption management between multiapartment building and kindergarten (cooperation between energy communities

Citizen owned 50kW PV park on the roof of municipal kindergarten

Members: citizens (of Tartu)
Main consumer: kindergarten (approx 90 – 95%)
Preparations started in February 2021
- currently preparation of procurement documents

Expected energy community in 2023
Goal is to create a working model for ohter municipalities.

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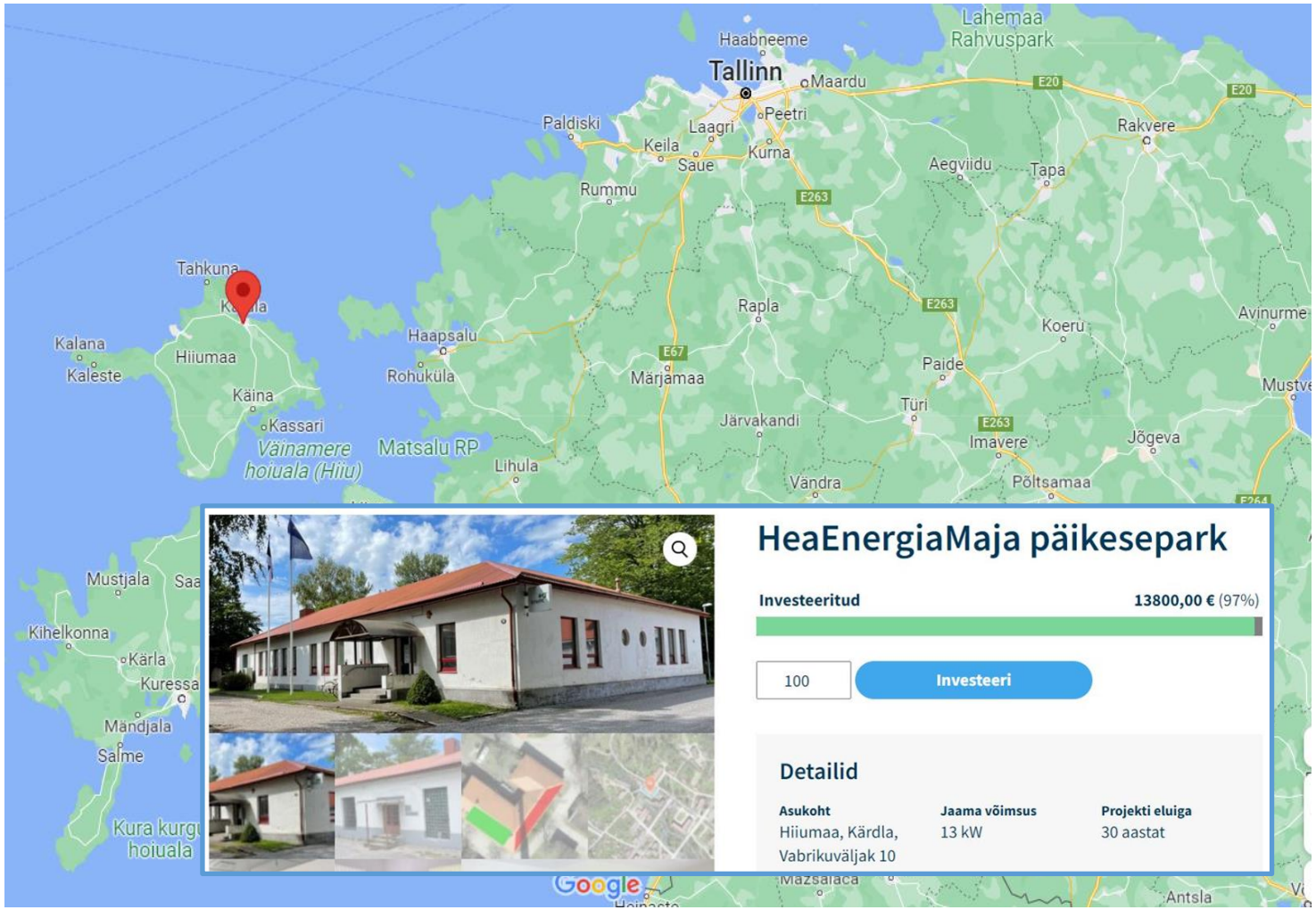
Examples and practicies – Energy community in Hiiumaa

- Project led by Energiaühistu
  (the first official registered energy community in Estonia with 84 members as of Oct22) https://energiayhistu.ee/
- Crowdfunding campaign was open for EC members for 3 weeks in Sept.22
  - 29 investors (35% of EC members)
  - Smallest bids 100 eur, largest bid 1500
  - Average bid 483 eur, Median of all bids 400 eur

- PV station capacity 13kW with expansion perspective in the future
- Optimized to meet local consumption only –
  no selling to the grid (due to no vacant grid capacities on Hiiumaa island)
- Production starts in Feb.23

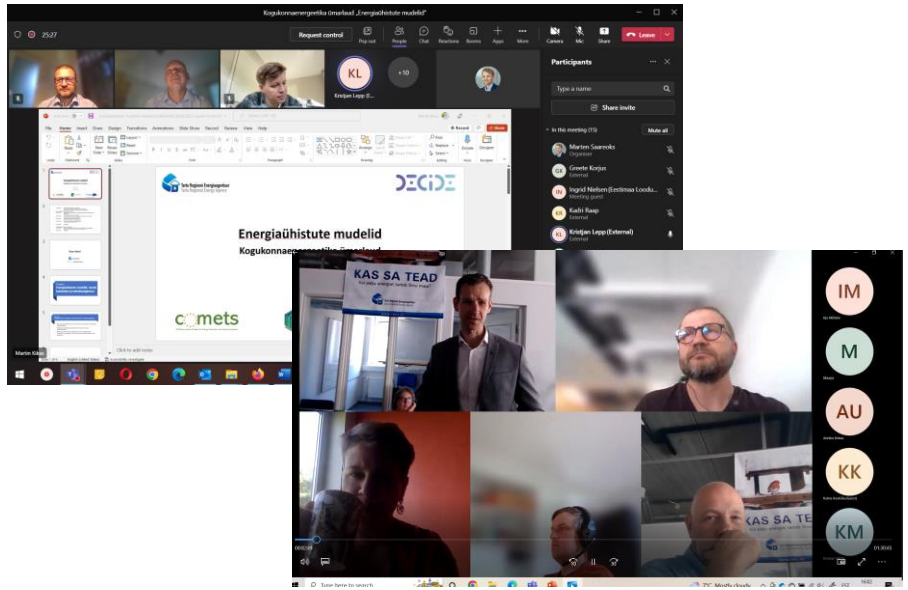


Specifities:

- the owner of the building gives the roof to the cooperative for use (usufruct contract)
- the energy cooperative sells electricity for the own consumption of the building
- the owner of the building is also a member of the energy cooperative

More info: https://energiayhistu.ee/esimene-kogukondlik-paikesepark-tuleb-hiiumaale/

Examples and practicies – regular Energy Community Roundtables



- Starting March 2022
- Participated by national level, municipal level, community level, DSO, environmental NGO-s, expert association etc.
- 4 roundtables so far
- Every time 1-2 focused themes (hot at the moment)

Main goal: in cooperation with all level stakeholders to develop the best possible environment for energy communities:
-legal supporting framework
-guidelines
- etc.

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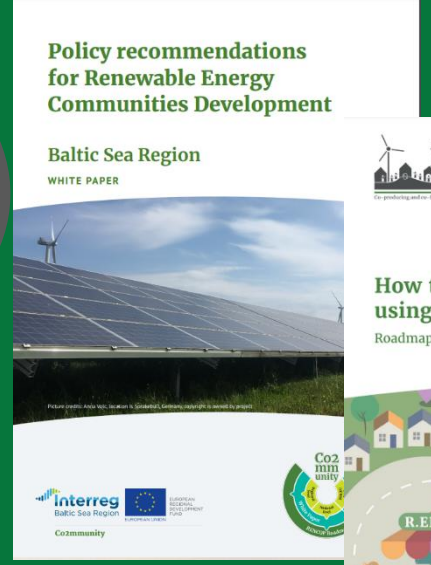
Estonia-Latvia joint activities so far:

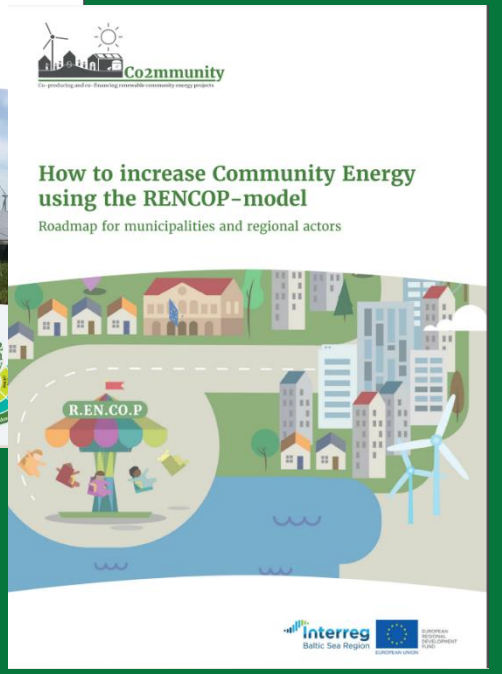
Co2mmunity (Interreg BSR) – 2017 - 2020
Energyze Co2mmunity (Interreg BSR) – 2020 - 2021

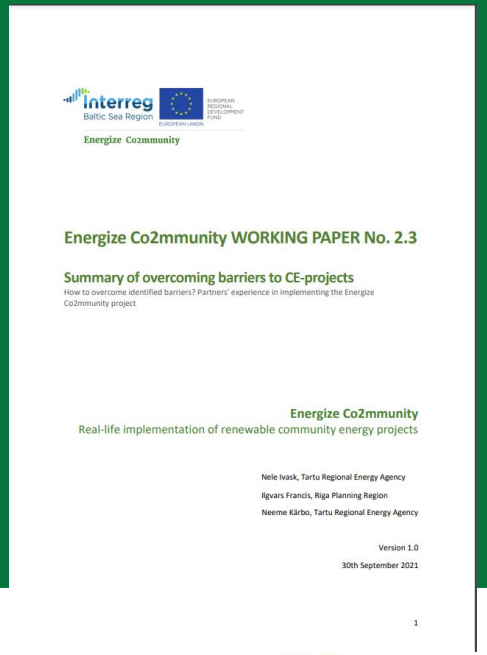
15 partners from all Baltic Sea countries incl:

Tartu Regional Energy Agency and Tartu City
Riga Planning Region and Mārupe municipality
https://co2mmunity.eu/

Support citizens to co finance, co-develop, and co-operate sustainable energy projects







Main results:

Pilot projects in Tartu and Mārupe
Summary of overcoming barriers to CE projects
Policy recommendations for Renewable Energy Communities Development
Roadmap for increasing Community Energy
Country specific handbooks
etc
More info and developed materials: https://co2mmunity.eu/outputs/download-area

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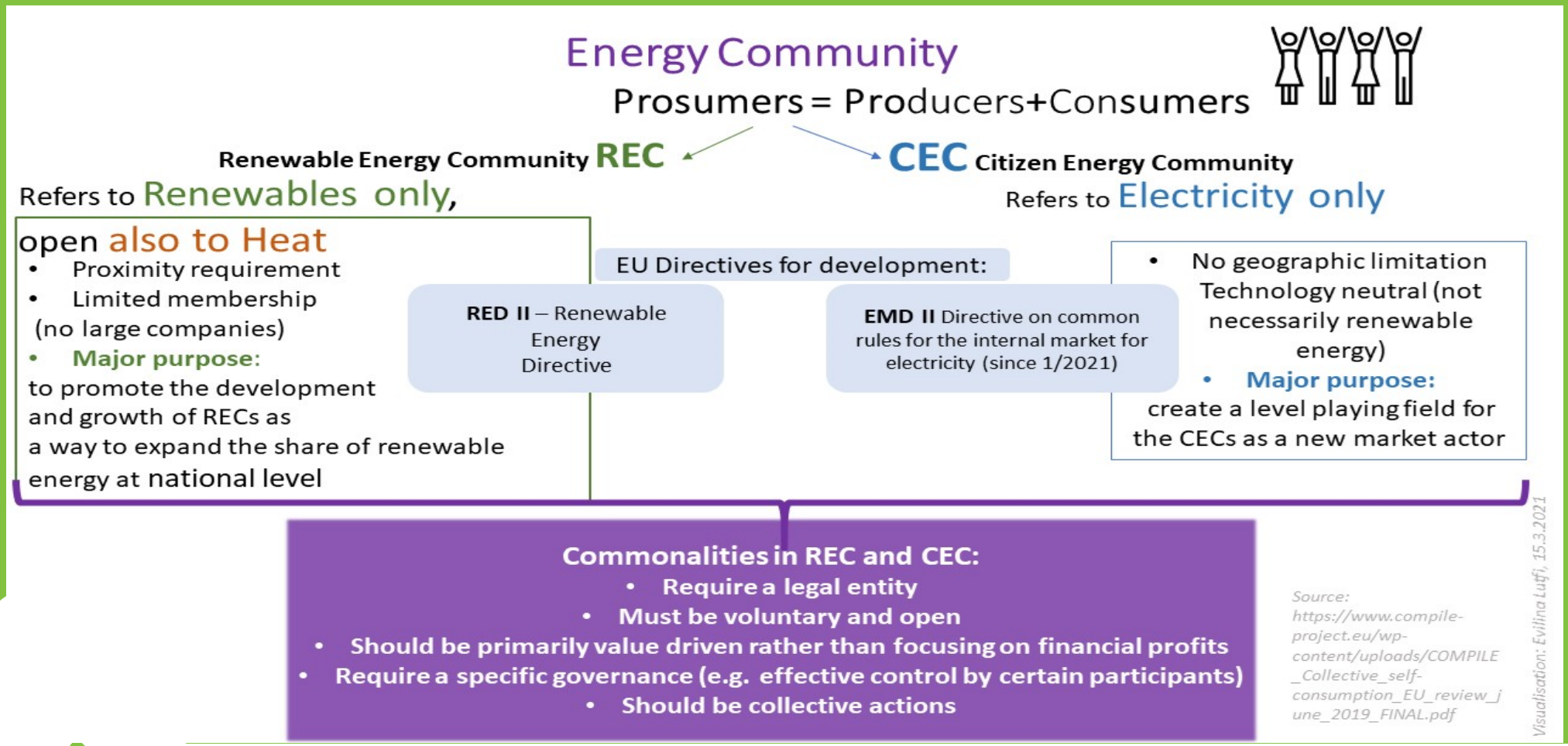
Energy communities in EU legislation



Visualisation: Evilina Lutfi
Green Net Finland
15.3.2021

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