Can Greek citizens seize the opportunities of the energy transition through energy cooperatives?

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Introduction

• Dirk Vansintjan
• President of REScoop.eu
• Board member of Ecopower cv (BE)
• Don’t mind getting in touch afterwards
• Presentation (too long) will be made available
What is a cooperative?

• Cooperatives are people-centred enterprises owned, controlled and run by and for their members to realise their common economic, social, and cultural needs and aspirations.

• Cooperatives bring people together in a democratic and equal way. Whether the members are the customers, employees, users or residents, cooperatives are democratically managed by the 'one member, one vote' rule. Members share equal voting rights regardless of the amount of capital they put into the enterprise.
Historic perspective
Cooperatives today

• 3 million coops worldwide
• 12% of population is member of a cooperative
• Cooperatives account for 10% of jobs
• Turnover of 300 largest coops is 2,000 billion euro
What is an energy cooperative?
• Not a technical concept (not just microgrids or energy islands)
• Not restricted to a specific legal form
• Not just a way of financing energy transition projects

• It’s about democratising our energy system
• It’s about taking ownership of the energy transition
• It’s about inclusiveness
• It’s about making sure that people can share in the profits
What is an energy cooperative?

• Groups of citizens who cooperate on energy transition projects

• Projects cover both electricity, heating and cooling, or transportation
  • Production
  • Supply
  • Distribution
  • Flexibility including storage and demand response
  • Savings
  • District heating
  • Electric car sharing
  • ...
Historic perspective

• From decentralised production
• over centralised production
• to decentralised production
Historic perspective

- **1900**: E-Werk Prad
- **1973**: Historic event
- **1986**: Group photo
- **2020**: Contemporary event
Energy cooperatives today in Europe

- 3,500 energy cooperatives across Europe
- Mainly North West Europe
- Central Eastern Europe remains challenging
- Accurate data missing (national reports)
Energy cooperatives today

- Young federation
- 1 million citizens
- 1,500 energy cooperatives
- Direct or indirect representation

Main objectives

- Ensuring citizens’ and coops voices are heard in the energy policy debates
- Fostering international collaboration between citizen energy cooperatives
- Helping cooperatives to grow and prosper
- Promoting the cooperative model
Energy cooperatives in the future

By 2050

264 million

People in the EU could be producing their own electricity
Energy cooperatives in the future

The EU's citizen-owned electricity in 2050

- SMEs: 39%
- Households: 23%
- Public buildings: 1%
- CO-OPs: 37%
Energy cooperatives in the future
Energy cooperatives in the future
Benefits of energy cooperatives

- Fostering social acceptance for the energy transition
- Keeping individual investment and energy bills affordable
- Sharing profits with members and larger community
- Building a sense of community
- Retaining money within the local community, now leaving local economy
Activities and business models
Producers of renewable energy
Suppliers of renewable energy
Producers & suppliers of RE
Distribution system operators (DSO)
Energy monitoring
Interactive invoicing
Collective home retrofits
Training programmes
Public street lighting
Flexibility, demand response and VPP
Heating
Transportation
Financing and ownership models
Crowdfunding categories

Donation
- No ownership
- No payback

Loans
- No ownership
- Payback
- Low risk
- Low return

Equity
- Ownership
- No payback
- High risk
- High return

Green bonds
Balance sheets

<table>
<thead>
<tr>
<th>Assets</th>
<th>Equity &amp; liabilities</th>
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<td><img src="image1.png" alt="Image" /></td>
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- Equity Capital
- Mezzanine
- Subordinated loans
- Loans
Citizens own the installations

Citizens energy cooperative

share

dividend
Citizens own a subordinated loan

Financial cooperative

share →

Groenkracht

→ Subordinated loan

Interest

→ electrawinds

Private company

dividend

→
Not always easy to distinguish

- Share
- Dividend
- Loan
- Interest
Not always easy to distinguish

Citizens energy cooperative

share

dividend

loan

interest

REScoop.eu
Share offers

Project specific

Beauvent

Not project specific

Ecopower
Share offers

- **Alcolea del Río**
  - **Estado:** Generando kWh
  - **Coste del proyecto:** €2,000,000

- **Planta Fotovoltaica Fontiv solar**
  - **Estado:** Generando kWh
  - **Coste del proyecto:** €800,000

- **Planta Fotovoltaica La Serra**
  - **Estado:** En trámite administrativo
  - **Coste del proyecto:** €1,800,000

Inversión prevista para los 3 proyectos: €4,600,000
Objetivo actual: €4,600,000 hasta 30/06/2020
Aportación actual: €4,250,150 de €4,600,000

**APORTAR**
Legal entities operating several projects

One legal entity

Several legal entities
Return on investment
A variety of possibilities

- Regular dividend
- Season ticket or …
- Lower energy price
- Charity
- Public buildings
- Fighting energy poverty
- …
Financing needs of energy cooperatives
Doing big projects
Giving commercial projects back to citizens
Providing seed capital
REScooM MECISE sce

[Logos and websites of various organizations]
Collaborations with local authorities
Sustainable Development Goals

1. No Poverty
2. Zero Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation, and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice, and Strong Institutions
17. Partnerships for the Goals
Covenant of Mayors

• Lack of expertise

• Lack of funds to accelerate the energy transition

• Capacity constraints

• Insufficient support for RES projects
Natural allies

• European
  • Scotland: 1GW by 2020 – 2GW by 2030
  • Netherlands: wind and solar 50% owned by citizens

• Regional Belgium
  • Wallonie: 24.99% citizens, 24.99% councils
  • Flanders

• Provincial Belgium
  • East Flanders: 20% citizens + councils
  • Limburg: 20% citizens + councils

• Local Belgium
  • Laarne
  • Kuurne
  • Eeklo
Collaborations

• Public ownership
• Private ownership
• Public-private ownership
• Public-community ownership
Public-community ownership models
Public-community ownership models
Collaborations with local authorities
Collaborations with local authorities
Collaborations with local authorities

Edinburgh Community Solar Co-operative (ECSC) is a Society that is guided by the Principles of Co-operation and owned by its members. It offers Edinburgh residents an opportunity to own the generation of clean, green, renewable energy. Members elect directors and each member has one vote regardless of the number of shares held. Members are protected by limited liability and are only obliged to contribute the initial cost of their shares.

As a Community Benefit Society, Edinburgh Community Solar Co-operative is governed by Rules which are approved by and registered with the Financial Conduct Authority.

The Society is run by a Board of Directors. The Board works with EnergyAll who carry out the day to day running of the ECSC, and City of Edinburgh Council who own the buildings our solar panels are hosted on. We want to ensure that local people share in the benefits from the project through an ethical investment.

A registered society is the legal entity which enables the community to own assets such as a solar scheme. The society subscribes to co-operative values which include:

- a commitment to equality, fairness, honesty and social responsibility
- if the following fewcooperative such as operation in a democratic manner that members can vote, regardless of how many or small a member's
What can local authorities do?

• Join REScoop.eu and become part of a movement
• Recognize role of energy cooperatives in tomorrow’s energy system
• Give visibility to energy cooperatives and emphasize benefits
• Consider citizen participation in public tenders
What can the Greek government do?

continue support of energy communities

- design and adopt specific measures (enabling framework REDII)
- transposition guidance document
What can the Greek government do?

don’t overwhelm and
everule the local
people and local
authorities

= recipe for failure of
energy transition
What can the Greek government do?

let them design their own
transition plan
leave profits locally
= guarantee of successful energy transition
• 50% offered to local stakeholders (NL)
What can Greek local authorities do?

• Adopt energy communities in their local strategies
• Get in touch with your citizens
• Facilitate set-up of “energy community”
  • Facilitate a secretariat for the volunteers
  • Provide subsidies (‘citizen budget’)

What can the Greek citizens/communities do?

embrace the model energy transition

= a unique chance