RDI'UP

VPP4ISLANDS

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EC limitations, REDII and P2P trading

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1

# Policy issues (1)

## 1. Energy community limitations:

- Existing energy regulations and market structures may not be designed to accommodate the activities of energy communities.
- Energy communities may lack the necessary knowledge, skills, and resources to effectively plan, implement, and operate energy infrastructure.
- Energy communities may face administrative complexities in dealing with permits, licenses, contracts, and other legal requirements
- In many European countries,  (e.g. Spain 1km and France 2 Km) EC needs to be within a reduced radius
- difficulty to subscribe to a real flexibility service.
- for the DA, Intraday market ECs cannot participate due to small capacity

# Policy issues (2)

*2. The transposition of the RED II at national level is not clear and no accessible explanations of different clauses*

*3. The lack of legislation and legal support to handle the use of P2P trading*

# Policy issues (3)

4.    *Lack of storage capacities in ECs almost operate as full self-consumption EC mainly because* Lack of financial incentives or funding mechanisms tailored to community energy initiatives

# Policy recommendations (1)

- *Governments can provide financial incentives, grants, or low-interest loans to encourage community energy projects. Implementing favorable tax policies, such as tax credits or exemptions.*

- *Energy community policies should consider how community-generated energy can access and interact with energy markets. This involves determining the rights and responsibilities of energy community participants,*

- *Policies should promote community empowerment and active engagement in energy decision-making processes (e.g. consultancy, unlock information access and training)*

- *The radius has to be created/extended based on existing ICT infrastructures, the existing portfolios, population and EC potential*

- *Policies should address barriers and provide clear rules and guidelines for community energy projects*

- *To incentivize and reduce tax for implementing hybrid energy storage systems*

# Policy recommendations (2)

- Administrative procedures, permitting and notification procedures (Rescoop.eu)

- simplify and reduce burdensome administrative procedures, by providing further clarity to the overarching rules, so that barriers at national level are removed.
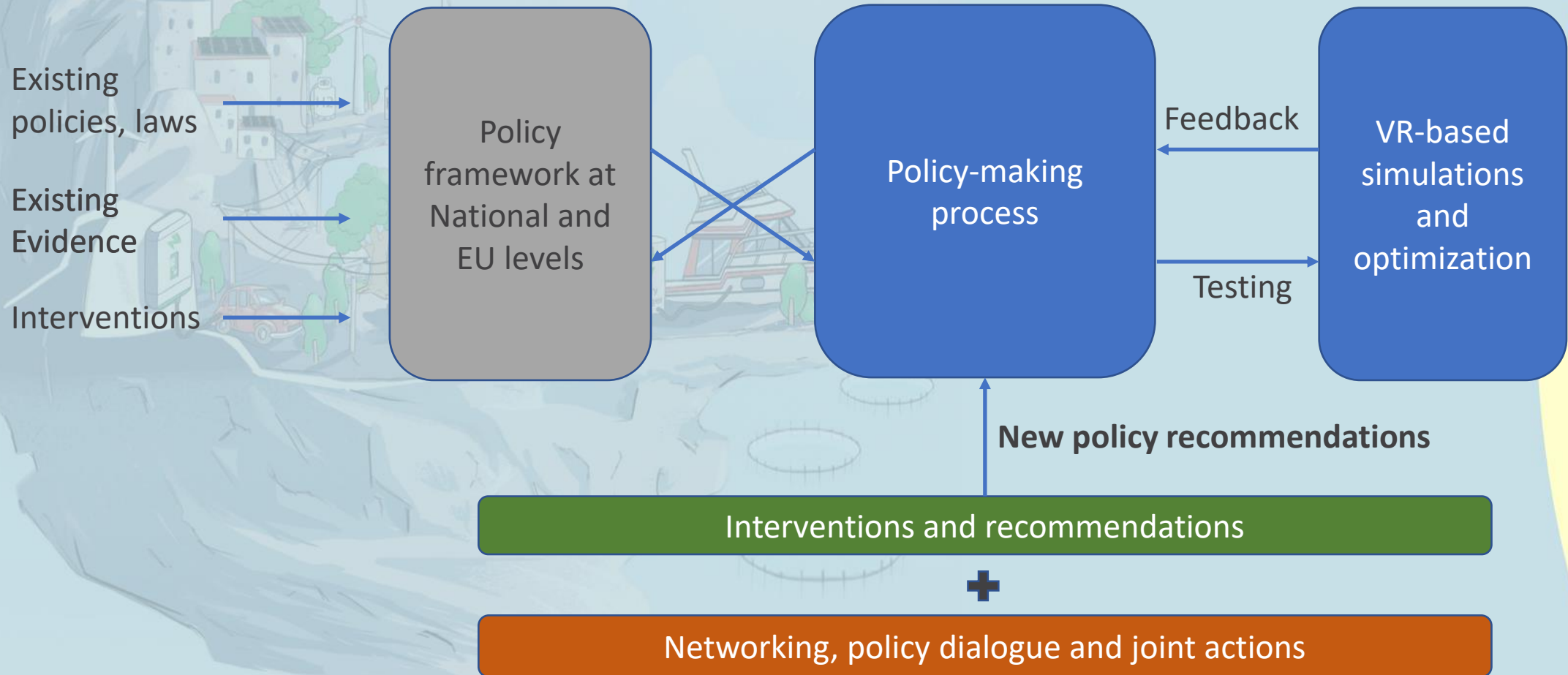
# Policy recommendations (3)

- *Establishing a clear and supportive regulatory framework will be an effective solution. This framework should address issues such as market structure, pricing mechanisms, consumer protection, and safety standards. It should also define the roles and responsibilities of various stakeholders, including consumers, prosumers (consumers who also generate energy), and energy retailers.*

- *addressing grid access and tariff structures, and establishing mechanisms for energy trading or feed-in tariffs*

- *Policies need to address technical requirements for grid connection, grid management, and* **interoperability** *between different market platforms*

# Policy recommendations (4)

- *Evidence-based policymaking involves using solid knowledge elaborated during our project and research findings to inform policy decisions. This approach will lead to recommending policies that are based on objective evidence rather than political ideologies or personal opinions.*

- Open policymaking involves making the policymaking process more transparent and participatory. This approach will foster trust and accountability, and ensure that policies are more responsive to the needs and preferences of beneficiaries.

# Novel Policy making process

- An innovative way of policymaking process. This will be done through co-creation and co-design, where policymakers work collaboratively with stakeholders to co-design policies that meet their needs and preferences. **This approach will lead to policies that are more effective, equitable, and acceptable to the public.**

- Another innovative approach will be applied is to use VR-based/Digital Twin experimentation and iteration to develop and evaluate policies in the digital world. **This iterative process will lead to policies that are more responsive to changing circumstances and better suited to the needs of the prosumers, aggregators and ECs.**

# Novel Policy making process

- Design thinking involves using a prosumer-centered approach to solve complex problems. This approach can lead to policies that are more effective and equitable, and that better serve the needs of the ECs and grids together at the same time.

| Identifying areas for new policies /revised policies | Specifying current SoA of policies | Assisting on possible paths of open and evidence-based policies | Co-designing and evaluation of policy recommendations |

# Some feedback

- ## Spanish REDII transposition

  - CEC Art. 16.D UE 2019/944

  - REC Art 22.D UE 2018/2001

- ## French European regulation transposition

  - Activities definition of REC : Articles L.291-1 et L.291-2

  - Activties definition of CEC : Articles L.292-1, L.292-2 et L.292-3

  - REC and CEC legal entity: Articles L.291-3 (REC) et L.292-4 (CEC)

- ## Turkish regulations

  - Unlicenced regulations mainly for REC

# Many thanks