Benefits of Energy Communities and Collective Actions at a glance

A DECIDE factsheet on **the values** of collective renewable energy actions **for individuals & communities**

Is energy community and collective action new to you?

Check out more HERE

CONTEXT

Renewable Energy Communities and Collective Energy Actions have a great potential to trigger substantial positive impacts for individuals as well as their communities. This Factsheet aims to present the **many possible benefits** of these joint activities, organizing them in social, environmental, financial and political benefits.

Note that this clustering should not be considered neither a comprehensive list, nor a rigid division. The values that such community-driven initiatives can bring are in reality very much interlinked with each other, supporting a set of principles that relates with **community empowerment** and **energy transition**.

BENEFITS

Social

Energy Communities and Collective Actions have at its core the active participation and interaction between people that are part of the community. Therefore, they can strengthen **local social cohesion** and **community spirit**, in fact, collective actions help to create **shared visions and value**s thus may lead to a **shared common identity**. This can also increase the availability of shared knowledge and information between community members. In this way, Energy Communities and Collective Actions will form a basis for raising awareness, interpersonal learning and establishing new social norms for environmentally friendly behavior. In addition, community members can feel strengthened in their **self-efficacy** through embracing the power of collective behavior beyond individual behavior.

Energy communities can be **instrumental** for facilitating the **energy transition** at the citizen and at the local level. In addition to fostering greater **citizen participation** and **acceptance** of renewables projects, they also provide other socio-economic benefits.

Energy communities: an overview of energy and social innovation, JRC, 2020

Environmental

The **energy sector** – production and use – **accounts for 75% of the EU's greenhouse gas emissions**.
IEA (2020), European Union 2020

Energy communities can boost the widespread of renewable energy technologies with great benefit in terms of CO_2 emission reduction which, at local level, translates in a significant improvement of the **quality of the air** and of the **environment** overall.

Participating in a Renewable Energy Community or a Collective Energy Action is an active step in becoming part of the renewable energy transition in Europe: the engagement in such local initiatives not only offers the possibility to reduce one's individual environmental impact, but also strengthens the **widespread of more sustainable behaviors** and actively contributing to the energy and ecological transition with cumulative power.

In the residential sector, **98% of the electricity** can be generated by **prosumer technologies** and the heating and cooling needs can be covered by prosumer technologies **completely.**
PROSEU Project

Economic

Renewable energy allows reducing variable costs of energy, leading to **lower energy bills,** which can support low-income households in fighting energy poverty. Energy justice can happen not only through lower energy rates, but also with the help of benefits associated with Energy Communities through **dividends** and other **services**. In some cases, members can invest in their energy community projects and by payback afterwards with fixed interests. Moreover, local communities can receive economic benefits through local tax rebates and reinvestments from Energy Communities, which often enable a shared owner principle.

It is estimated that more than **50 million households** in the European Union are experiencing energy poverty.
Introduction to Energy Poverty, European Commission

Furthermore, Renewable Energy Communities and Energy Collective Actions facilitate autonomy and autarky from big energy suppliers, which can lead to a cleaner and more transparent access to energy for households.

Finally, Energy Communities can empower citizens and boost community development and economic revitalisation, while they themselves develop **new skills** and create **local job opportunities**.

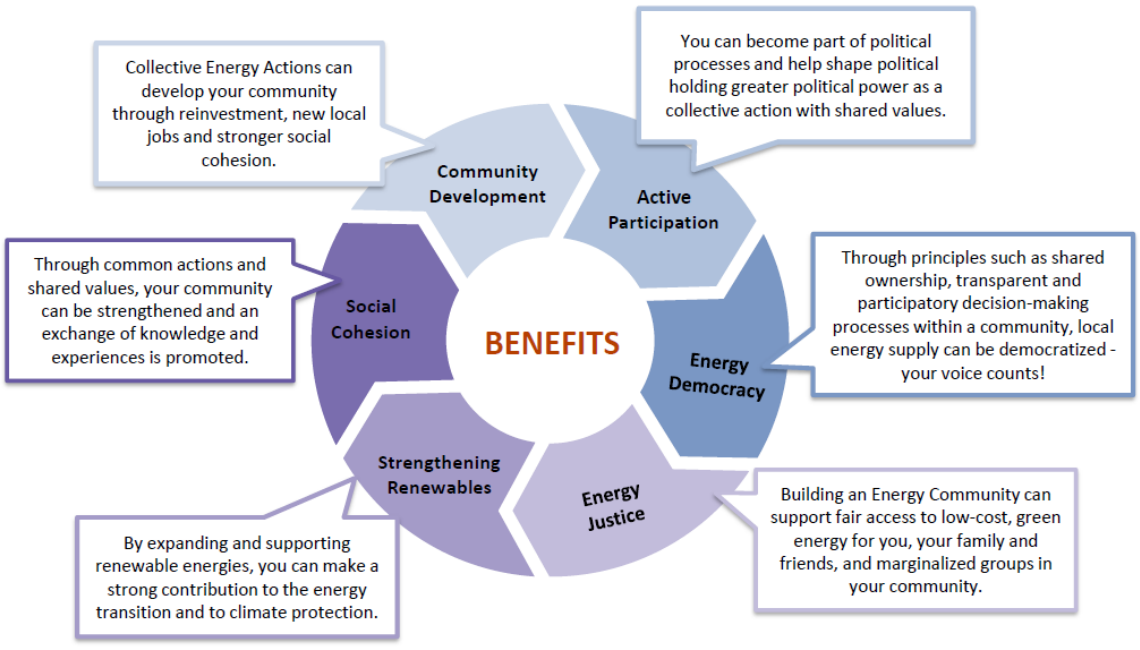
Political

The energy community-owned cooperative ***ElektrizitätsWerke Schönau*** (EWS) was funded in 1994 and after continuous engagement, two referendum and a process against the utility, it now powers over 185.000 households in the whole of Germany.
Public Engagement on Climate Change, Centre for Public Impact.

Active citizen participation and community actions enable procedural justice and **transparency in political decision-making**, fostering support from citizens for the decisions taken in the local community. Joining together members of a community or a Collective Action gain a different weight and can raise instances to their local governments. Being part of an Energy Community enhances the opportunities for members to a better understanding of the energy system, improving their **energy literacy,** which among others, allows individuals to protect themselves from potential abuses from market actors as well as taking up an active role in **influencing and shaping public policies**.

Beyond that, Renewable Energy Communities and Collective Energy Actions can also fulfil a social purpose and generate energy justice: Through Energy Communities, a more affordable access to renewable energy can be created for all and energy poverty can be counteracted.

Finally, the following graphic summarizes the benefits and positive impacts of energy communities and illustrates the positive effects an energy community can have for your related community.



DO YOU WANT TO KNOW MORE?

… What is an energy community or an energy collective action ?
…. Which steps should be taken to set up one ?
…. What are examples and best practices ?

To answer this and other related questions, check out the DECIDE Knowledge Hub or contact the DECIDE Team: contact@decide4energy.eu

Note:
The information included in this document are extracted from DECIDE Deliverable 1.1 "*Guidelines for characterization, segmentation, and group dynamics of collective energy actions"* where also the full list of references is included.

The most relevant references for the current work are:

- Berka, A. L., & Creamer, E. (2018). Taking stock of the local impacts of community owned renewable energy: A review and research agenda. Renewable and Sustainable Energy Reviews, 82, 3400–3419. **https://doi.org/10.1016/j.rser.2017.10.050**
- Brummer, V. (2018). Community energy – benefits and barriers: A comparative literature review of Community Energy in the UK, Germany and the USA, the benefits it provides for society and the barriers it faces. *Renewable and Sustainable Energy Reviews*, *94*, 187–196. **https://doi.org/10.1016/j.rser.2018.06.013**
- Soeiro, S., & Ferreira Dias, M. (2020). Energy cooperatives in southern European countries: Are they relevant for sustainability targets? *Energy Reports*, *6*, 448–453. **https://doi.org/10.1016/j.egyr.2019.09.006**

DECIDE PARTNERS

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 894255. The sole responsibility for the content of this document lies with the DECIDE project and does not necessarily reflect the opinion of the European Union.