



Energy communities for a just energy transition

Policy recommendations for France

Grant agreement number: 101026972

Project title: Community Energy for Energy Solidarity (CEES)

Publication date: 22/02/2024

Lead author: Heleen Schockaert (REScoop.eu)



CEES has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 101026972.



cees
COMMUNITY ENERGY FOR
ENERGY SOLIDARITY

Introduction

Today's accelerating transitions and recurring crises significantly affect French households' wellbeing and socio-economic resilience. This situation is exacerbated by a lack of clear long term strategies and fair policies, diminishing trust in politics, undermining democratic principles and jeopardising a timely energy transition. Amidst these challenges, the call for sustainable solutions that respect planetary boundaries and ensure meaningful participation of citizens grows louder.

For years, citizens across France and beyond have been channelling their frustration and feelings of powerlessness into dynamic movements aimed at reclaiming control over the energy system. Through collective empowerment, governance, and ownership of renewable energy services, they strive to build stronger, more resilient, and sustainable communities. These efforts underscore the importance of collective efforts in mobilising people for climate action, social justice through combating energy poverty, and promoting energy efficiency and savings. Furthermore, energy communities contribute to territorial development through local investments and job creation, enhancing energy security through sobriety and renewable energy provision.

The European Horizon 2020 project CEES ('Community Energy for Energy Solidarity') investigated, evaluated and explored such community-led solidarity initiatives. The project has identified opportunities and barriers to strengthen energy communities' potential as vehicles for a just transition. **The upcoming European elections and updates of the National Energy and Climate Plans are an important opportunity to harness the transformative potential of citizen- and community-led energy initiatives and to integrate concrete targets into national strategies to reach a just, clean energy transition, with and for all.**

Current state of affairs

Energy poverty in France

Compared to other European Member States, France has been very active when it comes to energy poverty research and policies. Since 2010, France has had an official definition in place for energy poverty. The Grenelle II Act defines energy poverty as "a situation in which a person has difficulties obtaining the necessary energy in their home to meet their basic needs because of inadequate resources or living conditions."¹

In the aftermath of the Grenelle II Act, a number of programmes and schemes were introduced to identify and monitor the issue across the country. Initially, policies focussing on tackling energy poverty were mainly dealing with arrears on energy bills. Over the years, more effort was put into tackling other key drivers of energy poverty, with the French government implementing a wide range

¹ LOI n° 2010-788 du 12 juillet 2010.



of policies, such as the Social funds for Energy Renovation, the Living Better Programme and Energy Vouchers.²

Despite such efforts, energy vulnerability and poverty rates remain concerningly high among French Citizens. ONPE, the National Observatory on Energy Poverty, collects and shares data on energy poverty in an annual monitoring report. Looking at the most recent dashboard, 26% of French citizens stated they were unable to keep adequately warm during the winter of 2022-2023 (an increase of 4% compared to the year before). 79% of French citizens turned down their heating to avoid high energy bills (an increase of 10% compared to the year before). 55% of French citizens suffered from high temperatures in Summer. And in 2021, 11.9% of French citizens with the lowest incomes spent more than 8% of their income on energy bills.³

Energy community definitions in French legislation

In 2015 Energy Transition Law for Green Growth introduced the first provisions incentivising financial participation of local actors in renewable energy projects in the French national law. This law simplified juridical conditions for creating a renewable energy production project owned (in part) by citizens or municipalities. Ever since, citizen-driven initiatives through participative projects, collective self-consumption and crowdfunding in renewable projects has been steadily growing in France.⁴ According to the latest available data from Energie Partagée, there are now about 350 citizen-owned renewable energy projects across the country.⁵

In 2019, following the European Renewable Energy Directive definitions, the French Government, for the first time, mentioned Renewable Energy Communities (RECs) in Article 40 of the Energy and Climate Law.⁶ The REC definition was essentially a copy-paste of the EU definition. In 2021, Ordinance n° 2021-236⁷ modified provisions introduced in 2019 and introduced a legislative framework for both Renewable Energy Communities (RECs) and Citizen Energy Communities (CECs). This framework includes definitions, rights and obligations,⁸ This time, the criteria and principles of both EU definitions were well reflected and received further detailed elaboration. A decree published in December 2023 completed the normative framework in France. In general, however, France's policy on energy communities combines the approach predating the Clean Energy Package, creating a complex framework.⁹ Last but not least, this new framework doesn't take into account major specificities of existing citizen energy projects on the field (on autonomy and proximity). The risk is

² European Commission, Directorate-General for Energy (2020). Member State Reports on Energy Poverty 2019.

³ Observatoire National de la Précarité Énergétique (ONPE) (2023, Mars). Tableau de bord de la précarité énergétique.

⁴ Sebi & Vernay (2020). Community Renewable Energy in France: The State of Development and the Way Forward.

⁵ Énergie Partagée (s.d.). Les chiffres clés de l'énergie citoyenne.

⁶ Sebi & Vernay (2020). Community Renewable Energy in France: The State of Development and the Way Forward.

⁷ Ordonnance n° 2021-236 du 3 mars 2021.

⁸ https://energy-communities-repository.ec.europa.eu/system/files/2023-08/ECR_MSfiche_France_final.pdf

⁹ Energy Communities Repository (2023, 28 August). France Overview of the Policy Framework.



high that this new framework will create a two dimensional dynamic in the ecosystem of local and citizen projects..

Enabling frameworks for energy communities

Even though a comprehensive enabling framework for energy communities in line with EU provisions remains missing, France has a number of schemes in place to support energy communities and citizen-led initiatives, such as financial support for projects in their development phase, a network of “local governance” advisors across the country and a fund for renewable heating and cooling projects led by citizens and communities.

In November 2021, the French Government also published a roadmap to promote the development of citizen renewable energy. The roadmap was set up with the help of key stakeholders, who analysed existing citizen governed energy projects, identified their obstacles and challenges, and, based on this, proposed 10 measures to support their development. These measures include a target of 1000 new locally governed renewable energy projects involving communities and citizens by 2028; a participatory bonus in national calls for tender; increasing the number of advisors assisting the development of citizen energy projects; launching a national communication campaign; launching a study on the impact of local ownership and support for renewable energy; and overall simplification of the financing and development of such initiatives.¹⁰

Some of these measures have already been put in place, others are still to be developed. The political leadership on this roadmap is unfortunately poor since a ministerial reshuffle in 2022. Furthermore, **despite having a legal obligation under the European Renewable Energy Directive to ensure accessibility of energy communities towards low-income and vulnerable households, none of these measures are specifically geared towards implementation of this obligation.**

How this affects project results

Two out of six CEES case study partners are located in France: Enercoop/Energie Solidaire and Les 7 Vents. They brought very different energy poverty alleviation mechanisms into the consortium and thus have a distinct experience with challenges for implementation.

Challenges encountered by Enercoop

Enercoop is a network of 11 local energy cooperatives in France. As a cooperative supplier and producer Enercoop provides 95.500 clients across France with 100% locally sourced renewable electricity. In the context of the CEES project Enercoop set up a solidarity taskforce to improve the

¹⁰ Ministère de La Transition Écologique et Solidaire (2021). 10 Mesures en faveur des Énergies Renouvelables Citoyennes.



cooperative's support towards clients in vulnerable situations, namely by establishing long-term contacts to help out with improvements in energy usage and referrals to other existing aid services. These challenges were encountered by Enercoop:

- As an energy supplier, Enercoop has certain legal obligations, such as the implementation of the Certificats d'Économies d'Énergie (obligated party since 2018), a Mechanism of Debt Recovery, a customer relation department, offering payment plans and appointing a solidarity-poverty correspondent. The complexity of implementing some of these obligations highlights a need for technical assistance and adapted legislative and regulatory frameworks for citizen energy projects and to provide them with the tools for their development.
- To implement effective and long term energy poverty alleviation support to its members and clients Enercoop aims to build stronger partnerships with social services. However, Enercoop struggles with gaining recognition among social actors, partly because of a lack of awareness of energy communities' social role. Many citizens and social actors remain unaware about energy communities which complicates Enercoops' aims to enact a just energy transition.

Challenges encountered by Les 7 Vents

Les 7 Vents is a pioneer in community energy and sustainable development in La Manche, a department of Normandy in northern France. Many of the houses in this rural region are old and easily leak heat, leading to high energy bills for the homeowners. Despite the potential to save money for households in the long term, the extensive renovations needed on these homes are often prohibitively expensive. Through the CEES project, Les 7 Vents is implementing a solidarity system by which volunteers sign up to help with renovation tasks that could be done by non-experts, under the guidance of a professional, thereby significantly bringing down renovation costs. The system is called 3SR ('supported and shared self-renovation') and was originally developed by Enerterre. These challenges were encountered by Les 7 Vents:

- The complexity of participatory renovation interventions comes with a significant time and resource demand. Unsustainable and ad hoc financing as well as the instability of state schemes has been a key challenge for Les 7 Vents.



Policy recommendations

Despite France's vibrant community energy movement and longstanding energy poverty alleviation policies, the potential of energy communities in general and, specifically, as a vehicle to tackle persisting energy injustices in France is largely left unharnessed by policymakers.

In June citizens across Europe will choose their representatives in the European Parliament and Member States have to share a final NECP update with the European Commission. These events present the ideal opportunity to step up ambitions and bring citizen-led initiatives centre stage.

1. **Correctly and completely transpose regulatory and legislative provisions on energy communities into national legislation, with justice objectives enshrined as a key principle.**

With regards to definitions on energy communities in French legislation, **we recommend that national authorities take greater account of the specificities of existing citizen projects (on autonomy and proximity) into the legal definition of RECs and CECs and embed energy poverty alleviation and inclusiveness in the national definitions of CECs and RECs as a key objective of energy communities.** This is the basis for firmly establishing energy communities' role within the narrative of a just transition in France.

We appreciate France has put in place ambitious policy objectives with regards to the development of energy communities. However, their development is still hampered by a lack of political support, a lack of concrete action, a lack of tailored support measures and the complexity of the legal framework. This creates especially unfavourable conditions to develop activities geared towards strengthening the social impact of community energy initiatives towards more vulnerable groups, which often requires additional and specific resources, skills and support schemes.

We recommend that the Ministry and the former Working Group established in 2019 by the Ministry, as a priority, assess drivers and barriers for energy communities to strengthen their social impact and become more inclusive towards low-income and vulnerable households, and tenants, and consequently translate these findings into concrete, tailored and clear enabling and incentivising measures. For example, we encourage the development of a taxonomy that differentiates between those energy market players that advance energy justice, and those that don't. Social impact and territorial integration could be made an obligatory indicator to access low-interest or zero-loan financial support to invest in renewable energy sources or could serve as a criteria to receive a bonus in tendering procedures.

Such considerations should become a key part of the implementation of the roadmap.

2. **Enable vulnerable groups to participate in energy communities by integrating social and energy policies**

Common forms of scarcity associated with a context of vulnerability, such as time, finances, experience, supportive government schemes and knowledge about opportunities have prevented



certain groups in society from accessing personal and collective benefits associated with participation in community energy schemes and other structural solutions to escape that context.

To tackle this issue, **policies and programmes need to tackle the discriminating structures that lead to and maintain these forms of scarcity. This calls for better integration of social and energy policies and embedding short term alleviation measures into long term strategies towards empowerment and energy justice.** In this regard, we recommend integrating or complementing existing measures like energy subsidy schemes or other social insurance and safety net programmes with direct empowerment strategies. Vulnerable households could, for example, receive a portion of their social transfer payments (ex. chèque énergie) as a lump sum specifically for investing in local RECs, enhancing financial accessibility of renewable energy assets and extending the impact of current subsidies by offering a more holistic and long term approach beyond mere financial support.¹¹

For such initiatives to be effective, such solutions should be co-designed with those groups that are to benefit from them. This requires better education and awareness raising around the possibilities of involvement in energy communities or other citizen-led energy services among vulnerable groups and among energy communities, intermediary organisations and policymakers.

3. Empower local players and network organisations by increasing their capacity and budgetary resources

The successful establishment of energy communities and citizen-led energy services hinge on the collaboration and support of a diverse array of actors, each bringing unique resources and expertise to the table. These actors include local and regional governments, which play a crucial role in legitimising such initiatives, increasing their visibility, and providing them with access to data and assets such as land or rooftops. In return, energy communities and citizen-led initiatives can accelerate the achievement of sustainability and just energy transition objectives at all levels, underscoring the mutual benefit of such initiatives. However, in France, local authorities often face significant regulatory and financial obstacles that limit their ability to invest in renewable energy projects, including administrative barriers and a lack of planning¹². **To overcome these challenges and enhance the role of local governments in harnessing social benefits of the energy transition through local, democratically owned and governed renewable energy, it's proposed that regulatory barriers be removed.**

Additionally, recognising the importance of intermediary organisations—such as national or regional energy cooperative federations and local energy agencies—is crucial. These intermediaries can standardise processes, provide tailored local support, increase the legitimacy of citizen-led initiatives and energy communities, and facilitate networking and the sharing of best practices among initiators.

¹¹ Hanke & Lowitzsch (2020). Empowering Vulnerable Consumers to Join Renewable Energy Communities—Towards an Inclusive Design of the Clean Energy Package. page 8.

¹² Collectif pour l'énergie citoyenne (2022). Livre Blanc.

https://cler.org/wp-content/uploads/2022/10/LIVRE-BLANC_e%CC%81nergies-renouvelables-citoyennes.pdf



To further empower local actors and ensure the broad distribution of benefits that energy communities offer, governments are encouraged to provide capacity building and financial support for organisations that serve as intermediaries and municipalities. Monitoring and steering committees involving public authorities, local networks, and social services can identify success factors and obstacles, fostering a supportive environment for energy solidarity projects.

An example at hand is the ‘supported and shared self-renovation’ practice as piloted by Les 7 Vents through CEES. Les 7 Vents was able to build on support from the Regional council and their Réno’Acc’ membership, which is also supported by the Normandy Region and several public institutions such as ADEME and DREAL. This network helps with legitimising this practice among homeowners and raising awareness among craftsmen, thus increasing the number of potential interested beneficiaries and professionals likely to integrate 3SR in their activities respectively.

4. Leverage the use of EU public funds to promote energy communities’ inclusiveness towards vulnerable households

As indicated in the [financing tracker](#) developed by REScoop.eu, CEE Bankwatch Network and the Climate Action Network, there is much room for improvement for France to better leverage major funds such as the Recovery and Resilience Fund and Cohesion and Regional Development Funds to promote energy communities and their social impact. For example, the Commission’s guidelines regarding the REPowerEU chapter of the Recovery and Resilience Plans specifically highlight energy communities as vehicles to tackle energy poverty.

The recently established Social Climate Fund opens more opportunities for dedicated support for community and participatory schemes to ensure a just transition. **We recommend that France makes use of this opportunity to translate its ambitions on energy communities and energy poverty into concrete measures and actions.**

5. Recognise energy communities as part of the solution, not as the final resort

Facilitating and stimulating the participation of citizens and communities in designing and delivering ambitious climate and energy policies will be key to tackle some of the most pressing issues we are facing today. While it’s important to recognise the potential role that energy communities can play in tackling energy poverty and advancing energy justice, it is beyond their reach to solve social justice issues. We need big and bold actions from decision makers to structurally tackle social injustices. **Policymakers should create the right frameworks that enable alternative measures for managing the energy system, compared to those tried, tested and failed to deliver for people and the planet.**

