Oct 19, 2021 I XI International Academic Conference 'Foresight and STI Policy'

# On the Future(s) of Energy Communities in the German Energy Transition

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# **On the Future(s) of Energy Communities in the German Energy Transition**

### **Overview**

- 1 Introduction Energy Communities in the EU and Germany
- 2 Study Design, Data Sources, and Methods
- 3 CIB Our Approach
- 4 Results: CIB Scenarios and Transformation Pathways until 2040
- 5 Implications and Conclusions
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## 1 Introduction – Energy Communities in the EU and Germany

### **Energy Communities in the European Union – Current Numbers**



## 1 Introduction – Energy Communities in the EU and Germany

**EU Support for Citizen Participation and Energy Communities** 

### in the 2019 Clean Energy for all Europeans Package



The Renewable Energy Directive

Includes aims to:

- strengthen the role of renewables' selfconsumers and energy communities
- place energy communities on equal footing with large participants when contending for available support schemes

Includes aims to:

- enable active citizen participation, individually or as members of energy communities
- increase the uptake of energy communities

(European Commission, 2020)



## 1 Introduction – Energy Communities in the EU and Germany

### **Predictions of energy community growth**

Predictions until 2050:

- > 80 % of EU households could become active in the generation of energy
- 37 % of the EU's electricity demand could be produced in energy communities

(REScoop et al., 2016; Kampman et al., 2016)





## **2 Study Design, Data Sources, and Methods**

### **Study Design and Central Methodology**



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## **2** Study Design, Data Sources, and Methods

#### **Data Sources**

6 case studies incl. interviews (n=31)*		Sustainable community projects in Germany: What motivates people to participate? Why and how does a broad sustainability transformation come about?			
3 surveys	Representative sample German population (n=3.043)	Willingness to participate in a local energy community: what predictors are relevant?			
	Representative sample German population, incl. DCE (n=1.500)	Characteristics of local energy communities: Which characteristics are particularly relevant for the choice between different energy communities?			
	Quota sample German homeowners, incl. DCE (n=1.600)	Individual prosumers vs. energy communities: what type of participation is preferred? What factors are particularly relevant?			
Expert judgements		Evaluation of factors' importance for the CIB model by members of practitioners advisory board**			
	Complementary secondary data (important external studies)	Systematization of heterogeneity in society: social milieus framework by Sociodimensions (Schipperges, 2019; BMU & BfN, 2019) Value change in German society (Hornik, 2020)			

\* (Broska, 2021), \*\* (REsCO, 2021), DCE – Discrete Choice Experiment



### **Citizens in the Energy System**



### **Two Groups of Descriptors / The Actors**





### Who is currently active in the energy transition?

Descriptor groups:

Group 1: People's actions and effects on different societal levels

Group 2: Context factors



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### **Two Groups of Descriptors – The Context**

Descriptor groups:

Group 1: People's actions and effects on different societal levels

Group 2: Context factors

Social contaxt factors	G. Neighborhood cohesion		
Social context factors	J. Recommendations from people in social network		
Individual context factors	T. Future outlook		
Societal context factor	O. Trends in value orientation		
Societal / economic context factor	X. Degree of innovation		
	F. Saving potential		
Economia contaxt factors	Q. Incentives		
Economic context factors	R. Administrative / legal barriers for energy communities		
	Y. Regulatory requirements		
External context factor	Z. Perceived extreme event		

(Broska et al., forthcoming)



### **Interdependencies between Descriptors**

#### **Example:**

The present under COVID-19

Individuals' actions and their effects in society

\* Strength of the influences not indicated in arrows: White arrow – positive influence Red arrow – negative influence CRE – community renewable energy RES – renewable energy system



I3: Initiator – not active / A3-E3: ideal type agents – not active / NA4-NE4: A-E's neighborhood: CRE-low & RES-low / MAB4-ME4: A-E's milieu: CRE-low & RES-low



### **Interdependencies between Descriptors**

#### Example:

The present under COVID-19

Section focusing on B, the "social-ecological renter"



\* Strength of the influences not indicated in arrows: White arrow – positive influence; Red arrow – negative influence; CRE – community renewable energy; RES – renewable energy system





## 4 Results: Scenarios & Transformation Pathways until 2040

### **Transformation Pathway 1: Trend Extrapolation**

	2021	2025	2030	2035 (possibility 1)	2035 (possibility 2)		
	13 not active	I2 active alone	I2 active alone	I1 jointly active	I2 active alone		
	A3 not active	A2 active alone	A2 active alone	A2 active alone	A2 active alone		
Individual loval	B3 not active	B3 not active	B2 active alone	B1 jointly active	B2 active alone		
	C3 not active	C3 not active	C3 not active	C2 ative alone	C2 ative alone		
	D3 not active	D3 not active	D3 not active	D1 jointly active	D2 active alone		
	E3 not active	E3 not active	E3 not active	E3 not active	E3 not active		
G. Perceived neighborhood cohesion	G2 neutral	G2 neutral	G3 bad	G1 great	G1 great		
J. Recommendations from people in social network	J2 mixed	J2 mixed	J2 mixed	J1 positive	J1 positive		
T. Personal future outlook	T3 pessimistic	T3 pessimistic	T1 optimistic	T1 optimistic	T1 optimistic		
	NA4 CRE-low & RES-low	NA3 CRE-low & RES-high	NA3 CRE-low & RES-high	NA3 CRE-low & RES-high	NA3 CRE-low & RES-high		
	NB4 CRE-low & RES-low	NB4 CRE-low & RES-low	NB3 CRE-low & RES-high	NB3 CRE-low & RES-high	NB3 CRE-low & RES-high		
Neighborhood level	NC4 CRE-low & RES-low	NC4 CRE-low & RES-low	NC3 CRE-low & RES-high	NC3 CRE-low & RES-high	NC3 CRE-low & RES-high		
	ND4 CRE-low & RES-low	ND4 CRE-low & RES-low	ND3 CRE-low & RES-high	ND3 CRE-low & RES-high	ND3 CRE-low & RES-high		
	NE4 CRE-low & RES-low	NE4 CRE-low & RES-low	NE4 CRE-low & RES-low	NE4 CRE-low & RES-low	NE2 CRE-high & RES-low		
	MAB4 CRE-low & RES-low	MAB4 CRE-low & RES-low	MAB3 CRE-low & RES-high	MAB3 CRE-low & RES-high	MAB3 CRE-low & RES-high		
Social group loval/miliou loval	MC4 CRE-low & RES-low	MC4 CRE-low & RES-low	MC3 CRE-low & RES-high	MC3 CRE-low & RES-high	MC3 CRE-low & RES-high		
	MD4 CRE-low & RES-low	MD4 CRE-low & RES-low	MD3 CRE-low & RES-high	MD3 CRE-low & RES-high	MD3 CRE-low & RES-high		
	ME4 CRE-low & RES-low	ME4 CRE-low & RES-low	ME4 CRE-low & RES-low	ME4 CRE-low & RES-low	ME2 CRE-high & RES-low		
G. General neighborhood cohesion	G2 neutral	G2 neutral	G2 neutral	G2 neutral	G1 great		
J. Recommendations	J2 mixed	J2 mixed	J1 positive	J1 positive	J1 positive		
T. Future outlook	T3 pessimistic	T3 pessimistic	T1 optimistic	T1 optimistic	T1 optimistic		
O. Trends in value orientation	O3 materialism	O3 materialism	O2 sustainable materialism	O2 sustainable materialism	O2 sustainable materialism		
X. Degree of innovation	X3 little innovative	X3 little innovative	X2 innovative	X2 innovative	X2 innovative		
F. Saving potential	F2 neutral	F2 neutral	F2 neutral	F2 neutral	F1 positive		
Q. Incentives	Q3 low incentives	Q3 low incentives	Q3 low incentives	Q3 low incentives	Q3 low incentives		
R. Administrative / legal barriers for CRE	R1 high	R1 high	R1 high	R2 low	R1 high		
Y. Regulatory Requirements	Y3 no	Y2 low	Y2 low	Y2 low	Y2 low		
Z. Perceived extreme event	Z2 extreme event	Z3 no event	Z3 no event	Z3 no event	Z3 no event		
*Coloring indicates whether the descriptor settings are positive () peutral ()							

Coloring indicates whether the descriptor settings are positive (\_\_), neutral (\_\_), or negative () for energy communities and their emergence

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(Broska et al., forthcoming)

## **4 Results: Scenarios & Transformation Pathways until 2040**

### **Transformation Pathway 2: Changing Values**

	2021	2025	2030	2035	2040		
	13 not active	I1 jointly active	I1 jointly active	I1 jointly active	I1 jointly active		
	A3 not active	A1 jointly active	A1 jointly active	A1 jointly active	A1 jointly active		
Individual loval	B3 not active	B1 jointly active	B1 jointly active	B1 jointly active	B1 jointly active		
	C3 not active	C3 not active	C3 not active	C2 ative alone	C2 ative alone		
	D3 not active	D1 jointly active	D1 jointly active	D1 jointly active	D1 jointly active		
	E3 not active	E3 not active	E3 not active	E1 jointly active	E1 jointly active		
G. Perceived neighborhood cohesion	G2 neutral	G1 great	G1 great	G1 great	G1 great		
J. Recommendations from people in social network	J2 mixed	J2 mixed	J1 positive	J1 positive	J1 positive		
T. Personal future outlook	T3 pessimistic	T1 optimistic	T1 optimistic	T1 optimistic	T1 optimistic		
	NA4 CRE-low & RES-low	NA2 CRE-high & RES-low	NA2 CRE-high & RES-low	NA2 CRE-high & RES-low	NA1 CRE-high & RES-high		
	NB4 CRE-low & RES-low	NB2 CRE-high & RES-low	NB2 CRE-high & RES-low	NB2 CRE-high & RES-low	NB2 CRE-high & RES-low		
Neighborhood level	NC4 CRE-low & RES-low	NC4 CRE-low & RES-low	NC4 CRE-low & RES-low	NC3 CRE-low & RES-high	NC3 CRE-low & RES-high		
	ND4 CRE-low & RES-low	ND3 CRE-low & RES-high	ND2 CRE-high & RES-low	ND2 CRE-high & RES-low	ND2 CRE-high & RES-low		
	NE4 CRE-low & RES-low	NE4 CRE-low & RES-low	NE4 CRE-low & RES-low	NE2 CRE-high & RES-low	NE2 CRE-high & RES-low		
	MAB4 CRE-low & RES-low	MAB2 CRE-high & RES-low	MAB2 CRE-high & RES-low	MAB2 CRE-high & RES-low	MAB2 CRE-high & RES-low		
Social group lovel/miliou lovel	MC4 CRE-low & RES-low	MC4 CRE-low & RES-low	MC4 CRE-low & RES-low	MC3 CRE-low & RES-high	MC3 CRE-low & RES-high		
Social group level/milled level	MD4 CRE-low & RES-low	MD3 CRE-low & RES-high	MD2 CRE-high & RES-low	MD2 CRE-high & RES-low	MD2 CRE-high & RES-low		
	ME4 CRE-low & RES-low	ME4 CRE-low & RES-low	ME4 CRE-low & RES-low	ME2 CRE-high & RES-low	ME2 CRE-high & RES-low		
G. General neighborhood cohesion	G2 neutral	G1 great	G1 great	G1 great	G1 great		
J. Recommendations	J2 mixed	J2 mixed	J2 mixed	J1 positive	J1 positive		
T. Future outlook	T3 pessimistic	T1 optimistic	T1 optimistic	T1 optimistic	T1 optimistic		
O. Trends in value orientation	O3 materialism	O2 sustainable materialism	O2 sustainable materialism	O2 sustainable materialism	O2 sustainable materialism		
X. Degree of innovation	X3 little innovative	X3 little innovative	X3 little innovative	X1 very innovative	X1 very innovative		
F. Saving potential	F2 neutral	F2 neutral	F2 neutral	F1 positive	F1 positive		
Q. Incentives	Q3 low incentives	Q3 low incentives	Q3 low incentives	Q3 low incentives	Q1 financial		
R. Administrative / legal barriers for CRE	R1 high	R1 high	R1 high	R2 low	R2 low		
Y. Regulatory Requirements	Y3 no	Y3 no	Y2 low	Y2 low	Y1 high		
Z. Perceived extreme event	Z2 extreme event	Z3 no event	Z3 no event	Z2 extreme event	Z3 no event		
*Coloring indicates whether the descriptor settings are positive ( pourtral ( )							

Coloring indicates whether the descriptor settings are positive (), neutral (), or negative () for energy communities and their emergence

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(Broska et al., forthcoming)

## **5 Implications and Conclusions**

### **Results and Methodological Advancements**

### **Results Summarized**

• Simulation of the development of citizen participation in the energy transition in Germany until 2040 in a quasi-dynamic CIB model

## **Methodological Advancements**

- Development of CIB into a quasi-dynamic scenario modeling approach
- Improvement of the approach to CIB by showing how to base CIB on a wide range of selfcollected data
- Advancement of modeling citizens' behavior by taking into account society's heterogeneity



## **5 Implications and Conclusions**

### **Findings and Implications**

## **Key Findings**

- If only current trends continue, likely no successful implementation of a citizen-driven energy transition by 2040
- For a majority of society to become active, changes in several framework conditions necessary (e.g. administrative and legal conditions for energy communities and saving potential from renewable energy technologies)

### Implications

 Policymakers in the EU and Germany should reconsider and revise their current support for energy communities



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