



ENERGY COMMUNITIES REPOSITORY

Spain



OVERVIEW OF THE POLICY FRAMEWORK

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TABLE OF CONTENTS

Overview.....	3
1. Definition.....	3
1.1. Renewable Energy Community definition.....	4
1.2. Alternative energy communities definitions.....	5
2. Rights and obligations.....	5
2.1. Renewable Energy Community.....	5
3. Assessment of obstacles and potential and removal of unjustified barriers.....	13
4. Enabling framework.....	13
4.1. Renewable Energy Community.....	13
5. Access to financing and support for Renewable Energy Communities.....	15
6. Other provisions on energy communities.....	16
6.1. Renewable Energy Communities.....	16
References.....	17

DISCLAIMER

The content of this document aims to establish an overview of the national legal developments in the context of the Clean Energy Package for the Member State mentioned above. The document includes only final legislation which was published before the end of March 2023. It does not include provisions that are not yet applicable under law (i.e., currently drafted or discussed).

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Overview

According to the Energy Communities Repository's research, Spain introduced provisions for Renewable Energy Communities (RECs) with the Royal Decree 23/2020, while legislation for Citizen Energy Communities (CECs) is expected to be published soon. In the preamble II of the Royal Decree 23/2020 it is mentioned that the introduction of RECs in the national legislation aims at the participation of citizens and local authorities in renewable energy projects, which will allow greater local acceptance of renewables and a greater participation of citizens in the energy transition.

The Autonomous Regions have also set objectives for the development of energy communities, along with support frameworks that provide finance for community initiatives. The Autonomous Region of Navarra has also passed a law to promote RECs as Autonomous Public Interest projects.¹

In addition, Spain has introduced national legislation regulating collective self-consumption, which is the legal framework that RECs use to develop their energy sharing projects.² The incentives framework for collective self-consumption is quite favourable, with no grid fees or taxes attached to it. However, a dedicated energy sharing framework has not been adapted specifically to RECs.

1. Definition

Spain has introduced national legislation on RECs with the Royal Decree 23/2020, while legislation on CECs has not been published until March 2023. In 2020, the government had opened a consultation with specific questions on local energy communities.³

In addition, the National Integrated Energy and Climate Plan includes a specific measure dedicated to local energy communities referring to both RECs and CECs.⁴ Specifically, it is mentioned that both legal entities, which must be transposed into Spanish law, have two common elements: They must be controlled by partners or members in the vicinity of the projects and their aim must be to provide environmental, economic and social benefits to their partners or members or to the local areas where they operate. Additionally, in the case of RECs, the partners must be natural persons, small and medium enterprises (SMEs) or local authorities, including municipalities. The main difference between the two entities is that, while the objective of RECs is to carry out projects of any nature (electric, thermal or transport) provided the energy source is renewable, CECs have been designed to cover any project related to the electricity sector, including distribution, supply, consumption,

¹ Regional order 64/21 October 2022 establishing measures to promote energy communities in Navarra, available at: <http://www.lexnavarra.navarra.es/detalle.asp?r=55330#Ar.17>

² Royal Decree 244/5 April 2019, which regulates the administrative, technical and economic conditions of self-consumption of electrical energy, available at: <https://www.boe.es/buscar/act.php?id=BOE-A-2019-5089>

³ The consultation is available here: <https://energia.gob.es/es-es/Participacion/Paginas/DetalleParticipacionPublica.aspx?k=358>

⁴ Measure 1.13. of the National Integrated Energy and Climate Plan 2021-2030, available at: https://energy.ec.europa.eu/system/files/2020-06/es_final_necp_main_en_0.pdf



aggregation, energy storage, provision of energy efficiency services or the provision of electric vehicle charging services, or other energy services to its members.

With regard to RECs, the existing barriers and their potential for development will be assessed, among other measures. It should also be ensured that they can produce, consume, store and sell renewable energy, in particular through renewable electricity purchase contracts, as well as have access to all appropriate energy markets, both directly and through aggregation. With regard to CECs, among other measures, they should be allowed to own, establish, acquire or lease distribution networks and manage them autonomously, as well as to access all organised markets. Therefore, the National Integrated Energy and Climate Plan has references to RECs and CECs and their activities, though not all of the measures are yet included in national legislation.

Finally, the mechanisms to facilitate the development of energy communities that are listed are the following:

- The appropriate legislative framework will be developed to define energy communities and to promote their development, in particular to comply with the EU Directives. The development of the legislative framework must take into account the roles and cases of existing actors or groups that could set themselves up as local energy communities, such as cooperatives, industrial parks, technology parks, residents' associations or port areas;
- Elimination of barriers by establishing a one-stop shop that makes it possible to guide the applicant, acting as a facilitator of administrative procedures, as well as promoting the simplification of procedures in processes linked to local energy community projects;
- Promotion of demonstration projects of local energy communities that cover the widest possible range of cases, identifying and enabling viable business models for the different types of projects, enabling them to be developed on a large scale;
- Training and capacity-building programmes for local energy communities to enable them to obtain the human and technical resources required to identify, process, execute and manage the projects, as well as to mobilise the necessary investments;
- Analysis of the creation within the Institute for Energy Diversification and Savings (IDAE) of an office to promote and support local energy communities that, among other mechanisms, will design and implement specific lines of guarantees and/or financing; provide technical assistance; promote the joint acquisition of equipment and services and identify and disseminate best practices.

The Ministry of Environment and IDAE are listed as the responsible bodies.⁵

1.1. Renewable Energy Community definition

The national law defines RECs as legal entities based on open and voluntary participation, autonomous and effectively controlled by partners or members that are located in the vicinity of renewable energy projects that are owned and developed by said legal entities, whose partners or members are natural persons, small and medium enterprises (SMEs) or local authorities, including municipalities, and whose primary purpose is to

⁵ Measure 1.13. of the National Integrated Energy and Climate Plan 2021-2030, available at: https://energy.ec.europa.eu/system/files/2020-06/es_final_necp_main_en_0.pdf



provide environmental, economic or social benefits to its partners or members or to the local areas where they operate, rather than for financial gain.⁶

1.2. Alternative energy communities definitions

In Spain there are several energy cooperatives already established following the civil law on cooperatives pre-dating the Clean Energy Package.⁷ In addition, there are laws regulating cooperatives at regional level.⁸

2. Rights and obligations

2.1. Renewable Energy Community

As mentioned above, energy sharing is available to consumers in Spain via the framework governing collective self-consumption.⁹ This framework does not include specific measures for RECs. In more detail, the law defines self-consumption as the consumption by one or several consumers of electrical energy from production facilities close to the consumption and associated with them.¹⁰ Furthermore, consumers are considered to participate in collective self-consumption when they belong to a group of several consumers who are receiving, in an agreed manner, electrical energy that comes from production facilities close to those of consumption and associated with them.¹¹

In addition, the national law introduces the following self-consumption modalities:

- a) Supply mode with self-consumption without surpluses.¹² In this modality, an anti-dump mechanism must be installed to prevent the injection of excess energy into the transmission or distribution network. In this case there will be a single type of subject, which will be the consumer subject.
- a) Supply mode with self-consumption with surpluses.¹³ In this modality, production facilities close to and associated with consumption facilities may, in addition to supplying energy for self-consumption, inject surplus energy into the transmission and distribution networks. In these cases there will be two types of subjects, which will be the consumer subject and the producer.¹⁴

The supply modality with self-consumption with surpluses is divided into:

⁶ Article 4 of the Royal Decree 23/2020, which adds a heading j) in section 1 of article 6 of the Law 24/2013

⁷ Law 27/16 July 1999 on civil cooperatives, available at: <https://www.boe.es/buscar/act.php?id=BOE-A-1999-15681>

⁸ For example, in Catalonia there is the Law 12/9 July 2015 on cooperatives, available at: <https://portaljuridic.gencat.cat/ca/document-del-pjur/?documentId=698366>

⁹ Royal Decree 244/5 April 2019, which regulates the administrative, technical and economic conditions of self-consumption of electrical energy, available at: <https://www.boe.es/buscar/act.php?id=BOE-A-2019-5089>

¹⁰ Article 3(l) of the Royal Decree 244/5 April 2019, in accordance with the provisions of article 9.1 of Law 24/2013

¹¹ Article 3(m) of the Royal Decree 244/5 April 2019

¹² It corresponds to the modalities defined in article 9.1.a) of Law 24/2013.

¹³ It corresponds to the modalities defined in article 9.1.b) of Law 24/2013.

¹⁴ Article 4(1) of the Royal Decree 244/5 April 2019



- a) Modality with surpluses eligible for compensation: those cases of supply with self-consumption with surpluses in which the consumer and the producer voluntarily choose to benefit from a surplus compensation mechanism will belong to this modality. This option will only be possible in those cases in which all the conditions listed below are met:
 - i. The primary energy source is of renewable origin;
 - ii. The total power of the associated production facilities does not exceed 100 kW;
 - iii. If it is necessary to make a supply contract for auxiliary production services, the consumer has signed a single supply contract for associated consumption and for auxiliary production consumption with a supplier, in accordance with the relevant provisions of the law;
 - iv. The consumer and associated producer have signed a self-consumption surplus compensation contract defined in the law;
 - v. The production facility has not been granted an additional or specific remuneration regime.

- b) Modality with surpluses not eligible for compensation: all those cases of self-consumption with surpluses that do not meet any of the requirements to belong to the modality with surpluses eligible for compensation or who voluntarily choose not to benefit from said modality will belong to this modality.¹⁵

In addition to the aforementioned self-consumption modalities, self-consumption may be classified as individual or collective depending on whether it is one or several consumers who are associated with the generation facilities. In the case of collective self-consumption, all participating consumers who are associated with the same generation installation must belong to the same type of self-consumption and must individually notify to the distribution company in charge of the reading, directly or through the supplier, the agreement signed by all participants that includes the distribution criteria, by virtue of what is set out in the law.¹⁶

The supply or installation point of a consumer must comply with the requirements established in the applicable regulations.¹⁷ The law also clarifies that subjects covered by any of the regulated self-consumption modalities may benefit from any other different modality, adapting their facilities and adjusting to the provisions of the legal, technical and economic regimes regulated in the law and in the rest of the regulations that would be applicable to them. Notwithstanding the above:

- i. In the case of collective self-consumption, said change must be carried out simultaneously by all participating consumers, associated with the same generation installation;
- ii. In no case may a consumer subject be simultaneously associated with more than one of the self-consumption modalities regulated in the law;
- iii. In those cases in which self-consumption is carried out through nearby and associated facilities through the network, self-consumption must belong to the supply modality with self-consumption with surpluses.¹⁸

Moreover, the law adds that in order to carry out collective self-consumption, a REC may be established as long as the requirements established for them are met. This community may act as a representative of consumers for the purposes provided for in the law as long as they grant the corresponding authorizations.¹⁹

¹⁵ Article 4(2) of the Royal Decree 244/5 April 2019

¹⁶ Article 4(3) of the Royal Decree 244/5 April 2019

¹⁷ Article 4(4) of the Royal Decree 244/5 April 2019

¹⁸ Article 4(5) of the Royal Decree 244/5 April 2019

¹⁹ Article 4(7) of the Royal Decree 244/5 April 2019



It is also clarified that the associated generation facilities and supply points must comply with the technical, operation and information exchange requirements contained in the electricity sector regulations and in the applicable national and European industrial quality and safety regulations. The distribution company, or, where applicable, the transmission company, will not have any legal obligation regarding the network connection facilities that are not in their ownership.²⁰

In addition, the law states that in any form of self-consumption, regardless of the ownership of the consumption and generation facilities, the consumer and the owner of the generation facility may be different natural or legal persons.²¹ In the self-consumption modality without surpluses, the owner of the supply point will be the consumer, who will also be the owner of the generation facilities connected to their network. In the case of self-consumption without collective surpluses, the ownership of said generation installation and the anti-dump mechanism will be shared jointly by all consumers associated with said generation installation.

In these cases, without prejudice to the agreements signed between the parties, the consumer, or where appropriate the consumers, will be responsible for non-compliance with the precepts included in the law, accepting the consequences that the disconnection of the aforementioned point, in application of the current regulations, could entail for any of the parties. In the case of self-consumption without collective surpluses, the consumers associated with the generation installation must be jointly and severally liable to the electrical system for said generation installation.²²

In the supply modalities with self-consumption with surpluses, when the production facilities close to and associated with consumption share connection infrastructures to the transmission or distribution network or are connected to the internal network of a consumer, consumers and producers will respond jointly for non-compliance with the precepts included in the law, accepting the consequences that the disconnection of the aforementioned point, in application of the current regulations, could entail for any of the parties, among them, the impossibility of the producer of selling energy and the perception of the remuneration that would have corresponded or the inability of the consumer to acquire energy. The access contract is signed by the consumer, and where appropriate the producer, directly or through a supplier.²³

In the supply modalities with self-consumption with surpluses, the owners of production facilities close to the consumption facilities and associated with them exclusively for the consumption of their auxiliary production services will be considered consumers.²⁴ When, due to non-compliance with technical requirements, there are dangerous installations or when the measuring equipment or the anti-dump mechanism has been manipulated, the distribution company, or, where applicable, the transmission company, may proceed to interrupt the supply, in accordance with the provisions of the law.²⁵

It is also highlighted that storage elements may be installed in the self-consumption facilities regulated in the law, when they have the protections established in the safety and industrial quality regulations that apply to them. The storage elements will be installed in such a way that they share measurement equipment that

²⁰ Article 5(1) of the Royal Decree 244/5 April 2019

²¹ Article 5(2) of the Royal Decree 244/5 April 2019

²² Article 5(3) of the Royal Decree 244/5 April 2019

²³ Article 5(4) of the Royal Decree 244/5 April 2019

²⁴ Article 5(5) of the Royal Decree 244/5 April 2019

²⁵ Article 5(6) of the Royal Decree 244/5 April 2019



records the net generation, measurement equipment at the border point or measurement equipment of the associated consumer.²⁶

With regard to the necessary contracts, the law specifies that to benefit from any of the self-consumption modalities in cases when the installed power of the generation installation is modified in an existing project, each consumer who has a contract of access for their consumption facilities must communicate this circumstance to the distribution company, or, where applicable, the transmission company, directly or through the supplier. The distribution or transmission company will have a period of ten days from receipt of said communication to modify the corresponding existing access contract, in accordance with the applicable regulations. The consumer will have a period of ten days from receipt to notify the transmission or distribution company of any non-conformity. If such notification is not made, the conditions contained in said contract will be deemed to have been tacitly accepted.

Without prejudice to the above, for those consumer subjects connected to low voltage, in which the generating installation is low voltage and the installed generation power is less than 100 kW that carry out self-consumption, the modification of the access contract will be carried out by the distribution company based on the documentation sent by the Autonomous Communities and Cities of Ceuta and Melilla to said company as a consequence of the obligations contained in the Low Voltage Electrotechnical Regulation. The Autonomous Communities and Cities of Ceuta and Melilla must send said information to the distribution companies within a period of no more than ten days from receipt. Said modification of the contract will be sent by the distribution company to the corresponding suppliers and consumers within a period of five days from receipt of the documentation sent by the autonomous community or city. The consumer will have a period of ten days from receipt to notify the transmission or distribution company of any non-conformity. If this is not done, the conditions included in said contract will be deemed to have been tacitly accepted.²⁷

Furthermore, as a general rule, to benefit from any of the self-consumption modalities, consumers who do not have an access contract for their consumption facilities must sign an access contract with the distribution company directly or through the supplier, reflecting this circumstance.²⁸

Additionally, in the modalities of self-consumption with surpluses not eligible for compensation for which it is necessary to make a supply contract for auxiliary production services, the owner of each production facility close to and associated with the consumption facilities must sign a supply access contract with the distribution company for its auxiliary production services directly or through the supplier, or modify the existing one, in accordance with the applicable regulations, to reflect this circumstance. The date of registration or modification of the consumer access contract and, where applicable, of the auxiliary production services must be the same.²⁹

Notwithstanding the above, the subjects may formalize a single joint access contract for auxiliary production services and for associated consumption, if they meet the following requirements:

- a) the production facilities are connected to the consumer's internal network;
- b) the consumer and the owners of the production facilities are the same natural or legal person.³⁰

²⁶ Article 5(7) of the Royal Decree 244/5 April 2019

²⁷ Article 8(1) of the Royal Decree 244/5 April 2019

²⁸ Article 8(2) of the Royal Decree 244/5 April 2019

²⁹ Article 8(3) of the Royal Decree 244/5 April 2019

³⁰ Article 8(4) of the Royal Decree 244/5 April 2019



The time spent in the chosen self-consumption modality will be at least four months from the date of registration or modification of the access contract or contracts concluded as indicated above, automatically extendable.³¹

In addition, the law mentions that the consumer under a self-consumption modality and the associated producer, in the self-consumption modality with surpluses for their auxiliary production services, may acquire the energy either as direct consumers in the production market or through a supplier. In the latter case, the supply contract may be on the free market or in any of the modalities provided for in the law,³² which establishes the methodology for calculating voluntary prices for the small electric energy consumer and its legal contracting regime. The contracts that, where appropriate, are signed with a supplier must expressly reflect the type of self-consumption to which it is subject and comply with the minimum conditions established in the applicable regulations, even when energy is not poured into the networks. In no case may the reference suppliers reject contract modifications of those consumers entitled to voluntary prices for small consumers who carry out self-consumption and comply with all the requirements contained in the regulations that apply to them.³³

Notwithstanding the above, if a single joint access contract is signed for auxiliary production services and for associated consumption, the holder of this contract may sign a single supply contract.³⁴ When a consumer takes advantage of any of the self-consumption modalities regulated in the law, the distribution company to which they are connected, once having received the corresponding documentation from all participating subjects, must inform the corresponding supplier since which date the self-consumption modality of which the consumer takes advantage begins to be effective and, where applicable, the conditions of the agreement on the distribution coefficients and the conditions of the simplified compensation mechanism, unless this has been notified by the supplier itself. To this end, the distribution company will have a period of no more than 5 business days for said communication.³⁵

Moreover, the law adds that subjects covered by any of the self-consumption modalities will have the necessary measuring equipment for the correct billing of prices, rates, charges, access tolls and other costs and services of the system that are applicable to them. The reading manager will apply, where appropriate, the corresponding loss coefficients established in the regulations.³⁶

In general, consumers under any form of self-consumption must have bidirectional measurement equipment at the border point or, where appropriate, measurement equipment at each of the border points.³⁷ Additionally, generation facilities must have measurement equipment that records net generation in the following cases:

- i. when collective self-consumption is carried out;
- ii. when the generation facility is a nearby facility through the network;
- iii. when the generation technology is not renewable, cogeneration or waste;
- iv. in self-consumption with surpluses not eligible for compensation, if there is no single supply contract in accordance with the relevant provisions;
- v. in installations generating nominal apparent power equal to or greater than 12 MVA.³⁸

³¹ Article 8(5) of the Royal Decree 244/5 April 2019

³² The Royal Decree 216/2014

³³ Article 9(1) of the Royal Decree 244/5 April 2019

³⁴ Article 9(2) of the Royal Decree 244/5 April 2019

³⁵ Article 9(3) of the Royal Decree 244/5 April 2019

³⁶ Article 10(1) of the Royal Decree 244/5 April 2019

³⁷ Article 10(2) of the Royal Decree 244/5 April 2019

³⁸ Article 10(3) of the Royal Decree 244/5 April 2019



Notwithstanding what is stated above, the subjects covered by the modality of individual self-consumption with surpluses not covered by compensation, may benefit from the following configuration of measures, provided that the points mentioned above are guaranteed and allow access to measuring equipment by the person in charge of reading:

- a) a bidirectional measurement device that measures the net hourly energy generated;
- b) a measuring device that records the total energy consumed by the associated consumer.³⁹

In any of the configurations provided for above, in those cases in which there is more than one generation installation and the owners of these are different natural or legal persons, the requirement of measurement equipment that records the net generation will be extended to each of the facilities. The previous obligation will be optional in those cases in which there is more than one generation facility and the owner is the same natural or legal person.⁴⁰ Likewise, on an optional basis, the bidirectional measurement equipment that measures the net hourly energy generated may be replaced by equipment that measures gross generation and equipment that measures the consumption of auxiliary services.⁴¹

Further, the law mentions that the energy acquired by the associated consumer will be the hourly energy consumed from the network in the following cases:

- i. consumers under the self-consumption modality without surpluses;
- ii. consumers covered by the self-consumption modality with surpluses covered by compensation;
- iii. consumers under the self-consumption modality with surpluses not eligible for compensation who have a single supply contract in accordance with the relevant provisions.⁴²

The associated consumer under the self-consumption modality with surpluses that is not in the cases included in points ii and iii must acquire the energy corresponding to the hourly energy consumed from the network not intended for the consumption of auxiliary production services. In these cases, additionally, the owner of the production facility under the self-consumption modality with surpluses must acquire the hourly energy consumed by the auxiliary production services.⁴³

Moreover, the law clarifies that the producer under the self-consumption modality with surpluses not eligible for compensation will receive the corresponding economic compensation for the surplus hourly energy, in accordance with the regulations in force. In the case of facilities with a specific remuneration regime that are covered by the self-consumption modality with surpluses not covered by compensation, this will be applied, where appropriate, to said surplus hourly energy discharged.⁴⁴

The regulation of the power factor will be carried out, in general, at the border point, using the measuring equipment located at the border point that records the hourly energy consumed from the network and, where appropriate, the measuring equipment of net generation.⁴⁵ However, in the event that the owner of the supply point under a self-consumption modality, temporarily, does not have a supply contract in force with a supplier

³⁹ Article 10(4) of the Royal Decree 244/5 April 2019

⁴⁰ Article 10(5) of the Royal Decree 244/5 April 2019

⁴¹ Article 10(6) of the Royal Decree 244/5 April 2019

⁴² Article 13(1) of the Royal Decree 244/5 April 2019

⁴³ Article 13(2) of the Royal Decree 244/5 April 2019

⁴⁴ Article 13(4) of the Royal Decree 244/5 April 2019

⁴⁵ Article 13(5) of the Royal Decree 244/5 April 2019



in the free market and is not a direct consumer in the market, they will be supplied by the reference supplier at the rate of last resort that corresponds to the hourly energy consumed from the network.⁴⁶ In these cases, if there is excess hourly energy from the associated generation facility, it will be transferred to the electrical system without any type of economic consideration linked to said transfer.⁴⁷

The law adds that consumers who carry out collective self-consumption without surpluses may also voluntarily benefit from a simplified compensation mechanism. In this case, the existence of a surplus compensation contract will not be necessary, as there is no producer, and an agreement between all consumer subjects will be sufficient using the distribution criteria, where appropriate coinciding with those communicated to the distribution company, in accordance with the relevant provisions.⁴⁸

Furthermore, the national law states that subjects covered by any form of self-consumption who acquire the hourly energy consumed from the network directly in the production market will settle their energy in accordance with the provisions of the production market settlement regulations. Subjects who acquire the hourly energy consumed from the network through a supplier will settle their energy in accordance with what is agreed between the parties on a monthly basis based on actual readings of the hourly resolution and its applicable regulations.^{49,50} It will be up to the distribution company to bill the network access tolls and the electrical system charges that correspond to it.⁵¹

In the event that the consumer has contracted access to the networks through a supplier, the supplier will bill the consumer for the network access toll and corresponding electrical system charges, breaking down these concepts in the invoice. In the case of direct consumers in the market, said consumers will assume the charges that, if applicable, correspond to them in accordance with the applicable regulations.⁵² For the settlement of excess hourly energy discharged by production facilities under the self-consumption modality with surpluses not eligible for compensation, the general regulations of production activity will apply.⁵³

In the self-consumption modality with surpluses not eligible for compensation, the owners of the production facilities must pay the access tolls⁵⁴ for the surplus hourly energy discharged.⁵⁵ For consumers who wish to carry out self-consumption with surpluses and as long as the associated production installation is up to 100 kW and connected at low voltage, the activation time of self-consumption may not exceed two months. Activation time will mean the time elapsed from the day on which the electricity distribution company receives the necessary documentation to carry out the modification of the access contract mentioned above until the moment it receives the communication that it can now start injecting into the network and these are considered in the billing.⁵⁶

If this time is exceeded for reasons not attributable to the consumer or to the public administrations competent in energy matters, the supplier will automatically include in the consumer's billing a discount term for delay in

⁴⁶ In accordance with the provisions of article 15.1.b) of Royal Decree 216/2014.

⁴⁷ Article 13(6) of the Royal Decree 244/5 April 2019

⁴⁸ Article 14(2) of the Royal Decree 244/5 April 2019

⁴⁹ Without prejudice to the provisions of the article 14 of the Royal Decree 244/5 April 2019.

⁵⁰ Article 15(1) of the Royal Decree 244/5 April 2019

⁵¹ In application of the provisions of article 9.5 of Law 24/2013.

⁵² Article 15(2) of the Royal Decree 244/5 April 2019

⁵³ Article 15(3) of the Royal Decree 244/5 April 2019

⁵⁴ Established in Royal Decree 1544/2011.

⁵⁵ Article 16 of the Royal Decree 244/5 April 2019

⁵⁶ Article 16bis(1) of the Royal Decree 244/5 April 2019



activating self-consumption in their billing for an amount equivalent to that of the simplified compensation mechanism mentioned above with the particularities mentioned in the law. In no case may the economic value of this discount term for delay in self-consumption activation be greater than the economic value of the hourly energy consumed from the network in the billing period, which may not exceed one month. This term must appear expressly included on the consumer's invoice and will apply on invoices until the day self-consumption is activated.⁵⁷

The discount term for delay in activating self-consumption will be assumed by the electricity distribution company to which the consumer is connected, and cannot in any case be incorporated into the latter's remuneration paid by the system. Notwithstanding the above, the distribution companies may pass this cost on to the suppliers if the delays are due to their inactions, omissions or errors. To this end, the distribution company must justify to the supplier and to the National Markets and Competition Commission that said delay in the activation of self-consumption is accredited through the system derived from the obligation established in the relevant regulations.⁵⁸

Likewise, the discount term for delay in activating self-consumption will not be applied if the causes of the delay are attributable to the consumer or to the public administrations competent in energy matters. For a cause to be attributable to the consumer or to the public administrations competent in energy matters, the distributor, or, where applicable, the supplier, must justify it using the information available in the system derived from the obligation established in the relevant regulations⁵⁹ before the National Commission of Markets and Competition and before the body competent in energy matters of the autonomous community where consumption is located.⁶⁰

When the person in charge of reading sends the broken down information to the supplier for correct billing in accordance with the relevant provisions, the latter must send, where appropriate, whether billing for this concept is appropriate or not, who is responsible for assuming its cost and information with sufficient detail to be able to apply the mechanism provided for in this article.⁶¹

Moreover, the law highlights that it is possible to share energy within three different geographic configurations; within a 500m radius (1 km circumference); under the same substation; and within the same property (cadastral reference).⁶² The radius was recently expanded to 2km, though this additional distance is only available to self-consumption projects using PV technology and only if located on the roof of buildings, on industrial land or on artificial structures.⁶³

To date, no framework has been specifically developed for energy sharing within RECs, and in general a legal entity is not required to engage in collective self-consumption. Due to this fact, most existing RECs use the legal framework provided in the national law for collective self-consumption.

⁵⁷ Article 16bis(2) of the Royal Decree 244/5 April 2019

⁵⁸ Specifically, article 40.2.u) of the Law. 24/2013, of December 26, of the Electrical Sector.

⁵⁹ Specifically, article 40.2.u) of Law 24/2013, of December 26, on the Electricity Sector.

⁶⁰ Article 16bis(3) of the Royal Decree 244/5 April 2019

⁶¹ Article 16bis(4) of the Royal Decree 244/5 April 2019

⁶² Article 3 of the Royal Decree 244/5 April 2019

⁶³ Ibid



3. Assessment of obstacles and potential and removal of unjustified barriers

It is not clarified whether the Spanish administration has undertaken an official assessment of barriers and potential for the development of RECs. Through its Guide for the Development of Instruments for the Promotion of Energy Communities, IDAE identifies barriers and recommendations for energy communities.⁶⁴

4. Enabling framework

4.1. Renewable Energy Community

The national law introduced a national register for self-consumption. Specifically, this registry will be set up online with free access and will have the purpose of monitoring the activity of self-consumption of electrical energy from the economic point of view and its impact on the economic sustainability of the electrical system, as well as its impact on compliance of the objectives of renewable energies in the operation of the system.⁶⁵

With regards to licensing procedures, RECs are currently subject to the general licensing provisions for self-consumption based on renewable energy. In some cases the law on self-consumption introduces exemptions to the requirement to obtain grid access and connection permits generally for those engaging in such activity.⁶⁶ More specifically, the generation facilities of consumers engaging in self-consumption without the possibility to inject surplus energy into the transmission and distribution networks will be exempted from obtaining such permits. Moreover, in cases of self-consumption with the possibility of injecting surpluses into the network, power production facilities equal to or less than 15 kW that are located on urbanized land that has the facilities and services required by urban legislation will also be exempted from obtaining access and connection permits.⁶⁷

In addition, no taxes are paid on shared energy and grid fees are set at zero. Specifically, the law mentions that self-consumed energy of renewable origin, cogeneration or waste will be exempted from all types of fees for access to the transmission and distribution networks⁶⁸ and all types of charges of the electrical system.⁶⁹ Consumers under any of the self-consumption modalities will be subject to the charges of the electrical system that correspond to the point of supply and that are established by Order of the Minister for Ecological Transition, with the prior agreement of the Government Delegate Commission for Economic Affairs.⁷⁰

⁶⁴ The guide is available here: <https://www.idae.es/publicaciones/guia-para-el-desarrollo-de-instrumentos-de-fomento-de-comunidades-energeticas-locales>

⁶⁵ Article 19(1) of the Royal Decree 244/2019

⁶⁶ Article 7 of the Royal Decree 244/2019

⁶⁷ Ibid

⁶⁸ Article 17(1) of the Royal Decree 244/2019

⁶⁹ Article 18(1) of the Royal Decree 244/2019

⁷⁰ In accordance with the provisions of article 16 of Law 24/2013



With regards to measures aiming at the inclusion of low-income and vulnerable households, the fight against energy poverty is one of the criteria considered for receiving financial assistance under the umbrella of the programme CE-Implementa⁷¹, specific to REC development. Through the involvement of (mainly) municipal administrations in specific RECs, the participation of vulnerable households is prioritised. Moreover, the National Strategy Against Energy Poverty 2019 establishes that among the measures to be considered in the medium/long term in the fight against energy poverty, the promotion of thermal and/or electrical self-consumption in association should be taken into account.⁷²

Moreover, the Recovery, Transformation and Resilience Plan includes measures for energy communities. To start with, Component 7 on the deployment and integration of renewables specifically mentions that part of the funding⁷³ aims at the development of energy communities to promote citizen participation in the energy transition and, specifically, RECs and CECs. Both the participatory, training and constitution processes of the communities will be supported, as well as the promotion of specific projects.⁷⁴

In more detail, IDAE has defined 4 lines of assistance for energy communities:⁷⁵

- Community Transformation Offices: provide funding for organisations and initiatives that have the aim of publicising the concept of RECs and its benefits and accompanying and advising incipient RECs.
- CE Aprende: provides funding to initiatives related to the dynamization, promotion and publicity of a specific community under development with the aim of familiarising people and organisations interested with the concept and to identify and bring in possible partners and members.
- CE Planifica: provides funding for the planning and constitution of the REC (including feasibility studies, contract models, technical assistance, legal assistance, etc.).
- CE Implementa: currently provides funding for up to 60% of the cost of REC projects in the fields of renewable and thermal energy, energy efficiency and/or mobility. Project selection takes into account innovativeness level, social participation, social benefits, fight against energy poverty, employment generation, gender perspective, and combination of different technologies. The applications for the third and fourth round closed on 13 February 2023.⁷⁶

⁷¹ CE Implementa is an incentive programme for pilot projects of energy communities within the framework of the recovery, transformation and resilience plan. More information available at: <https://www.idae.es/ayudas-y-financiacion/comunidades-energeticas/programa-de-incentivos-proyectos-piloto-singulares-de>

⁷² The National Strategy Against Energy Poverty 2019 is available at: https://www.miteco.gob.es/content/dam/miteco/es/prensa/estrategianacionalcontralapobrezaenergetica2019-2024_tcm30-496282.pdf

⁷³ The estimated funding for Component 7 is 3.165 million euros.

⁷⁴ Spain's Recovery, Transformation and Resilience Plan, point C7.R3, available at: https://www.lamoncloa.gob.es/temas/fondos-recuperacion/Documents/160621-Plan_Recuperacion_Transformacion_Resiliencia.pdf

⁷⁵ More information on the programmes is available at: https://www.idae.es/sites/default/files/eventos/Jornada%20Comunidades%20Energ%C3%A9ticas.%2016sep2021/00-PRESENTACION_Secretaria_Estado_Energia_y_DG_IDAEccee1609.pdf

⁷⁶ More information available at: <https://www.idae.es/ayudas-y-financiacion/comunidades-energeticas/programa-de-incentivos-proyectos-piloto-singulares-de>



In addition, IDAE has launched an aid programme to community transformation offices for the promotion and revitalisation of energy communities (CE Oficinas).⁷⁷⁷⁸

At regional level, Autonomous Communities⁷⁹ and municipalities provide incentives to the establishment of self-consumption installations in the form of grants, subsidies and tax exemptions.

Finally, some capacity building support exists for public authorities. IDAE's Guide for the Development of Instruments for the Promotion of Energy Communities,⁸⁰ as well as the Guide for the promotion of energy communities with a municipal perspective by the Diputación de Barcelona could be considered an example of this.⁸¹

5. Access to financing and support for Renewable Energy Communities

In line with a reference to the preamble, the Royal Decree 23/2020 introduces an addition to the national law on the Electricity sector regulating the development of installations for the production of electricity from renewable sources.⁸² More specifically, it is added that in competitive procedures, which shall be oriented towards cost-efficiency, a distinction may be made between different generation technologies according to their technical characteristics, size, manageability levels, location, technological maturity and any other criteria that guarantee the transition to a decarbonised economy, as well as taking into account the particularities of RECs so that they can compete for access to the remuneration framework on an equal footing with other participants, in accordance with EU regulations.⁸³

In the case of small-scale installations and demonstration projects, they may be exempted from the competitive bidding procedure for the granting of the aforementioned remuneration frameworks in accordance with what is developed by regulation. In these cases, the result of said procedures may be used as a remuneration reference, guaranteeing the orientation towards cost efficiency.⁸⁴

⁷⁷ More information available at: <https://www.idae.es/index.php/ayudas-y-financiacion/comunidades-energeticas/ayudas-oficinas-de-transformacion-comunitaria-para-la>

⁷⁸ More information on Spain's Recovery, Transformation and Resilience plan are available at: <https://planderecuperacion.gob.es/>

⁷⁹ Including Comunidad Valenciana, Andalucía or Extremadura

⁸⁰ The guide is available here: <https://www.idae.es/publicaciones/guia-para-el-desarrollo-de-instrumentos-de-fomento-de-comunidades-energeticas-locales>

⁸¹ The Guide for the promotion of energy communities by the Diputación de Barcelona is available at: <https://www.diba.cat/documents/471041/361729804/Gu%C3%ADa+para+el+impulso+de+comunidades+energ%C3%A9ticas+con+perspectiva+municipal>

⁸² Article 2 of the Royal Decree 23/2020, which adds section 7 in article 14 of the Law 24/26 December 2013 on the electricity sector

⁸³ Ibid

⁸⁴ Article 2 of the Royal Decree 23/2020, which adds a section 7 to article 14 of Law 24/013 on the Electricity Sector



At the moment, RECs have not been formally integrated into renewables support schemes in Spain. However, tenders conducted in 2021 and 2022 have earmarked auction capacity for citizen-led distributed solar PV projects (300 MW and 150 MW, respectively).

The funding opportunities available to energy communities under the Recovery, Transformation and Resilience Plan have been analysed above.

6. Other provisions on energy communities

6.1. Renewable Energy Communities

The Long-Term Decarbonization Strategy 2050 captures the importance of having the involvement of society in a stable way for the transformation of the energy system and the economy towards a climate neutral country in 2050, positioning citizens at the centre of the energy system.⁸⁵

Additionally, as already highlighted above, the National Integrated Energy and Climate Plan includes several references to energy communities. More specifically, section 2.1.4. is dedicated to the role of citizens in the energy transition and highlights that energy communities highly contribute to the social acceptance of renewables. Moreover, in its Measure 1.6. titled 'Framework for the development of renewable thermal energies', the Plan establishes as a mechanism for promoting hot and cold networks the development of RECs linked to air conditioning networks, including technical training at the municipal level.⁸⁶

⁸⁵ Chapter 7.1. titled "The role of citizens" of the Long-Term Decarbonization Strategy 2050, available at: https://cdn.climatepolicyradar.org/navigator/ESP/2020/long-term-decarbonization-strategy-2050_d58c3e89f36110d81ba18364c9692789.pdf

⁸⁶ The National Integrated Energy and Climate Plan 2021-2030 is available at: https://energy.ec.europa.eu/system/files/2020-06/es_final_necp_main_en_0.pdf



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