

### **Financing of the Energy Transition and Property Rights III – “Consumers as active market players at the heart of the energy system?”**

- Intro – The Energy Transition: Facilitating consumers to become co-owners of renewables
- Behavioural changes through co-ownership and the problem of rebound effects
- Addressing the problem of “energy poverty”
- Decentralised innovative digital technologies enabling effective peer-to-peer transactions

5/6/9 ECTS / MES modules: ZB Wirtschaft, ZB Politik, ZB Recht, WPM 1, WPM 6 // IBA modules: S-Module (old SPO also E-Module); Faculty of Law: Master of German and Polish Law (Module 3); SPB 5 (European Law) (without ECTS)

#### *Dates / Termine:*

Introduction Tuesday 10 October, 14h-15h;

Mondays 14h-16h.

This course is a continuation of the seminar from the previous winter semester; an introductory session at the beginning of the semester will give an overview to the topic. The course is held in English language.

### **Reorganisation of energy production – The transition from fossil to renewable energy sources**

The reorganisation of energy production, esp. the transition from fossil to renewable energy sources (“Energy Transition”) is currently acknowledged as a permanent and evolving process. Recognized as one of the main problems in this transition is enabling finance mechanisms that would cover these renewable energy projects in an uncertain and oligopolistic market. This raises the question of whether citizen’s co-ownership in RES that emerged over the past 25 years in some countries like, e.g., Germany is a transitory phenomenon or a condition for the “Energy Transition” and if the latter is the case, how to further develop financial participation mechanisms in the RES sector.

### **The European Level: Policy shift toward an inclusion of the so-called “Prosumer”**

In its resolution “European Agenda for the collaborative economy“ of 15 June 2017 the European Parliament points out that “*the collaborative economy is increasingly important in the energy sector, allowing consumers, producers, individuals and communities to engage efficiently in several decentralised phases of the renewable energy cycle, including self-production and self-consumption, storage and distribution*”. Furthermore, in a 2015 staff paper and a 2016/17 HORIZON call the **European Commission** postulates that „Consumers should be considered at the heart of the energy system and become active market players“.

In this context the following challenges are put forward:

- The future private consumer should be more aware, active, energy sufficient, as well as being a prosumer producing energy for their own consumption, where this is possible.
- Energy efficiency, energy savings and increased use of locally produced, including own produced, renewable energy are key tools in addressing fuel poverty.
- In this context, engagement actions are needed across Europe in order to achieve behavioural change towards more sustainable choices and decisions for energy.
- Although awareness on the benefits of collective consumer action in the field of EE and RES has increased in past years, such action is still hampered by a number of barriers, including financial and regulatory barriers and inconsistencies in grid integration practice.

- The rapid development and the increasing diffusion of innovative digital technologies, e.g., blockchains and distributed ledger as decentralised technologies could enable effective peer-to-peer transactions and connections in the collaborative economy.

The seminar investigates new developments, analyses current policy developments – both at national and EU level – and develops further ideas of how to facilitate consumers to become co-owners of renewable energy sources.

### **Literature**

Commission staff working document „Best practices on Renewable Energy Self-consumption“ Accompanying the Commission Communication „Delivering a New Deal for Energy Consumers“ {COM(2015) 339 final}

Horizon Call EE-06-2016-2017: Engaging private consumers towards sustainable energy.

RAP (2014): „Power Market Operations and System Reliability: A contribution to the market design debate in the Pentalateral Energy Forum“. Study on behalf of Agora Energiewende.

Lowitzsch, J. (2015) “Property rights and the financing of renewable energy technologies – How Consumer Stock Ownership Plans contribute to the Energy Transition”, WINIR Working paper

Lowitzsch, J. / Goebel, K. (2013) „Vom Verbraucher zum Energieproduzenten. Finanzierung dezentraler Energieproduktion unter Beteiligung von Bürgern als Konsumenten mittels Consumer Stock Ownership Plans (CSOPs)“, ZNER 3/2013

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**Registration until 17 October 2017** at [kelso-professorship@europa-uni.de](mailto:kelso-professorship@europa-uni.de).

**Performance test and credits:** ECTS: 6/9. Regular attendance; term paper; oral presentation; first draft of the term paper by 5 December 2016, finalized term paper by the end of the semester.