

French citizen projects in the on-shore wind auction process



OFATE Webinar - 15th September

Erwan BOUMARD

Directeur

Énergie Partagée

Energy Citizen Communities in French onshore wind auction



Energie Partagée is member of Rescoop, the European federation of citizen energy cooperatives.

In France, EP is the head network of the different regional initiatives.

**Objective for French Local communities:
15% of renewable projects in 2030**



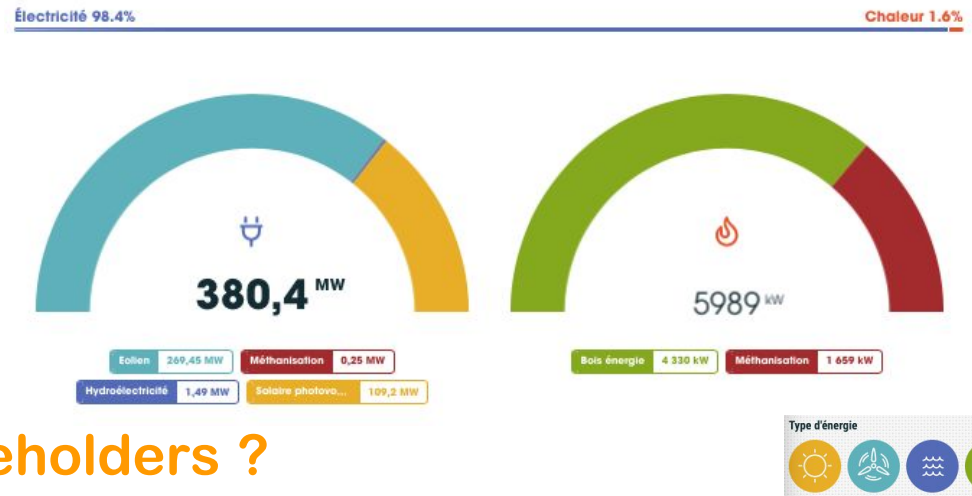
French citizen wind projects in figures ...



Wind : 270 MW

70 MW in production

200 MW in development

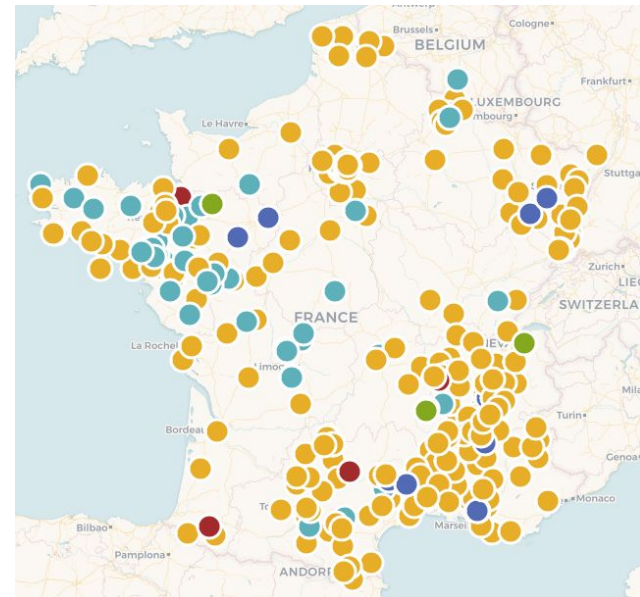


Who are french EC shareholders ?

17681 citizen / 31 Meur

374 local auth. / 14 Meur

100% public initiatives are not reported



France applies the EU Directive to increase communities projects



EU DIRECTIVE 2018/2001 on the promotion of the use of energy from renewable sources :

- *The specific characteristics of local renewable energy communities (...) can hamper their competition on an equal footing with large-scale players, namely competitors with larger projects or portfolios.*
- *Measures to allow renewable energy communities to compete on an equal footing with other producers also aim to increase the participation of local citizens in renewable energy projects and therefore increase acceptance of renewable energy.*
- *To that end, Member States should be allowed to take measures, such as (...) including community-focused bidding criteria (...).*





- Till 2020 the local community projects connected are mostly CR2016 - Feed In Tariff (82 Eur)
- Since the end of 2019, the CR2017 FIT (72Eur) is challenged by Auction price and its 3 eur additional “Investment Bonus”
 - no cap on production and no constraint on wind turbines (power, high)
- But for large scaled players, the 3 eur bonus criteria is not attractive enough compared to the value of the liquidity.



Since 2018..



Even if the expectation of local investment is high for improving the windfarm acceptance, the “investment bonus” is disappointing in the wind auction (<10%) compared to solar (>30%)

| Wind Auction results | Nb of projects | OW 3€ Bonus (Eqty) | OW 1€ Bonus (Loan) |
|----------------------|----------------|--------------------|--------------------|
| Jan 2018 | 22 | 3 | 4 |
| July 2018 | 4 | 0 | 0 |
| April 2019 | 20 | 1 | 0 |
| Sept 2019 | 20 | 1 | 0 |
| Feb 2020 | 27 | 4 | 0 |

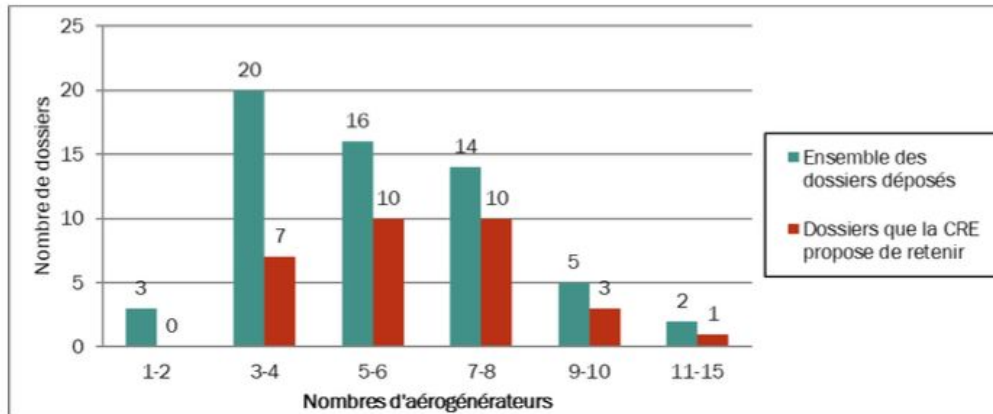
Communities projects scale is not yet adapted



There is a lack of competitiveness for < 15 MW projects in the auction process ...

RAPPORT DE SYNTHÈSE 5^È PÉRIODE DE LAI APILS D'OPRES SOLLE TRIMESTRE

13 février 2020



Répartition des dossiers par nombre d'aérogénérateurs

But locally the “ideal project” on greenfield remains the <6 masts windfarm to avoid negative externalities..



Wind tariffs for community projects in the next years :



FIT CR2017 :

Restricted to small and communities projects which are not competitive in auction.

Auction Tariff :

Reinforce the governance requirements to anticipate the French translation of Energy Communities.

Learn from German experience, to avoid any bypass.

Part of the note (depending on governance and funding), not a additional bonus



Wind tariffs for community projects in the next years :



An increasing number of project due to :

- On development phase, communities anticipate to go to auction in 5 years when their project does not match FIT (technical constraints)
- Growing trend of co-development including private or para-public partners to match the new Auction Process criteria (respect the governance criteria at submission)
- Strategies of public and mid-scale private actors converge increasingly to local and long term partnerships.





Thanks for your attention

Contact : erwan.boumard@energie-partagee.org

Tel : +33 6 26 38 58 67

<http://www.energie-partagee.org>



Appendix : Dutch, German, French trends on community projects (Iddri may 2019 study)



FIGURE 1. Développement du financement participatif ENR, du fonds Énergie Partagée et des projets citoyens ENR en France

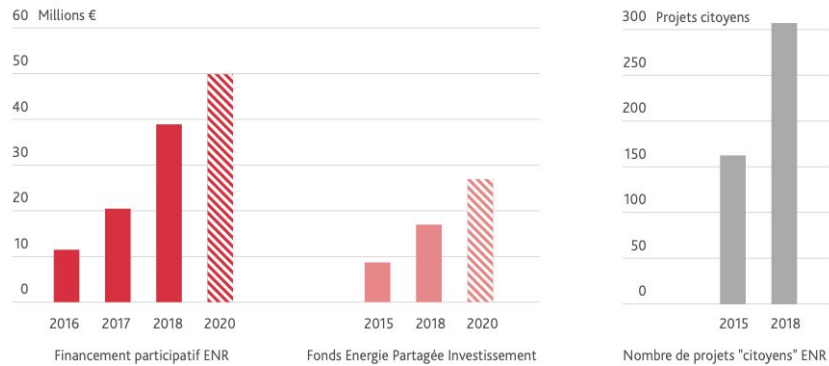
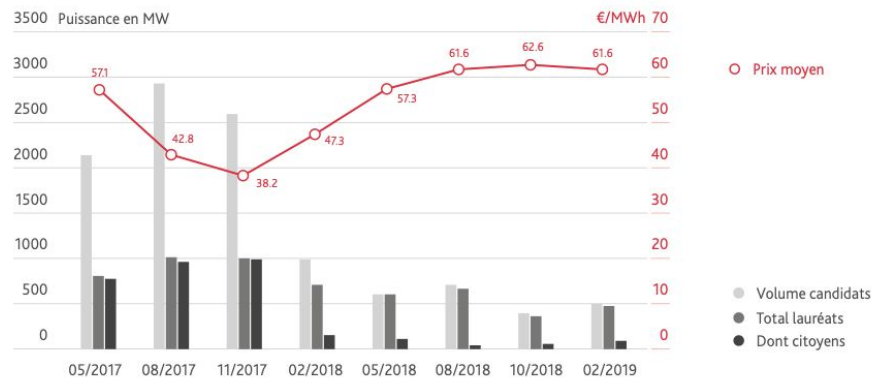


FIGURE 10. Développement des coopératives ENR aux Pays-Bas et puissances installées



Source : Iddri, données (Hier Opgewekt, 2018).

FIGURE 8. Résultats des AO éolien terrestre en Allemagne



Source : Iddri, données Bundesnetzagentur 2019.

