

1) Citizen Empowerment in Energy Transition – A short but visionary introduction

Possible points for discussion:

- The importance of 'buy in' by citizens in energy transition
- How consumers could organise themselves to save energy and become 'innovative'.
- Ideas for new member states where blocks of flats are under individual ownership and also for municipal housing in the EU 15.
- (We should keep in mind that in many new member states the conventional cooperative has negative associations linked to the past as a controlled economy, so the concept should be described in neutral terms such as community ownership.)

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Since 2008 Legacoop has had a national program for RE called COOPERAMBIENTE where all cooperative sectors have been participating.

We strongly believe in the EU path towards reducing and substituting energy production from fossil fuels to RER and from a centralized to distributed network.

We now estimate that in Italy directly owned or installed RER by coops is at 1 Giga watt of RER, most owned by COOP, housing coops or new coops of energy users.

1. Hydropower coops in the northern valleys
2. COOP projects
3. COOPSUN (ABN-MODENA-RAVENNA)

1. There has been an enormous change in the future of energy. After the double G factor (Japan and Germany) the green economy is winning. All the developed countries are increasing their production plans for renewable energies. However, a dramatic fight has also begun between the "old sister" companies of the fossil era, the centralized producers, and the new players of the decentralized and democratic renewable energies. The "old sisters" want to provide us with the RE as they know it - mega wind and sun farms, super high power lines, high capital projects - in other words, the "new" centralized model. They can succeed because they are big, rich, and they have power. We, as consumers, do not like this scenario. We want at least to be able to balance this old centralized and capitalistic system of power, because it has been one of the reasons for the global economic crisis. It is not useful to start with a period of new economic development, to create new wealth and new works only by replacing the old fossil fuel investments with new ones. We want the new decentralized and democratic model to succeed. We want to balance the "old sisters'" system of power with new different players in the energy markets - the **INNOVATIVE CONSUMERS ASSOCIATED**. Because **WIND and SUN are COMMONS**, they are not private goods. We need to work out new ideas about the fair use of the **COMMONS for ENERGY**. One idea is to establish **WIND AND SUN TRUSTEES** where communities create **ENERGY RIGHTS** to sell in the market the rights to use wind and sun for energy production. Doing the same as the Alaska fund or forestry trustee in USA did with oil and wood. In other words, the local communities could share in exploitation of the sun and wind energy rights with private enterprises, involving citizens in the managing of these commons and creating co-sharing value plans to boost the local economies and energy efficiency programs. We need more **INNOVATIVE AND ACTIVE people** in the energy market. Firstly, because citizens and our members need to be organized and protected and, secondly, because all together - companies, SMEs and COOPS and member-citizens - make up a very important player in these markets. I don't know in the future what will be the more convenient source of energy production, but I know that we need to change our vision about energy. We need to shift our thinking **FROM COST TO INVESTMENT- FROM PASSIVE TO ACTIVE**. The change in the energy model should be the driver to pull ourselves out of the recession, and, as well, it will become the platform for the next distributed and democratic

development in the world. We need to return to focusing our strategies on producing more with less, and not only consuming more. We need a new economic paradigm based on a distributed and democratic capitalism powered by distributed networks of energy self-production consumers.

The **INNOVACTIVE CONSUMERS ASSOCIATED** has to form strong alliances with the other older industries that wish to take this new direction:

1. Automotive industries to shift towards new electric cars based, not on individual property, but on smart networks of shared transportation services
2. White industries to shift from energy machines to new sustainable services of washing and refrigerating
3. IT and telecommunications bridging people and things in smart networks
4. Buildings – Construction helping local communities to become and act as smart communities

But we believe that a new energy cooperative strategy has to contribute also to enlarging the competition and the efficiency of the EU energy markets, beginning to play an active role.

In this sense, community groups of ICA must begin to be more active, not only as RER producers, but also working from the demand side of the market.

(Our coops number more than 160,000 in all EU countries, associating more than 120 million citizens, and producing an important part of the EU GDP and consuming a big portion of the EU energy markets).

We must collaborate with consumer associations and EU institutions to help in promoting new **EUROPEAN ENERGY BUYERS GROUPS**, where we can bring together all these stakeholders, economically protecting them from energy price increases, helping them to become innovative in reducing consumption and introducing efficiency models, and giving them a role in the new distributed energy markets.

The **INNOVACTIVE CONSUMER ASSOCIATED** is made up of 3 parts:

1. Joint buying of energy to protect associated members
2. Producing more and more RE for themselves
3. Reducing their energy consumption through more efficiency

All of this will result in paying less for energy, self-producing more RE, and, at least, doing more with less energy, and becoming net income generators.

2. How can we move in this direction? By creating ESCOOPS, energy saving cooperatives where the user-members own all the three parts of the program. They can delegate (or give a mandate) to the ESCOOPS to buy energy in the market, to install and manage RE self-production systems (wind and photovoltaic) and moreover, design and carry out more efficiency and saving plans.

We are doing this in Italy through the 1,000 Roofs Project.

As well, thousands of different “communities of users” can work together in Europe to reduce the market asymmetries, promoting efficiency innovation from the demand side by putting more IT in their energy services and entering into negotiations with producers and retailers, programming their members’ demand. They can control and operate with a “virtual cluster” of devices, such as, smart washing machines or smart freezers. Innovative communities also mean communities of networked smart objects.

3. How can we especially finance the efficiency programs for the **INNOVACTIVE CONSUMERS ASSOCIATED**? First of all, by creating **WIND AND SUN TRUSTEES**, secondly, by using EU and public incentive and financing schemes, and thirdly, by creating European CONFIDI groups to spread the risk and to jointly guarantee their investment plans with the banking system.