

# Power to the Maltese people The potential of renewable energy communities in Malta

Clean Energy for EU Islands

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### What about Malta?

Smallest EU member state: just 316 km<sup>2</sup>

Highest population density in EU: almost half a million inhabitants

Surrounded by sea: 3,830 km<sup>2</sup> of territorial waters (12 NM around islands)

300+ days of sunshine per year!



## Malta's energy challenge

- Reliance on fossil fuels: 90% of energy imported to produce electricity, to fuel transport and even to produce drinking water (reverse osmosis).
- Reduction in CO<sub>2</sub> emissions from shift from heavy fuel oil to gas (LNG).
- One energy supplier (Enemalta), also DSO (no TSO).
- Lowest renewable energy percentage in the EU: 8% in 2020.
- Majority of RES is solar.



National Energy Policy (2012):

- Promulgating energy efficiency and affordability
- Ensuring environmental sustainability
- Achieving security of supply

National Renewable Energy Action Plan (2010/2013):

- A roadmap of how the country intends to meet its 10% RES obligation by 2020
- Initial focus on offshore wind, then on solar PV



### Opportunities from the NREAP

- "Give each family access to solar energy from PV panels independently of whether they have adequate space to accommodate them".
- "Schemes whereby space on residential or industrial rooftops are offered to Government and/or the private sector for the installation of solar panels, with the benefits being shared between the parties".
- "Government sponsored assistance schemes and measures are still necessary to incentivize households and the business community to invest in RES technologies. These schemes also aim to increase public awareness about renewable energy technology and thereby expand the market".

! No mention of community energy or communal investment.

#### Malta Solar Farm Policy (2017)

- This policy sets a framework which determines which type of large scale PV systems are permitted.
- Solar Farm: A commercial installation with a footprint larger than 1000m2 being one consolidated and contiguous area included in one development application, not usually related to residential development, for the purpose of renewable energy generation by means of photovoltaic technology



#### Opportunities from Solar Farm Policy

- [...] Larger systems, typically deployed on rooftops of commercial or industrial buildings, tend to have a much lower visual impact and are nowadays considered as a low risk investment opportunity providing a reasonable rate of return. [...] The policy also provides for solar farms development, with a **priority given to large** scale rooftops, car parks, industrial areas and quarries.
- As far as possible, solar farms should be sited in the vicinity of urban areas, or areas with high electrical consumption. [...] This policy aims to preserve pristine land. Solar farms should not take up virgin land, or agricultural land.
- A number of measures [...] are in the process of being implemented. These include the development of one or more communal farms which shall provide the opportunity for households to participate in solar energy generation by photovoltaic panels, irrespective of whether they have access to their own roof space or not.

#### From the NECP (2019):

"The Government will continue to promote renewable self-consumption of electricity from Solar PV systems".

"In view of the structure of Malta's electricity system, it is not foreseen that renewable energy communities will develop".

> However, NECP is currently being revised in light of European Green Deal, Fit for 55 package and RePowerEU

> Opportunity for the inclusion of policy to promote RECs/CECs



Malta Low Carbon Development Strategy (2021):

% of renewable energy in total supply: 2020: 8% 2030 target: 14% 2050 target: 21% of which majority on short-term solar

No mention of community energy or communal investment in RES.



#### EU legal framework for community energy

Through the **Clean energy for all Europeans package** (2019) the EU introduced the concept of energy communities in its legislation, as citizen energy communities and renewable energy communities.

From the revised Renewable Energy Directive (2018/2001/EU): renewable energy communities (RECs)

From the Directive on common rules for the internal electricity market ((EU) 2019/944): citizen energy communities (CECs)



## Malta's renewable energy legislation

#### SUBSIDIARY LEGISLATION 545.35

Promotion of Energy from Renewable Sources Regulations https://legislation.mt/eli/sl/545.35/eng

- Support schemes for energy from renewable sources
- Framework for renewable self-consumption
- Definition of RECs (and CECs)
- Allows for individual and communities to: produce, store and sell their renewable electricity, incl. through renewables power purchase agreements, electricity suppliers and peer-to-peer trading arrangements. (but: Enemalta supply monopoly)
- The Minister shall assess the barriers and create the enabling legal framework for community energy.

Friends of the Earth Malta's Climate Campaign

Our vision: a fossil free future for Malta!

Focusing on the two sides of the story:

Stop investment in the energy of the past: fossil fuels

Promote investment in the energy of the future: renewables, energy saving, <u>community energy</u>



# Friends of the Earth Malta's Climate Campaign



Watch our video on the proposed Melita gas pipeline - and proposed alternatives - here: https://www.youtube.com/watch?v=olrqu-izr98

# Friends of the Earth Malta's Climate Campaign



Discussing Community Energy through awareness raising activities: first event yesterday, with more to follow

#### Example of a communal solar farm



#### Fiddien solar farm (2016/2017)

A communal solar farm with around 4000 panels on top of a restored water reservoir, managed by Water Services Corporation.

Households unable to invest in PV panels (because of lack of roof space or access) could invest in solar PV, up to three kW of peak power at €1,495 each, as if they had purchased their own system at a reduced price through the government grant, benefitting from the feed-in tariff.

### Opportunities for RECs in Malta?

- Communal investment in PV in urban areas (schools, churches, government buildings, carparks, industrial estates, ... ??
- Communal investment in large scale proposed offshore RES (floating wind, solar)
- Communal investment in energy saving technologies (energy saving measures in buildings, energy efficient appliances)
- Communal investment in shared mobility systems (car sharing systems, pooled vehicles)

# Opportunities for RECs in Malta?

## EU Solar Strategy (RePower **EU)**:

at least one renewable energy community (REC) per municipality above 10.000 residents by 2025.

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Local councils in Malta > 10.000 residents (NSO, 2021): H'Attard: 12,268 Birkirkara: 25,807 Birżebbuġia: 11,844 Fqura: 13,066 Gżira: 10,331 Hamrun: 10,514 Marsaskala: 16,804 Mellieħa: 12,738 Mosta: 23,482 Msida: 13,587 Naxxar: 16,912 Oormi: 18,099 Rabat: 11,936 San Ġiljan: 11,653 San Gwann: 14,244

San Pawl il- Baħar: 32,042 Sliema: 19655

Swiegi: 13,044 Haż-Żabbar: 17,148 Haż-Żebbug: 13,785 Iż-Żejtun: 12,409

Iż-Żurrieg: 12,295

#### Our demands

- Study the **potential** for community energy in Malta
- Assess the **barriers** (as per art. 14, S.L. 545.35) and publish results in 2023
- Create a **legal framework** for community energy (as per art. 24, S.L. 545.35) by the end of 2023, removing any identified barriers
- Set **targets** for energy production from RECs
- Create a one-stop-shop for community energy for citizens and (aspiring) cooperatives for financial, technical and administrative support (alongside other RES / EE schemes)
- We need an up-to-date Renewable Energy
  Policy for Malta! (last from 2012)



# Open questions

#### What is the best legal form?

Cooperative, social enterprise, foundation?

# What can Malta learn from other countries with an energy supply monopoly?

What shapes can energy communities take in this context? What are the barriers and opportunities of this situation?

#### What barriers and opportunities exist?

E.g. distrust, apathy, corruption, bureaucracy? But also citizen empowerment, democratization of energy, social cohesion, etc.



# Thank you!

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