

# **REScoop.eu's analysis of the Citizens Energy Package**

*Position Paper*

## Executive Summary

### Background

On 10 March 2026, the European Commission published the [Citizens Energy Package](#) (CEP), a non-legislative initiative aimed at strengthening the role of citizens in the energy transition. Introduced in a context of geopolitical instability and fossil fuel price volatility, the CEP highlights community-owned renewable energy as a key tool to improve affordability, local energy control, and energy security. Through nine actions, the package encourages Member States to develop enabling frameworks and financing tools that support citizens' participation in the energy system, focusing on affordability, energy communities and energy sharing, electrification, flexibility, and implementation of existing legislation.

### REScoop.eu's assessment

REScoop.eu broadly welcomes the CEP and its recognition of energy communities as key actors in the energy transition. The federation particularly supports measures that reduce electricity bills through reforms of taxes and levies, encourage network tariffs that reward flexibility and local energy sharing, and expand energy self-consumption and sharing. The forthcoming Energy Communities Action Plan and the objective of increasing community-owned renewable capacity tenfold by 2030 are especially important steps. REScoop.eu also welcomes initiatives that facilitate access to clean technologies through innovative financing tools, strengthen consumer protections, and support local authorities and community initiatives tackling energy poverty.

### Key gaps and missing elements

Despite its positive direction, the CEP lacks clear enforcement mechanisms to ensure that Member States implement enabling frameworks for energy communities, which could undermine progress toward the 90 GW target by 2030. The package also does not provide new dedicated funding to support the scale-up of community energy. In addition, it focuses mainly on electricity while giving limited attention to other growing areas of community energy activity, such as heating and cooling, building renovations, and e-mobility, and it overlooks the important role of federations and intermediary structures that support and coordinate energy communities.

## Background

On the 10th of March 2026 the European Commission published the Citizens Energy Package (CEP). This comes against a backdrop of continuous geopolitical turbulence, which further underscores the volatility of fossil fuels. Instead, community-owned renewable energy is -rightly- framed as a tool for local control and affordability.

The CEP is non-legislative, instead providing renewed ambition and guidance to Member States on creating enabling regulatory frameworks and financing tools for energy communities. The CEP is focused largely on:

- Affordability, consumers' rights and energy poverty;
- Energy communities and energy sharing;
- Electrification;
- Flexibility;
- Implementation of existing legislation

**The CEP is centered around 9 Actions**, which are analysed below, providing associated recommendations.

## REScoop.eu's analysis of the CEP

**Action 1** is focused on taxes and levies in electricity bills. The Commission encourages Member States to remove non-energy levies from bills (e.g., related to public broadcasting) and lower the VAT to the least amount possible. Such actions could lower household bills by "200 euros per year".

### ***Recommendations***

REScoop.eu welcomes this action as a driver of both affordability and decarbonisation, as it will incentivise households and businesses to switch from gas to electricity.

- **Households and (small) enterprises that are particularly hit by any increases in fossil fuel prices (e.g., ETS2) should be provided with incentives to join energy communities**, as a long term, structural solution for energy affordability. The Social Climate Fund can be a key instrument for such actions.<sup>1</sup>

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<sup>1</sup> REScoop.eu (n/d). [Social Climate Fund Tracker](#).

**Action 2** is focused on lowering network costs, particularly through flexibility, demand-response, and energy communities that are implementing local energy sharing, in line with the Commission's 2025 guidance on network tariffs.<sup>2</sup> The Commission pledges to work with ACER and national regulatory authorities (NRAs) to put in place network tariffs that incentivize matching electricity production and consumption.

NRAs are also encouraged to reward the positive effects of energy communities and energy sharing on network tariffs.

### **Recommendations**

REScoop.eu strongly welcomes this proposal as it can greatly incentivise community-led flexibility. Already, thousands of households and businesses across Europe are taking part in flexibility schemes through energy communities (e.g., through smart devices, aggregation, and behavioural changes).

- **The Commission should work with Member States to ensure that the flexibility potential of energy communities is reflected in the national objectives for non-fossil flexibility**, based on the National Flexibility Assessments that will be conducted within 2026.<sup>3</sup>

**Action 3** is focused on boosting the use of clean and energy efficient technologies, through the use of innovative financial tools such as social leasing. In such cases, a citizen can procure a clean technology from a company (e.g., a heatpump) at zero upfront cost, instead paying it off in installments (including maintenance and guarantee).

The Commission pledges to work with Member States and stakeholders of the Energy Efficiency Financing Coalition, of which REScoop.eu is a member, to further promote and mainstream these and other innovative financing tools across all EU Member States.

### **Recommendations**

REScoop.eu welcomes this proposal, as it can boost demand for clean technology

<sup>2</sup> European Commission (2025). [Communication on future proof network charges for reduced energy system costs](#).

<sup>3</sup> ACER (2025). [ACER approves EU-wide methodology to assess national electricity flexibility needs](#).

products in Europe, providing investment certainty for clean industry, and helping citizens access affordable technologies.

- **Energy communities can also promote innovative financing tools through Community Energy Financing Schemes.**<sup>4</sup> Mature federations of energy communities in different Member States, such as Energie Samen (NL) and Energie Partagee (FR) have created revolving community energy financing schemes that can effectively pool projects, crowd in citizen capital, and reduce risk for financiers through a portfolio effect.
- **Furthermore, financial tools should be designed with the appropriate consumer safeguards and transparency,** to ensure that citizens are not trapped into predatory contracts.<sup>5</sup> Grants should still be prioritised for those most vulnerable, who cannot afford even modest co-financing rates.

**Action 4** focuses on empowering consumers regarding their energy contracts, and enhancing supplier transparency. The Commission encourages suppliers to offer bespoke advice to their customers on what's the best tariff for them (based on their consumption profile - e.g., flexible or fixed), as well as provide early warnings if a consumer's consumption level breaches the assumed level of the original contract.

The Commission will also provide guidance to suppliers on improving the transparency of contract terms, and simplifying the process of switching to another supplier.

### ***Recommendations***

As consumer rights organisations have emphasised, energy bills remain untransparent, confusing, and at times predatory for citizens.<sup>6</sup> The non-binding Commission guidance on contractual terms and conditions for energy contracts is not sufficient to ameliorate this issue.

- **Cooperative suppliers, due to their non/beyond profit nature, offer stable, transparent, and predictable pricing.** In the Belgian regions of Flanders and Wallonia, cooperative energy suppliers Ecopower and Cociter, both citizen

<sup>4</sup> REScoop.eu (2025). [Placing energy communities at the heart of the Energy Investment Strategy](#).

<sup>5</sup> Heinrich Böll Stiftung (2025). [Can heat pumps be accessible for all? Assessing the potential of social leasing and on-bill schemes](#).

<sup>6</sup> BEUC (2026). [How to make energy markets work for consumers and deliver affordable bills](#).

energy communities, were able to either cap or keep prices below that of the market throughout the energy crisis, due to their ability to supply their members' full needs through self-owned renewable energy production located within the respective regions.<sup>7</sup>

- **The Commission should work with Member States to highlight such best practice examples of cooperative and beyond profit suppliers.**

**Action 5** focuses on enhancing energy self-production and sharing between citizens. The Commission references the Energy Transition Expertise Centre study on the potential of citizen energy showing that **by 2030 over 16 million households and 630.000 SMEs could be producing their own renewable energy**. The Commission further highlights that households can accrue yearly savings of up to 930 euros/year through participating in energy communities.

The Commission pledges to put forth **an Energy Communities Action Plan** with the goal of **increasing the capacity of community owned renewable energy projects up to 10 fold by 2030 (up to 90GW from roughly 9GW today)**.

In Q2 2026 the Commission will provide guidance to Member States on setting up enabling frameworks for energy communities, based on an assessment of potential and barriers, and through setting national objectives for community energy. As the ECA report highlights,<sup>8</sup> Member States still find the definitions of energy communities "confusing", therefore further guidance is a welcome step.

### ***Recommendations***

REScoop.eu strongly welcomes the above proposals, as they can significantly increase the access of citizens to local, renewable energy, structurally reduce bills, and build local energy security.

- **The Action Plan for Energy Communities should entail legally-binding governance mechanisms** to ensure transposition and overall compliance by Member States. This could include -inter alia- alignment with the European Semester process,<sup>9</sup> inclusion of energy communities in the forthcoming

<sup>7</sup> Cociter (2022). [Press Release: Cociter is the only supplier in Wallonia to cap the price of electricity for its customers](#)"; and Ecopower (2022). [November 1: price increase and change in pricing system for green citizen electricity at Ecopower](#).

<sup>8</sup> European Court of Auditors (2026). SPECIAL REPORT 10/2026: Energy communities Potential yet to be fulfilled. p.7

<sup>9</sup> REScoop.eu (2025). [Energising the Semester](#).

National and Regional Partnership Plans,<sup>10</sup> and mandatory targets for community energy enshrined in the revision of the Governance Regulation.

- **The Action Plan for Energy Communities should also create a horizontal data tracking system between all Member States.** This will finally allow for an accurate understanding of the total number of energy communities in Europe, and function as a benchmark to track the progress towards the goals of the CEP. This is in line with the ECA Report recommendations on improving data gathering methodologies.<sup>11</sup>
- The planned **guidance document on unleashing the potential of energy communities** is welcome. This should cover building out enabling frameworks (Article 22 paragraph 4 of the Renewable Energy Directive), assessing potential and barriers for energy communities at the national level, energy community definitions, registration, monitoring and oversight, design of investment support mechanisms and renewables support schemes, integration of energy communities into local, regional and national energy planning, developing and supporting secondary structures (federations and coalitions), supporting community initiatives that work on energy poverty, and collaboration with municipalities. It should be **distinct and separate from guidance for member states on energy sharing**.

**Action 6** focuses on promoting flexibility through retail contracts and smart energy devices, which can lead up to '40% reductions in energy bills'. The Commission will provide guidance on how to better remunerate flexibility in retail contracts, and remove barriers for flexibility providers.

### **Recommendations**

REScoop.eu welcomes this proposal. Flexibility is key to increase renewables system integration, provide grid stability, drive down prices for consumers, and remove expensive fossil fuels from the energy mix.

- **The Action Plan on Energy Communities, as well as the guidance on enabling frameworks for Member States, should clearly acknowledge the potential of community-led flexibility.** Individual energy communities (e.g., in Greece)<sup>12</sup> or cooperative suppliers (e.g., in Italy)<sup>13</sup> are already providing flexibility services to

<sup>10</sup> REScoop.eu (2025). [Community proof? REScoop.eu's analysis of the 2028-2034 EU budget proposal](#)

<sup>11</sup> European Court of Auditors (2026). SPECIAL REPORT 10/2026: Energy communities Potential yet to be fulfilled. p.9

<sup>12</sup> Notably Hyperion Energy Community and CommonEn are piloting flexibility services for over 140 households and businesses through the [DR RISE project](#).

<sup>13</sup> Enostra (2025). [La flessibilità per ènostra: bilancio di RomeFlex e prospettive future | ènostra](#).

thousands of households, with significant results. Unlike traditional market actors, energy communities can educate their members about the intricacies of flexibility through peer to peer approaches, instilling trust and buy-in. Regulatory and financial incentives should be provided so that energy communities can engage in flexibility services.

**Action 7** focuses on developing a new (voluntary) code of service for energy suppliers to tackle unfair market practices, and to protect (vulnerable) consumers from disconnections.

### **Recommendations**

REScoop.eu welcomes this proposal, but regrets the voluntary nature of it.

- BEUC has made several suggestions on how to improve suppliers' obligations towards energy consumers (e.g., ease of switching contracts, tailored advice to citizens based on their consumption profiles).<sup>14</sup>

**Action 8** focuses on empowering national, regional, and local authorities to tackle energy poverty, using a range of financial and regulatory tools, including the Social Climate Fund, the Cohesion Policy, and the Energy Poverty Advisory Hub. The LIFE-CET 2026 call is set to include a dedicated program on local authorities and energy poverty.

In parallel, the Commission will update its Recommendation on Energy Poverty<sup>15</sup>

### **Recommendations**

REScoop.eu welcomes this action. From local energy sharing, to bulk renovations, energy communities across Europe are already implementing concrete business models to tackle energy poverty.<sup>16</sup>

- **The Commission should work with Member States to include energy communities in the forthcoming Social Climate Plans<sup>17</sup> and National Building Renovation Plans.** Provide new and additional funding to energy communities

<sup>14</sup> BEUC (2026). [How to make energy markets work for consumers and deliver affordable bills.](#)

<sup>15</sup> European Commission (2023). [Commission Recommendation \(EU\) 2023/2407 of 20 October 2023 on energy poverty.](#)

<sup>16</sup> Housing Europe (2025). [How Europe's energy communities drive change against the odds?](#)

<sup>17</sup> REScoop.eu (n/d). [Social Climate Fund Tracker.](#)

that tackle energy poverty, including through guidance to Member States (e.g., on the use of the Just Transition Fund).

- **The updated Commission Recommendation on Energy Poverty should clearly highlight the role of energy communities in community-led heating and cooling systems, citizen-led renovations,** and other energy saving schemes, in line with the Fifer55 package.<sup>18</sup>

**Action 9** focuses on protections from disconnections for vulnerable citizens. The Commission will publish guidelines and organise trainings for Member States and local authorities on the design and implementation of disconnection safeguards. It will also promote communications campaigns to inform citizens about their rights.

### ***Recommendations***

REScoop.eu welcomes this action.

- Energy providers should offer flexible payment plans, deferred payments, and debt relief before any disconnection, under strong oversight from independent regulators. Long-term protection requires publicly financed energy efficiency upgrades and support services, including advice through energy communities and One Stop Shops, while safeguarding tenants from rent increases or evictions after subsidised renovations.
- Expanding collective self-consumption and energy sharing through energy communities and local authorities can further reduce bills and lower the risk of non-payment for vulnerable households.

## **What's missing from the CEP**

REScoop.eu overall strongly welcomes the Citizens Energy Package. It offers a framework to greatly increase energy communities in the EU, thus building local energy security, ensuring long term affordability, and engaging citizens in collective and democratic climate action. This will significantly contribute to social buy-in of the energy transition.

It's important to highlight certain shortcomings or omissions, that should be further integrated in the follow up Energy Communities Action Plan:

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<sup>18</sup> REScoop.eu (2024). [Second generation EU legislation for energy communities](#).

1. **Crucially, the CEP fails to outline compliance and enforcement mechanisms for Member States** to support energy communities, instead relying on voluntary guidance. **There are also no actions or provisions to align on data collection for energy communities across the EU**, and no reference to the need for implementation of the current energy community framework, which is already lagging behind<sup>19</sup>. This raises serious questions about the implementation pathway, and realistic achievement towards the 90GW goal of the Commission by 2030.
2. **The CEP makes no mention of corporate capture**, a worrying sign considering how common-place this practice is across several Member States.
3. The ambitious targets of the CEP **are not backed by new and additional funding**. This comes in sharp contrast for example to the recently announced Local Power Plan in the UK,<sup>20</sup> which will provide 1 billion pounds in grants and financial instruments to community energy projects.
4. While the CEP largely focuses on electricity, **second generation activities such as heating and cooling, building renovations, and e-mobility are less pronounced**. As energy communities mature and take up new -and sometimes more complex- activities, they need to be supported with dedicated regulatory and financial incentives fit for the accomplishment of each activity.
5. **The CEP does not mention secondary structures of energy communities**. These are crucial in uniting diverse stakeholders and ensuring that energy communities have a strong voice in shaping the enabling frameworks.

## Looking Ahead

In the months ahead, the CEP should act as a cohesive framework, bringing together *existing legislative and governance instruments*, and facilitating dialogue between stakeholders.

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<sup>19</sup> European Court of Auditors (2026). SPECIAL REPORT 10/2026: Energy communities Potential yet to be fulfilled.

<sup>20</sup> Great British Energy (2026). [Local Power Plan](#).

The key mechanisms to ensure reforms, proper transposition, and overall mainstreaming of community energy are:

- **The revision of the Governance Regulation:** whereby DG ENER and DG CLIMA should ensure that Member States have to set binding national objectives for community energy, in alignment with the 90 GW goal of the CEP at EU level. This is in line with the ECA Report recommendations.<sup>21</sup>
- **The European Semester:** DG ECFIN, SG REFORM and DG ENER should ensure that Country Reports and Country Specific Recommendations reflect the reforms needed for a Member State to fully operationalise an enabling framework for energy communities, starting by the much delayed national analysis of energy community barriers and potential.
- **The National and Regional Partnership Plans (NRPPs):** DG ENER should closely work with DG BUDG and DG REGIO to ensure that supportive reforms and investments are included in the multiyear Plans of Member States,<sup>22</sup> covering the period (2028-2034).
- **The revision of the Renewable Energy Directive (RED):** the Grids Package<sup>23</sup> has already proposed including a new provision in the RED for 'mandatory benefit sharing schemes in all renewable projects above 10MW'. This provision should be enhanced to provide an important opportunity for promoting community models.

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<sup>21</sup> "In the recast of the Regulation on the Governance of the Energy Union and Climate Action, the Commission should consider proposing an obligation for national energy and climate plans to include energy communities' objectives that are aligned with relevant EU strategies and action plans." European Court of Auditors (2026). SPECIAL REPORT 10/2026: Energy communities Potential yet to be fulfilled. p.9.

<sup>22</sup> REScoop.eu (2026). [Stronger communities, thriving regions. Ensuring that the next EU budget effectively supports energy communities](#)

<sup>23</sup> European Commission (2025) [Commission proposes upgrade of the EU's energy infrastructure to lower bills and boost independence](#)