## **CEE Policy Overview**

COMMENCE
Community Energy
in Central Europe

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## **Summary**

The Community Energy in Central Europe (COMMENCE) project aims to foster the development of community energy projects across Central European countries. This interim deliverable provides an overview of the current state of policy and regulatory environment and conditions for the development of community energy in Czechia, Hungary, Poland, and Slovakia.

The report highlights the types of energy communities, processes for establishing communities, and mechanisms for electricity sharing in each country. The report focuses on three aspects: the legislative framework and definition of energy communities, the conditions for establishing energy communities, and the state of regulation of electricity sharing.

The opinions put forward in this overview are the sole responsibility of the authors and do not necessarily reflect the views of the Federal Ministry for Economic Affairs and Climate Action (BMWK).

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## CZECHIA



## **National Overview**

Community energy is in its early days in the Czechia. The necessary legislation only came into force at the beginning of 2024. The first energy cooperative has now been established and dozens of pilot projects are preparing for electricity sharing. Further development will depend on good implementing legislation and strong support for emerging communities.

## **Legislation and Types of Communities**

At the beginning of 2024, an amendment to the Energy Act¹ came into force, finally transposing European directives²³ on community energy. The new law defines energy communities, allows for their establishment, and sets their rights and obligations. Several decrees are also currently being drafted to ensure energy sharing in practice.

The Czech law defines two types of energy communities - citizen energy communities (CECs) and communities for renewable sources (RECs). The definitions of both types of communities meet the requirements of EU law, i.e. openness, voluntary participation, and autonomy. For both types, the aim must be to benefit the community and its members, not to make a profit. They also have the same rights - communities can produce, share, supply, and consume energy. Communities can choose the legal form of an association, cooperative or other corporation (as long as they adjust their internal functioning accordingly). To ensure the autonomy of the community, each member can hold a maximum of 10% of the voting rights.

The biggest difference between the two types is in the rules on membership and effective control. Anyone can be a member of a CEC. However, only members who are individuals, small businesses, or municipalities and their organizations can vote or otherwise control the community. In contrast, only individuals, SMEs, and municipalities with their organizations can be members of RECs. Furthermore, only members in the vicinity of energy production facilities can exercise control and vote.

<sup>&</sup>lt;sup>1</sup> Zákon č. 469/2023 Sb. Zákon, kterým se mění zákon č. 458/2000 Sb., o podmínkách podnikání a o výkonu státní správy v energetických odvětvích a o změně některých zákonů (energetický zákon), ve znění pozdějších předpisů, a další související zákony

<sup>&</sup>lt;sup>2</sup> DIRECTIVE (EU) 2018/2001 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on the promotion of the use of energy from renewable sources (recast)

<sup>&</sup>lt;sup>3</sup> DIRECTIVE (EU) 2019/944 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast)

### **Establishing a Community**

To set up an energy community, a legal entity (association, cooperative) must be established and the community must be registered with the energy regulator. For the registration, the community must submit an application to the regulator, pay an administrative fee, and provide information about its members and its functioning. If the regulator finds that the community meets the legal requirements, it enters it into the Community Register. From that moment on, the community can carry out its activities.

Energy communities are entitled to generate, share, and supply electricity or provide other services to their members. If a community plans to operate a rooftop PV plant with an installed capacity of up to 50 kW, the whole process is administratively fairly easy. The community only needs to submit a connection application to the Distribution System Operator (DSO) and conclude a grid connection agreement with him.

DSOs are now obliged to publish information on the grid capacity on their websites. Then, the community has to conclude a contract with an electricity trader to ensure the purchase of energy surplus. If a community plans to operate a PV plant with an installed capacity of more than 50 kW or wants to use another source of renewable energy, it additionally needs to obtain a building permit, a license to generate electricity, and register itself with the Electricity Market Operator.

## **Electricity Sharing**

Electricity sharing is based on the allocation of generated electricity among points of delivery, in 15-minute intervals. For this purpose, each participant in the sharing is entitled to a free installation of a smart meter from their DSO within a period of three months.

Allocation of shared electricity is done only by the static method on the basis of fixed shares. The ratio of the individual shares may be changed at most once a month. If a sharing group has up to 50 members, it may use multi-round allocation to increase the use of electricity within the group. However, in sharing groups with more than 50 members, only one round of energy allocation will be carried out.

One sharing group can have up to 1,000 points of delivery (e.g. households, public buildings, etc.), in up to three neighboring municipalities with extended jurisdiction. Multiple sharing groups can operate within a single community, but a household can only be a member of one such group. At the same time, a maximum of five generating plants can share electricity with one connection point. The above-mentioned rules on sharing apply for a transitional period until mid-2026. After that, some restrictions such as limitations on the territorial size of the community should be removed.

The data sharing management will be the responsibility of a new actor in the energy market - the Electroenergetic Data Centre (EDC). This new entity is owned by the DSOs and the TSO. It will collect

data on shared electricity and provide it to both communities and traders. The data will be accessed online through the EDC's information system. The EDC should commence its operation in the summer of 2024.

To make sharing secure for everyone, community members are protected by a number of provisions. They can always terminate their membership unilaterally and free of charge. The notice period of membership may not exceed 3 months. Should the community change the membership rules, the change will not affect members who did not vote for it and who leave the community within a month.

#### **Conclusion**

Czechia has now (May 2024) adopted the basic legal framework for the development of community energy. However, it is still unclear whether communities will not be discriminated against, whether they will have truly free access to real-time data, and what the allocation of electricity will look like from 2026 onwards. All this will depend on the bylaws currently being drafted that will set out the detailed rules for sharing. At the same time, only the practical experience of community projects that are just starting up will show how community energy will truly work in Czechia.

## HUNGARY National Overview



The transposition of the IEMD<sup>4</sup> and RED II<sup>5</sup> started in 2021 and the first concept for an energy community for the electricity sector was created in that year. The legislation has been amended several times over the last few years to better integrate the new actors into the energy markets. Until now four energy communities have been established and registered, however, due to several legal gaps and uncertainties, and without an appropriate enabling framework, these energy communities were not able to start their activities in merit so far. Further developments are necessary in the national regulation as well as in the technical and financial support schemes for community energy initiatives.

## **Legislation and Types of Communities**

The transposition of the IEMD and RED II began with the amendment of the existing national legislation governing the national electricity market in 2021. Renewable energy community (REC) was defined as a sub-type of citizen energy community (CEC) in the national law<sup>6</sup> and the scope of its activity was limited to electricity.

The term CEC was transposed as 'energy community' which is a cooperative society or non-profit business company, whose primary purpose is to provide environmental, economic, or social community benefits to its members or in the field specified in the energy community's instrument of constitution and which is carrying out at least one of the activities listed by the law.

In addition, the domestic legislation provides two different REC definitions. The first is defined as a sub-type of energy community (CEC) that produces electricity from renewable energy sources, and consumes, stores, or sells such electricity, which is directed by a member or members whose connection points are in the same high or medium-voltage transformer station zone as the connection points of the electricity storage facility and power plant owned by the REC. In other respects, RECs are subject to the provisions on energy communities.

Due to an amendment to the Act on Natural Gas<sup>7</sup> which entered into force in 2024, a new concept of REC was established in the area of heating and cooling not concerning the REC definition provided by the electricity law. Therefore, the national law provides for two different concepts of RECs with different requirements on the possible legal forms, the scope of activities and

<sup>&</sup>lt;sup>4</sup> Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU

Directive (EU) 2018/2001 of 11 December 2018 on the promotion of the use of energy from renewable sources

<sup>&</sup>lt;sup>6</sup> Act LXXXVI of 2007 on Electricity, <a href="https://njt.hu/jogszabaly/2007-86-00-00">https://njt.hu/jogszabaly/2007-86-00-00</a>

<sup>&</sup>lt;sup>7</sup> Act XL of 2008 on Gas Supply, https://njt.hu/jogszabaly/2008-40-00-00

members, and the right to control. In the field of electricity, RECs can already be established and registered by the competent authority, while the specific rules for RECs in the field of heating and cooling are still missing.

The domestic concept of a REC is not entirely in line with EU requirements. The RED II's renewable energy community category covers all energy types (not only electricity and cooling/heating). At the same time, the case of the REC for electricity - as a sub-type of CEC - does not exclude large companies from its membership.

## **Establishing a Community**

To set up an energy community, first, a legal entity (cooperative or non-profit business association) has to be established. After the legal person is established, it may initiate its registration as an energy community/renewable energy community at the MEKH<sup>8</sup> (Hungarian Energy and Public Utility Regulatory Authority). It is not required to have an authorisation for energy community operation, but the applicant is required to apply for registration 75 calendar days before starting the activity.

To carry out activities qualifying a community as an energy community, the national law requires authorisation or sets out other requirements to meet. As a main rule, production, trade, aggregation, storage of electricity, and establishment of grids fall under permitting obligation. A simplified licence is needed for small power plants with a rated capacity of 0.5 MW or more (but under 50 MW). The right and obligations of members in an energy community as legal persons are determined in the Civil Code governing the main rules of cooperative and business associations.

With regard to energy communities or other collective actions, e.g. jointly acting self-consumers or groups of active customers, the civil law does not provide specific rules. The national legislation does not stipulate specific rights or obligations for the contracts of energy communities. CECs or e-RECs may participate in the energy market and may enter into contractual relations with other participants via contracts already provided by the existing legislation.

To obtain access to the network, access contracts (the network connection contract and the network use contract) must be concluded between the network user and the network operator (DSO, distribution system operator). The first document sets out the technical arrangements and conditions for connection to the network, the property boundaries, the details of the connection points, the metering data, and the power available at the point of consumption.

The network use contract ensures the continuous supply of the purchased electricity and energy, the installation and commissioning of the metering equipment in accordance with the specifications, the continuous reading of the meter and the transmission of the data to the system operator. Furthermore, a market participant that does not form a balancing group, has to join a balancing group by means of a balancing group membership contract with the balancing group manager. Each consumption point must belong to one balancing group. The contract is concluded between the consumer and the responsible balancing group.

<sup>8</sup> https://www.mekh.hu/home

### **Electricity Sharing**

Energy communities are entitled to share the electricity produced by them. Provisions on electricity sharing have been adopted in 2021, with the concept becoming slightly more detailed in 2022. Electricity sharing is the supply of electricity generated or stored by an active customer or energy community, provided directly to another user or energy community through the public utility system, a private line or customer connection system, or to a final customer through a private line. Electricity sharing can also be the supply of electricity generated or stored by a final customer through a private line directly to the authorized operator of the private line. Electricity sharing can be carried out with or even without consideration.

Although the legal definition has been specified in recent years, the legal and technical questions on sharing still need to be solved, as this is one of the main barriers hindering the uptake of energy communities.

#### **Conclusion**

Hungary has already established the basic legal framework for the development of community energy. The terms of CEC and REC have been transposed into national law, however, relevant gaps in the legislation concerning their establishment and operation should be filled. For instance, electricity sharing as a possible activity of CECs/RECs is not regulated in sufficient detail, although significant steps have been taken by the legislation with the amendments that entered during the last 2 years.

Beyond the legal definition and provisions, the primary challenge is to bring real benefits to energy and renewable energy communities and build a supportive framework. At present, there is no advantage for a community energy initiative to register as an energy community and, therefore, no incentive. In addition to subsidies, specific financial measures need to be rethought and dismantled to promote community energy more effectively.

Most of the barriers are of a legal nature, i.e. several bylaws must be adopted which would regulate electricity sharing, settlement, access to data, etc. in detail. Furthermore, even if the legal framework of the energy market structure would enable the active participation of energy communities in the energy market, residents are not motivated to participate in energy communities.

## **POLAND**

#### **National Overview**



Energy communities in Poland are already a clear part of the landscape of the energy sector in Poland. Energy communities in Poland lay the foundation for sustainable and inclusive growth in the energy sector. These communities not only contribute to Poland's energy security and environmental goals but also promote local development and social cohesion, making them a key element of the country's energy strategy.

## **Legislation and Types of Communities**

There are three forms of energy communities in Poland: energy cooperatives, energy clusters, and citizen energy communities. They are bottom-up organised models of distributed energy that support local energy production and management. These communities aim to increase energy independence, reduce environmental impacts, and support economic and social development through the use of local energy sources.

Energy communities in Poland began to emerge from the bottom up, as initiatives of businesses, local governments, and academia. The first energy cooperative in Poland was the "Nasza Energia" cooperative founded in 2014, while the first energy cluster in Poland was the "Lubuski Renewable Energy and Energy Efficiency Cluster" established in 2011.

Energy clusters are the most comprehensive initiatives of the existing forms of energy communities in Poland. They engage in the production of electricity and heat, energy storage, and distribution from both renewable and non-renewable energy sources. There are currently 66 Ministry-certified energy clusters<sup>10</sup> (i.e. meeting all formal requirements), while estimates indicate that there are around 170-180 energy clusters across the country which have not undergone the formal compliance certification. Energy clusters were formally introduced into legislation in 2016 along with the concept of energy cooperatives.

Energy cooperatives focus on local energy production for its members using only renewable energy sources. At the end of May 2024, 35 cooperatives were registered in Poland and all of them are engaged in electricity generation using photovoltaics.

<sup>&</sup>lt;sup>9</sup>Official website: <a href="https://nasza-energia.eu/">https://nasza-energia.eu/</a>

<sup>&</sup>lt;sup>10</sup> Alphabetical list of certified energy clusters: <a href="https://www.smart-grids.pl/aktualnosci/2573-alfabetyczna-lista-certyfikowanych-klastr%C3%B3w-energii-stan-na-dzie%C5%84-7-listopada-2018-r.html">https://www.smart-grids.pl/aktualnosci/2573-alfabetyczna-lista-certyfikowanych-klastr%C3%B3w-energii-stan-na-dzie%C5%84-7-listopada-2018-r.html</a>

Nevertheless, neither of these forms fully met the latest EU requirements introduced by the REDII<sup>11</sup> and IEMD<sup>12</sup> directives for forms of civic energy. Therefore, citizen energy communities (CEC) were introduced in 2023 to fulfil the EU requirement for citizen participation. Although no CECs have yet been established, they aim to integrate citizens into sustainable energy initiatives, increasing environmental, economic, and social benefits.

The most important legal acts that support the establishment and operation of energy communities are the Renewable Energy Sources (RES) Act<sup>13</sup> and the Energy Law<sup>14</sup>.

The RES Act introduces detailed definitions and a framework for RES energy producers, which includes energy communities. It enables the creation of these communities, and defines a support system for renewable energy and various forms of financial assistance.

The Energy Law, on the other hand, is a broad set of regulations concerning the entire energy sector in Poland, including the production, transmission, distribution, and sale of energy. Of particular relevance to energy communities are the provisions on grid access and use rules, tariffs, and issues related to the security and reliability of energy supply.

In 2023, both laws were amended – also with regard to energy communities – to bring Polish legislation in line with EU directives.

## **Establishing a Community**

Each of the existing energy communities in Poland has different principles of formation, but in a simplified way they can be compiled into a few common steps:

- 1. Performing an energy balance for the area where the community is to be established (demand for electricity and possibilities of its production from local sources).
- 2. Feasibility analysis, including legal and economic assessment, and choice of energy source.
- 3. Identification of members and establishing terms of cooperation.
- 4. In the case of energy clusters and CEC: choice of legal form of the activity.

<sup>&</sup>lt;sup>11</sup> Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources, <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?">https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?</a> uri=CELEX:32018L2001

<sup>&</sup>lt;sup>12</sup> Directive 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity, <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?">https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?</a>
<a href="https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?">https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?</a>
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<sup>&</sup>lt;sup>13</sup> Ustawa z dnia 20 lutego 2015 r. o odnawialnych źródłach energii, <a href="https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20230001436/U/D20231436Lj.pdf">https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20230001436/U/D20231436Lj.pdf</a>

<sup>&</sup>lt;sup>14</sup>Ustawa z dnia 10 kwietnia 1997 r. Prawo energetyczne, <a href="https://isap.sejm.gov.pl/isap.nsf/download.xsp/">https://isap.sejm.gov.pl/isap.nsf/download.xsp/</a> WDU20220001385/U/D20221385Lj.pdf

- 5. Formal steps: establishment of statute, and in the case of an energy cluster, signing of a civil-law agreement.
- 6. Signing of external agreements, including the ones with contractors, energy distributors, and energy sellers.
- 7. Operational set-up: preparation of the necessary documents and registration of the energy community in the National Court Register. Additionally, in the case of an energy cluster and CEC (from August 2024) registration with the President of the Energy Regulatory Office, and in the case of an energy cooperative registration with the General Director of the National Support Centre for Agriculture.

In addition, the energy cluster must obtain the appropriate license for its energy operation.

## **Electricity Sharing**

The main rules and options for energy sharing as well as data access are regulated at the national level. Energy sharing between community members is regulated at the community level, thus promoting efficient energy management in communities. The aforementioned relation is mainly governed by local agreements or community statutes, which can be adapted to the needs and decisions of the majority of community members, provided they are in line with existing regulations at the national level.

An important development is the latest amendment to the RES Act of 2023 which introduced the concept of cable pooling, allowing multiple renewable energy sources to share a single grid connection point. This optimises the use of existing grid infrastructure and increases access to renewable energy installations.

When it comes to energy billing, energy communities include different parties: the energy community itself, its members, the energy seller, and the DSO. The seller acts as an intermediary, managing the energy settlement between the community and the DSO and covering the balancing costs of the energy produced by the installations.

Energy communities must have real-time access to production and consumption data. This requires the installation of smart meters, which are provided free of charge by energy distributors. These meters collect data at hourly intervals, facilitating accurate energy billing.

Energy billing for energy communities is based on the total energy balance across all phases, with data provided by the DSO to the seller, who then distributes this information to the energy community and its members. Energy cooperatives can use two billing methods: discount system or net metering, each of which has a different approach to managing surplus energy. Energy clusters, on the other hand, have access to energy market information and individual members' data through the cluster's coordinator. This access supports the operation of the Central System for

Information on the Energy Market (so-called CSIRE) and helps with annual reporting to the Energy Regulatory Office.

#### **Conclusion**

Energy communities in Poland, especially energy cooperatives and energy clusters, are becoming increasingly foundational to the country's strategy for enhancing renewable energy utilization and community-level energy governance.

However, citizen participation in such initiatives is low, and existing legislation still does not address all the problems faced by energy communities. The greatest challenges include the barriers related to actual participation in the energy market and cooperation with DSOs.

Despite these hurdles, the strategic importance of energy communities in achieving Poland's energy independence and sustainability goals is widely recognized, prompting ongoing efforts to streamline processes and bolster infrastructural and financial support. The development of energy communities in Poland is gaining momentum, reflecting a growing recognition of their potential to enhance local energy security and sustainability.

# **SLOVAKIA**National Overview



The concept of energy communities in Slovakia is relatively new and is gradually coming to the fore, especially from 2022 onwards. Although the legal system sets a framework for their existence, community sharing alone is not currently possible and there are no functional communities in Slovakia. Several institutions, organisations, and actors have been working together to identify barriers and solutions to explore community potential, including the impact that energy communities have at the individual, community, and national level.

## **Legislation and Types of Communities**

Slovak legislation on energy communities is based on EU law and the first important steps enabling energy sharing in Slovakia were introduced in 2022. Act 256/2022<sup>15</sup> from 22 June 2022 has amended Act 251/2012<sup>16</sup> on Energy to define two types of energy community – (1) Energy Community (ES) and (2) Community Producing Energy from Renewable Sources (CPRES), with the provisions being applicable from October 2022. The legal framework has been further clarified by an amendment 363/2022<sup>17</sup> of 19 October 2022 to the Act 309/2009<sup>18</sup> on Support for Renewable Energy Sources, which empowered the Ministry of Economy (MH SR) to develop an enabling framework for Communities Producing Energy from Renewable Sources.

The main purpose of both communities is to promote community energy activities, such as energy production, supply, sharing, storage, aggregation, or distribution in a democratic, non-discriminatory, and non-commercial way. The definitions of both types of community in Slovak legislation meet the EU legislative requirements, i.e. openness, voluntary participation, and autonomy. Equally, the aim of both communities must be to benefit the community and its members. Profit making per se is not prohibited, but it must not be the main purpose of an energy community – profit is capped at 50 % whilst the remainder must be invested into the community, for example on community development, social or environmental activities in the community neighbourhood or to save money for the future.

The main activities of the EC and CPRES are very similar, with the difference that the EC can only work with electricity and generate it from any source (not only renewable sources), whilst CPRES

<sup>15</sup> https://www.slov-lex.sk/pravne-predpisy/SK/ZZ/2022/256/vyhlasene\_znenie.html

https://www.slov-lex.sk/pravne-predpisy/SK/ZZ/2012/251/

<sup>&</sup>lt;sup>17</sup> https://www.slov-lex.sk/pravne-predpisy/SK/ZZ/2022/363/20221201.html

<sup>18</sup> https://www.slov-lex.sk/pravne-predpisy/SK/ZZ/2009/309/vyhlasene\_znenie.html

has a condition that electricity production must come from a renewable energy source. In addition, CPRES can also operate in other energy markets (e.g. biomethane) if the condition of a renewable source is met.

Another difference between these two is in types of members. For example, anyone can be a member of communities (individuals, small businesses, municipalities, and their organisations, etc.), however medium-sized enterprises are allowed to join only a CPRES type. Also, the CPRES members must reside or have their registered office in the territorial district of their region in which the electricity or biomethane production facility is located. The EC sharing allows its members to be supplied with electricity without being in direct physical proximity to the generating facility and without being in a joint metering point.

## **Establishing a Community**

Any legal entity that meets the criteria set out in the Energy Act, Section 11a, may become an Energy Community or Community Producing Energy from Renewable Sources. There are more suitable and less suitable types for registering a legal entity (suitable legal forms are, for example, civil society organisations, cooperatives, or non-profit organisations), and the legal relations depend on what the community intends to do.

The first step is that both the Energy Community, as well as Community Producing Energy from Renewable Sources, must be registered with the Energy Regulatory Office (ÚRSO)<sup>19</sup>, which will assess the fulfilment of the conditions and issue a certificate allowing the entity to operate on the electricity/energy market. This certificate serves as a means for communities to prove themselves in legal relations with other electricity or gas market participants. This is followed by registration with the Short-term Electricity Market Operator (OKTE)<sup>20</sup>, which includes certification, setting the allocation key with the sharing model, and other technical necessities.

Once finalised, OKTE provides a certificate of an active consumer. If a legal entity fulfils the legal conditions, it automatically becomes an energy community or CPRES. Subsequently, the community will be registered on the website of ÚRSO. As of May 2024, energy communities in Slovakia do not benefit from any reduced or waived distribution fees.

In light of the supporting establishment of CECs and RECs in Slovakia, the MH SR (Act No. 309/2009, Section 13b) the Slovak Innovation and Energy Agency (SIEA) as the main focal point providing administrative guidance on the establishment, operation, and development of energy communities in Slovakia.

As there are no operational communities established in Slovakia at this stage, the registration process has not been tested in practice.

<sup>19</sup> https://www.urso.gov.sk/about-urso/

<sup>20</sup> https://www.okte.sk/en/

### **Electricity Sharing**

In Slovakia, electricity sharing is distinguished from electricity supply primarily by the fact that it is (i) a free provision of electricity, or (ii) the payment for sharing is not proportional to the provision of electricity. The right to share electricity is to be regulated through the founding document of every community and can be, for example, conditional on the provision of a membership deposit.

Once the installation of electricity production is complete, the community can start sharing energy. Sharing works by allocating the produced electricity to the community members in 15-minute intervals, which requires every member to have a smart meter. In case the device is not installed, the installation can be requested from a distributor for a fee.

The management of sharing and the actual billing is planned to be done through the Electronic Data Centre (EDC)<sup>21</sup> system which is to be launched on 1 July 2024. The EDC system is owned by OKTE and it will regularly collect data on shared electricity and provide it to both communities and traders. The data are planned to be accessible online through the EDC's information system.

When it comes to the actual electricity sharing, this can only be done through a dynamic method, i.e. the generated electricity is proportionally shared according to the consumption of individual members. However, OKTE is planning to extend the sharing methods with other options, including static (i.e. pre-set fixed shares) and combined methods from July 2024.

#### **Conclusion**

Despite having a basic legal framework in place, sharing electricity within energy communities in Slovakia is still not possible as many aspects remain unresolved, especially the full operation of the EDC system. There are multiple identified barriers throughout the process, for example, the application of distribution and other charges, administrative burden, low motivation, missing supporting schemes, or more detailed legal mechanisms, including detailed guidelines for potential interested parties.

In Slovakia, energy communities are becoming a hot topic with a lot of untapped potential. Therefore, a boom in community energy can be expected in the coming years, which will contribute to increased energy efficiency, decentralisation, and self-sufficiency. All this will depend on the institutions which set out the detailed rules for sharing.

<sup>&</sup>lt;sup>21</sup> https://edc.okte.sk/portal/ui/public