Energy communities tackling energy poverty
From formal rights to real benefits and engagement

Main author:

SOCIALNRG

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In response to recurring energy price crises, persistently high levels of energy poverty across the EU and the need for a timely, socially just energy transition, the European Commission has developed a range of policy initiatives and guidance measures to support Member States in tackling energy poverty. These include two sets of recommendations, respectively published in 2020 and 2023, and a third forthcoming at the end of 2026:

- In 2020, a first Commission Recommendation on Energy Poverty focused on establishing metrics for identifying energy poverty. Citizen empowerment and engagement featured within the scope, but only to a limited degree, with a relatively narrow understanding of how these objectives could be advanced.
- A revision in 2023, in the context of the Russian invasion of Ukraine, broadened this scope to include diagnostic tools and policy interventions. The 2023 Recommendation notably acknowledged the critical role of community energy in driving an equitable and resilient transition.

Yet, three years on, energy poverty continues to affect millions across the EU. In addition, vulnerable households remain largely absent from energy communities, and energy communities, together with their allies, continue to face barriers in delivering the benefits of community energy to disadvantaged and underrepresented populations. For example, the approximately 20 million households who make up the public and non-profit rental housing sector in the EU typically lack both the agency (as they do not own their own homes) and the capital required to establish or even participate in renewable energy community projects. The recent European Court of Auditors report on the potential of energy communities, which appeared just before the publication of the Citizen Energy Package, confirms a persistent gap for lower income households.

The economic and social costs of unaddressed energy poverty are significant, impacting social cohesion, democratic resilience, and the speed of the energy transition. Recent geopolitical tensions have laid bare the clear geostrategic imperative for Europe: the faster the continent decarbonises, the safer, and more prosperous it will be. Through the AccelerateEU Catalogue of measures, the Commission encourages Member States to promote energy communities as an immediate, and structural solution. **Energy communities across the EU showcase the strength of a model that centres around collaboration, community care, climate ambition and democratic governance. Rather than getting entangled in a form of competition that hinges on a winner-take-all logic, the EU should double down on such values and pursue them in full force. The forthcoming 2026 Recommendation on Energy Poverty should help steer Member States in this direction.**

1 How energy communities tackle energy poverty

A mapping by SOCIALNRG shows that beyond directly addressing energy poverty, energy communities can act as a preventive force, structurally combating both energy poverty and sector-wide inequalities.

Clear business models with low barriers to entry for vulnerable households

Greece has a clear cut business model for energy communities wishing to engage in collective self consumption, allowing for collective citizen investments in renewable energy assets (mostly solar). The energy produced is remunerated through virtual net metering, now switched to virtual net billing. Energy vulnerable households can receive energy for free, without even being members of the community. Their participation is subsidised by the other, paying members of the community. This allows for their simple, anonymous and accessible inclusion. In the UK, Repowering London has moved beyond purely monetary models by exploring “value exchange” pathways, where people can contribute time or other community commitments instead of traditional financial investments, ensuring that even people without liquid capital can play an active role. In Portugal, Telheiras/Lumiar REC operates a 7.15 kWp solar PV system installed on a public building, with electricity shared among its members, including three energy-poor households (currently mostly elderly with low-income/pension). These households, identified and engaged by the local government and social support organisations, benefit from waived entry fees and reduced annual costs while maintaining equal voting and participation rights within the community. SOCIALNRG pilots adaptable energy community models in social housing across Slovenia, Italy, and Belgium, empowering 460 vulnerable families to co-create and manage their energy future while reducing costs, strengthening social ties, and building long-term community resilience.

Hedge against market volatility and price shocks

Belgian cooperative Cociter’s short-supply-chain model allows them to produce and supply electricity locally, with less dependence on international markets. The more unstable the markets become, the more this model proves its worth. During the 2022 energy crisis, when prices were exploding on the markets, Cociter was the only supplier to cap the price of electricity at 25 cents/kWh. Thanks to this decision, thousands of households were protected. An average household consuming 3,500 kWh per year saved up to €85 per month compared to the highest offers on the market. In 2026 Cociter reactivated the cap on electricity prices.

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Savings on energy bills

The EU Affordable Energy Action Plan states that "households can save EUR 500 - 1100 per year by participating in energy communities". Cases across Europe showcase how households experiencing vulnerable situations are included in energy communities to equally benefit from such savings. In Greece, Hyperion Energy Community donates 5% of its electricity production to vulnerable groups (energy poor, single parents, refugees, women etc), at present supporting 14 households and 1 organisation. Building on this experience, the GENDER4POWER project advances energy poverty alleviation through demand-response schemes, expanded participation in Hyperion's collective solar park, and targeted home renovations for 20 vulnerable women - a group disproportionately affected by energy poverty. In Belgium, the housing provider Woonland partnered with energy cooperative Klimaan to install solar panels on 197 social housing units in the Otterbeek district. This has allowed tenants to consume solar energy at prices that are even lower than the publicly subsidised price that social tenants usually pay for their energy. The ECLAIRS project in France implemented a three-tier tariff system: a "Basic" price, a "Support" price (10% higher for wealthier members), and an "Eco" tariff for vulnerable households that is 30% lower than the basic rate.

Investing in local infrastructure

Comunitat Energètica La Bordeta, a Barcelona-based energy cooperative, reinvests any surplus into social projects in the neighbourhood, collaborating with local housing cooperatives, social organisations and the Alliance Against Energy Poverty, reinforcing the principle that the energy transition must benefit everyone, not just those who can afford it. From Spain to the UK, where in 2013, with support from Repowering London, a local community group set up an energy cooperative to install solar panels on several Lambeth Council-owned apartment blocks at Roupell Park Estate. The panels supply electricity to communal areas like lifts and lighting, export any surplus to the grid, and generate profits that repay co-op members and fund local initiatives, such as kids activities and free energy-savings sessions for residents. In a second phase, a partnership with a licensed energy supplier allowed residents to benefit directly from the solar output.

Training, employment and local skills development

The Community Energy People project in the UK shows that targeted funding combined with mandatory Equality, Diversity and Inclusion (EDI) training successfully improved diversity outcomes in the UK energy community sector. The project demonstrates that intentional, well-resourced diversity initiatives can significantly shift sector demographics. With more diverse staff and representation these communities have been able to engage groups that would otherwise be underrepresented. 63% of the new employees are women and 23% were previously unemployed. With a focus on inclusion, the project has been a gateway for people from a range of backgrounds to get involved in community energy.

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Goiener is a Spanish energy cooperative with more than 18,500 members that combines renewable energy production with a strong commitment to tackling energy poverty. Through its flagship initiative, Goiener Soziala, the cooperative provides vulnerable households with personalised support, including energy bill optimisation, energy-saving advice, home energy audits, and guidance through municipal energy offices. Inspired by the EU-funded POWERPOOR project, Goiener also trains social workers, municipal staff, and local organisations to better support households experiencing energy poverty. Beyond direct assistance, the cooperative strengthens community capacity by training citizens and energy communities in energy efficiency, collective self-consumption, and inclusive governance, while emphasising the importance of motivated and skilled "human capital" in addressing energy poverty.

Energy efficiency and renovation support

Dutch energy community Wattnu trains coaches and volunteers to visit low-income households in poorly insulated homes through its "energiebuddy en klusser" (energy buddy and handyman) programme. They apply free small-scale measures such as draught strips, radiator fans, and LED bulbs while offering tailored advice and referrals to social services. In Ireland, EcoVision, has over a decade of experience in citizen-led renovations. Comprising 15 energy communities across Tipperary, Clare, and Limerick, it has retrofitted over 900 homes, securing over €18 million in investments. EcoVision provides energy advice and retrofitting services to vulnerable populations and people living in deprived areas, including through household visits, community and school workshops, energy clinics, and assistance with grant applications.

Providing efficient and renewable heating and cooling solutions

Ketelhuis WG (NL) is taking out the individual natural gas boilers of 1200 households in Amsterdam and changing this to an aquathermal district-heating network. It offers stable prices to all members, and special solidarity pricing to vulnerable households. In 2019, ZuidtrAnt (BE) launched ZuidtrAnt-W to expand its impact through district heating projects. Their "Warmte Verzilverd" project repurposes excess industrial heat to provide stable and affordable heating to buildings in the neighbourhood, including social housing initiatives. There are over 650 such community-led heating and cooling projects across the EU.

Solidarity funds

Comunitat Energètica La Bordeta, a Barcelona-based energy cooperative, set up a solidarity fund to remove financial barriers for vulnerable households by covering membership fees, capital contributions, and energy sharing costs. This ensures that those with fewer resources can join on equal terms, with full voting rights, and even access free electricity without being required to contribute anything in return. The initiative is designed to avoid stigmatisation and provides genuine inclusion, supported by training from the Alliance Against Energy Poverty. The initiative is currently being piloted among five households. French cooperative supplier Enercoop established the endowment fund Énergie Solidaire to support energy poverty alleviation. As an energy supplier with a large client base, Enercoop enables customers to top up their energy bills with micro-donations. These funds are distributed to local NGOs working on energy retrofit projects for vulnerable households.

Relational flexibility services

Research[1] shows that low-income households are more likely than people with higher income to change their energy habits when they have the chance to financially participate in renewable energy and energy efficiency projects. On top of that, another recent study shows that flexibility emerges from social interactions within community context (aside from the often prioritised technical solutions or behavioural interventions targeting individual consumers). For example, the French cooperative Enercoop achieved a 10% reduction in energy consumption simply through an email request, without financial incentives, by strengthening relationships with its consumers. Similarly, in the Netherlands, where individual behavioural interventions are often seen as intrusive, initiatives such as neighbourhood batteries are gaining traction because they rely on relational work that fosters social acceptance and legitimacy. Combined these two studies underline the importance of including low income households and other underrepresented groups as a huge opportunity for improving demand flexibility and energy efficiency.[2]

In many cases energy communities take up a broad array of activities and services to address and prevent energy poverty. Most take a holistic approach, combining several measures - such as providing energy, offering energy efficiency guidance, running educational and awareness campaigns, and delivering financial support - to offer well-rounded and effective assistance. By using multiple strategies together, these energy communities not only help reduce energy costs but also empower residents to manage their energy use, foster stronger community connections, and build long-term resilience.

[1] Lowitzsch, J. Bucha, M. and Lonscher, S. (October, 2025). From Access to Ownership. Energy Communities and Social Inclusion in the EU's Energy Transition.

[2] Dudka, A. (2025). A relational approach to prosuming through energy communities: the case of CIREN in France.

2 An enabling framework for energy communities

Implementing social energy programmes requires a broad mix of skills and competencies, including technical expertise, project development capacity, coordination of multi-stakeholder processes, strong inter-personal skills and the ability to navigate sensitive situations with empathy and care. It also depends on enabling financial frameworks, often combining public funding such as grants, subsidies, or guarantees. This applies equally to energy communities engaged in such activities. However, structural national or regional support and guidance remains limited, European funding is declining, and municipal budgets are increasingly constrained, leaving support largely ad hoc. There is therefore a need not only for predictable and transparent financial frameworks, but also for sustained capacity-building and advisory support to enable collective action, ensure benefits for people in energy poverty, and keep risks and costs low and predictable for all parties involved.

Reward inclusive energy communities

Governments should introduce targeted incentives to encourage diversity and inclusiveness within energy communities. For instance, initiatives that meet specific diversity targets—such as including at least 10% vulnerable households among their members—could benefit from tax incentives, fast-tracked administrative procedures, priority grid access, or dedicated inclusiveness labels. Public authorities, including public housing providers, should also use procurement and concession processes to promote inclusive renewable energy projects by incorporating criteria that support the participation of disadvantaged households and strengthen citizen-led ownership and governance. Note that additional eligibility criteria may increase administrative burdens, which may particularly be an issue for smaller communities with limited resources. Policymakers should therefore balance targeted support with measures that keep community-led initiatives accessible and feasible.

Design funding calls for energy communities that specifically prioritise energy poverty actions

The Cohesion for Transitions (C4T) initiative under the auspices of DG REGIO has created a dedicated guidance document, helping managing authorities design funding calls for energy communities that specifically prioritise energy poverty actions. The guide is also available in Polish, Greek and Spanish, and is currently being translated to several languages. Member States can provide direct or indirect financial support to community projects and emerging energy communities' initiatives. Over 140.000 citizens could be directly supported through the Social Climate Fund.

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Support energy communities in the 2028-2034 EU budget

As part of the next EU funds programming period, Member States are drafting "National and Regional Partnership Plans" (NRPPs). These can be suitable vehicles for EU countries to invest in community energy projects that tackle energy poverty. Moreover, because the NRPPs will function under a 'cash for reforms' model, the Commission can negotiate with Member States to include enabling reforms that support the inclusion of vulnerable households in energy communities - this could be for example reforming the permitting framework to favour community projects that allocate a portion of their energy for social purposes.

Targeted guidance and capacity building

To increase their social impact, energy communities need targeted guidance and capacity building on how to identify, target and engage communities that either lack the agency (i.e., do not own their home) or required capital - or which may be otherwise hard to motivate. Such guidance could be coordinated through EPAH and national energy poverty observatories or via national/regional federations of energy communities. Initiatives like SOCIALNRG also show the potential role to be played by national federations active in the public, cooperative, or social housing space. Non-market housing providers already have strong working relationships with the primarily low-income households they work with, and such 'trusted intermediary' status could be leveraged to better engage social tenants in the energy transition.

Working with national/regional federations of energy communities

Several Member States including the Netherlands, and Belgium (Wallonia and Flanders) have provided structural funding to their community energy federations. The latter use the funds to organise several capacity building and outreach/One Stop Shop events to residents, helping them with on-the ground advice around energy communities and energy poverty. This intermediary approach builds trust and ensures capillarity.

Improve data-sharing frameworks and monitoring tools

Improved data-sharing frameworks and standardised monitoring tools that integrate quantitative and qualitative indicators should help energy communities identify and support vulnerable households more effectively while ensuring privacy protection and better evaluation of interventions. Experiences across Europe show that energy communities frequently rely on case-by-case approaches, which are resource-intensive, risk inconsistency, and can hinder trust and participation. Effective implementation requires collaboration between public authorities, social services, energy communities, and other relevant stakeholders.

3 An enabling framework for households

The underrepresentation of households in vulnerable situations in energy communities shows that inclusion and equality cannot be reduced to simply offering opportunities for participation or consultation. Citizens may formally have access to participation mechanisms while lacking the time, knowledge, financial security, confidence or political influence to use them effectively. For people who have been disadvantaged and remain underrepresented in energy decision-making, active support and structural reforms are needed to ensure equal capabilities and opportunities to participate, engage and benefit from the energy transition. Just as much as energy communities need an enabling framework to participate in the energy market on equal terms with other players, households need an enabling environment to exercise their rights and participate in the energy transition.

Assess structural barriers for participation

Member States should map and identify structural barriers for citizens, especially for those experiencing cross-cutting vulnerabilities, to participate in and benefit from energy communities within their national context. This should be a key component of the mandatory assessment of barriers for and potential of RECs in each Member State under Article 22 of the recast Renewable Energy Directive. An example of such a barrier is the upfront cost of participation versus the immediate concerns of poverty, and related to this: the "Welfare Dilemma" which, in some Member States may prevent households from participating in energy communities as this may result in the loss of welfare benefits. The impact and extent of such barriers for citizens to engage and benefit is currently not well documented. The rate of non-take up by vulnerable households of their right to participate in an energy community should be a key indicator for assessing the impact and effectiveness of just energy transition measures.

Develop effective communication campaigns

Communication campaigns should proactively target potential participants, particularly the most fragile groups, using clear, accessible language across a diverse range of channels (e.g., television, radio, local broadcasts, print, text messages) and in multiple languages. Additionally, initiatives to improve overall financial literacy, beginning from an early age, are essential. Enhanced financial literacy empowers individuals to understand basic concepts related to energy consumption, saving, and investment, thereby enabling more informed participation and decision-making within energy communities and the energy market as a whole throughout their lives. Federations of energy communities can be empowered (e.g., through structural funding) to help run such campaigns, employing a door to door approach that builds trust and connection. This has been successfully implemented in the Netherlands, in Flanders (Belgium), and Wallonia (Belgium).

Tackle misleading marketing practices and corporate capture

Energy communities across Europe note that a significant barrier to citizen engagement in energy communities is the lack of familiarity with the concept, potential benefits, and participation pathways, particularly among vulnerable populations. General distrust of new initiatives, exacerbated by confusion arising from misleading marketing by traditional market actors, further deters participation. As part of their enabling frameworks for energy communities Member States should ban deceptive marketing practices and implement strict regulations against traditional market actors that obfuscate the concept of energy communities.

Deliver default-based support

Default-based participation in energy communities can simplify participation pathways for vulnerable households. This can take the form of offering an automatic subsidy covering membership fees for certain groups (e.g. eligibility for one social welfare program makes you automatically eligible for the subsidy) or automatic membership, with an opt-out possibility. An example of a default based approach aimed at accelerating the participation of vulnerable households is the French Law on energy and climate of November 2019. The law defines legal carriers of social housing projects as potential RECs with residents becoming REC members by default with an opt-out possibility. Such default-based support should go hand in hand with capacity building and communication campaigns to ensure clarity and understanding around ownership structures, democratic governance and benefit-sharing for all involved.

Cover participation and investment needs of vulnerable households

For vulnerable groups, community energy participation needs to translate into immediate benefit. This could take the form of 100% subsidised membership through government programs or zero interest loans in the form of on-bill-financing. The Social Climate Fund is an excellent possible source for such financial support, and REScoop.eu welcomes that over 12 Member States have already pledged funds for energy communities to tackle energy poverty.

Foster meaningful social dialogue

The participation of people in energy poverty in the design, implementation and monitoring of climate and energy transition policies would ensure that the obstacles they face to meaningfully participate not only in energy communities, but in the transition as a whole are adequately identified and addressed. Despite the EU's strong rhetorical commitment to social dialogue, its national-level enforcement remains limited. As a result, research into recent

National Recovery and Resilience Plans and Territorial Just Transition Plans cycles[3] shows that consultation is frequently reduced to a procedural requirement rather than a meaningful form of participation, creating a disconnect between formal engagement and genuine stakeholder involvement. To strengthen social dialogue, the EU and its Member States should assess not only the existence of engagement mechanisms but also their effectiveness and quality. This should be supported by stronger multi-level coordination, targeted capacity-building for social partners, and a broader cultural shift towards co-creation in policymaking rather than consultation alone. The Commission should sanction Member States that have not conformed with their legal obligation to set up a multilevel climate and energy dialogue, as mandated by the Governance Regulation.

Deliver empowerment as an end in itself

Purely economic or technical indicators, such as energy savings or efficiency gains, are insufficient for measuring the effectiveness of energy poverty measures because they tell us little about whether people's living conditions and wellbeing have actually improved. Energy poverty also involves lived experience—such as comfort, dignity, and a sense of inclusion. Qualitative, human-centred data is needed to understand whether interventions genuinely improve people's lives. Empowerment should thus not be reduced as a means to achieve affordability, but as an end in itself. For households experiencing a situation of vulnerability, regaining certainty and control over their lives is fundamental to a dignified existence, a right enshrined in the EU Charter of Fundamental Rights. This personal agency is critical; its absence leads to dissatisfaction that aggregates into societal discontent, eroding trust in politics and institutions. Ultimately, a lack of agency and control diminishes social engagement, participation, and interpersonal trust.

4 An enabling framework for allies

The LIFE SOCIALNRG project highlights that strong local embeddedness within a diverse network of actors is a key factor enabling energy communities to tackle energy poverty effectively. Energy communities thrive when they collaborate with diverse local stakeholders - public institutions, NGOs, businesses, and others - to combine resources, expertise and access to vulnerable groups.

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[3] Guisset, A. Lenaerts, K. and Vangeel, N. (2025). How the EU shapes national social dialogue: A qualitative analysis of Social Partner's involvement in the Recovery and Resilience Plans and Territorial Just Transition Plans.

Strengthen the capacity of trusted intermediaries

National and regional authorities should invest in the capacity of municipalities, social services, housing providers, NGOs, and other trusted intermediaries to support inclusive energy community participation. This includes providing dedicated funding, training, and long-term, institutional support so that frontline workers can identify potential beneficiaries, explain participation opportunities, and help households navigate administrative processes. As it takes a substantial amount of time to plan and develop both energy community projects and their inclusivity pathways, uncertainty in support systems and policy and regulatory frameworks can diminish a community's ability to achieve their goals. A degree of regulatory stability and continued support is key.

Create integrated support and referral systems

Public authorities should simplify access to energy community participation by strengthening cross-sector coordination between energy, housing, and social welfare services. Wherever possible, eligibility for one social support scheme should facilitate access to related energy benefits, reducing administrative burdens and improving outreach to vulnerable households.

Support collaboration networks and local hubs

Governments and EU institutions should fund local coordination platforms that bring together energy communities, municipalities, social services, housing providers, and civil society organisations. These hubs can centralise information, facilitate knowledge exchange, coordinate outreach activities, and provide ongoing support to households beyond initial project enrolment.

Enable de-risking partnerships and inclusive financing

Partnerships between energy communities and organisations such as social housing providers, municipalities, NGOs, and energy service companies can reduce financial risks for energy communities and vulnerable households. Dedicated funds and tailored financing instruments should help address upfront investment barriers and ensure that the benefits of renewable energy are accessible to low-income groups.

5 Conclusion

Energy communities have demonstrated their potential not only to provide immediate relief from high energy costs, but also to offer a long-term response to energy poverty and vulnerability. Yet many vulnerable households remain excluded due to financial barriers, limited awareness, and insufficient support. The experiences highlighted in this brief show that inclusive energy communities are both feasible and effective when backed by enabling frameworks, innovative business models, solidarity mechanisms, and trusted intermediaries. To scale up their impact, policymakers should support inclusion through dedicated funding, simpler procedures, and partnerships with social actors. By placing social justice at the heart of the energy transition, energy communities can help reduce energy poverty, strengthen local resilience, and ensure the benefits of clean energy are shared by all.

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