

# Status quo of energy sharing and peer-to-peer trading in select ERRA Member Countries

Dr. Viktor Szilágyi  
International Expert for Energy  
MEKH



# Basis of the presentation



## The ERRA Customer Protection Working Group:

- Launched a survey between **June and August 2023**
- Published a benchmarking report on the **5th of December 2023**



## The participants:

- NRAs from 17 ERRA Member Countries
- DZ, AM, AZ, CZ, EG, EE, GE, HU, LV, LT, MD, MZ, MK, PL, RO, SK, TR.



## What the benchmarking report investigated:

- Prosumers
- Energy communities
- Peer-to-peer trading and energy sharing (electricity)



**BENCHMARKING REPORT:  
NEW PHENOMENA IN THE ENERGY MARKETS  
IN ERRA MEMBER COUNTRIES:  
Prosumers, Energy Communities,  
Peer-to-Peer Trading and Sharing**

ERRA Customer Protection Working Group

December 2023

# Peer-to-peer trading in legislation



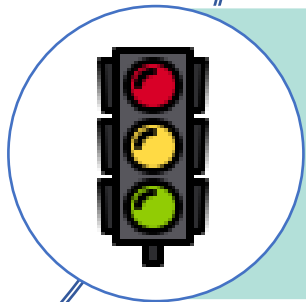
## Legal base

- EU legislation: 2018/2001/EU Directive (REDII)
- National legislation: where it exists such one (slide 6)



## Definition (in REDII Art. 2 (18))

‘peer-to-peer trading’ of renewable energy means the sale of renewable energy between market participants by means of a contract with pre-determined conditions governing the automated execution and settlement of the transaction, either directly between market participants or indirectly through a certified third-party market participant, such as an aggregator. The right to conduct peer-to-peer trading shall be without prejudice to the rights and obligations of the parties involved as final customers, producers, suppliers or aggregators;



## Eligibility (in REDII Art. 2(18), Art. 22 (2))

- Market participants
- But the emphasis is on renewables self-consumers, be it individually or through aggregation, and through this renewable energy communities

# Energy sharing in legislation



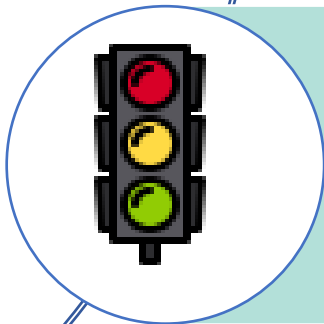
## Legal base

- EU legislation: 2018/2001/EU Directive (REDII) and 2019/944/EU (Electricity Directive), which is being amended (amendment will probably published in 2024 Q1)
- National legislation: where it exists such one (slide 6)



## Definition (in the proposal for the amendment for the Electricity Directive)

- Currently (20. 12. 2023): neither the Electricity Directive, nor REDII has a definition for energy sharing.
- The proposal introduces a definition: (10a) 'energy sharing' means the self consumption by active customers of renewable energy either: (a) generated or stored offsite or on sites between them by a facility they own, lease, rent in whole or in part; or (b) the right to which has been transferred to them by another active customer whether free of charge or for a price.



## Eligibility (in REDII Art. 2(18), Art. 22 (2))

- Currently: energy communities
- The proposal: All households, small and medium sized enterprises and public bodies have the right to participate in energy sharing as active customers (beside energy communities).

# Legal framework for Peer-to-peer Trading and Energy Sharing in practice

The situation of ERRA Member Countries at the time of the report:

1. **12 (DZ, AM, AZ\*, CZ\*\*, EG, EE, GE, MD, MZ, MK, PL\*\*\*, TR)** NRAs reported that in their countries there was no legislation for peer-to-peer trading or for energy sharing.
2. **5 (HU, LV, LT, RO, SK)** NRAs reported that there was a legal definition or legal recognition for peer-to-peer trading or for energy sharing, or for both.

AZ reported there is possibility to share (transmit) electricity to DSOs. CZ and PL reported that there are ongoing legislative processes regarding energy sharing and in for peer-to-peer trading (PL).

# Legal framework for Peer-to-peer Trading and Energy Sharing in practice

Figure 18: Legal Definition or Recognition of Peer-to-Peer Trading and Energy Sharing in ERRA Member States

		Legal definition or recognition of	
		Peer-to-peer trading	Energy sharing
Algeria	DZ	✗	✗
Armenia	AM	✗	✗
Azerbaijan	AZ	✗	✗
Czech Republic	CZ	✗	✗
Egypt	EG	✗	✗
Estonia	EE	✗	✗
Georgia	GE	✗	✗
Hungary	HU	✗	✓
Latvia	LV	✓	✓
Lithuania	LT	✓	✓
Moldova	MD	✗	✗
Mozambique	MZ	✗	✗
North Macedonia	MK	✗	✗
Poland	PL	✗	✗
Romania	RO	✗	✓
Slovakia	SK	✗	✓
Türkiye	TR	✗	✗

# Legal framework for Peer-to-peer Trading and Energy Sharing in practice

Figure 19: Eligibility and Restrictions of Peer-to-Peer Trading and Energy Sharing in ERRA Member Countries

		Eligibility for energy sharing	Restrictions for energy sharing	Eligibility for peer-to-peer trading	Restrictions for peer-to-peer trading
Hungary	HU	Active consumers or energy communities	According to legislation in force energy sharing cannot go beyond borders. In practice energy sharing may be restricted to DSO areas as practical aspects of energy sharing are still under development.	-	-
Latvia	LV	Active consumers or energy communities	DSO area	Active consumers or energy communities	DSO area
Lithuania	LT	Energy communities	No geographical restrictions	Energy communities	-
Romania	RO	Energy communities	No geographical restrictions	-	-
Slovakia	SK	Active consumers or energy communities	No geographical restrictions	-	-

# Legal framework for Peer-to-peer Trading and Energy Sharing in practice

The concepts of energy sharing and peer-to-peer trading are new. Which means:

- often the lack of legislation;
- more often the lack of experience;
- general lack of data (e.g. participation, exchanged volumes, etc.).

NRAs should consider to extend their monitoring activities for energy sharing and peer-to-peer trading.





# Peer-to-Peer Trading and Energy Sharing Challenges and Considerations



Peer-to-peer trading and energy sharing may have implications for:

- grid development,
- local energy generation,
- tax regulations, and
- classification within the traditional framework of wholesale and retail markets.



Tax-related complexities, including excise tax, value-added tax (VAT), and income tax, vary among countries and are critical considerations.



**THANK YOU  
FOR YOUR ATTENTION!**

**Dr. Viktor SZILÁGY**  
E-mail: [szilagyv@mekh.hu](mailto:szilagyv@mekh.hu)