

The Quarterly Newsletter from the LIFE TANDEMS Project

#10 | June 2025

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### **Editorial**

# WHY BUILDING THE RIGHT BUSINESS MODEL FOR ENERGY SHARING STARTS WITH TRUST

#### Ivaylo Trendafilov

When we started discussing the possibility of setting up an energy community in Burgas, we weren't only considering solar panels and legal frameworks. We were talking about people. We were talking about trust. We were asking ourselves whether a group of citizens, a municipality and a handful of dedicated experts could create something new that could work legally and economically in Bulgaria's energy landscape.

In a country where the concept of energy communities is still in its infancy, the challenges are very real. There is no standard legal form or roadmap for governance, and initially there was little public awareness or trust in the idea. This is why developing a well-functioning business model was not only a technical necessity, but also a political, legal and social act.

Together with our partners at Eneffect and the City of Gabrovo, we took on this challenge head-on. We didn't just want a theoretical model — we wanted something that could survive in the real world. This required us to answer some difficult questions: How do we set prices fairly without making promises we can't keep? How do we manage risk in a volatile energy market? And most importantly: how can we encourage citizens to invest their own money in something new?

The result was a custom-built legal and business model that aligns with Bulgaria's regulatory framework while ensuring citizens hold a majority stake. That's not just a number. It's a principle. It guarantees democratic control and makes the community truly belong to its members.

But what I am most proud of is this: we didn't just design a model. We earned people's trust.

Looking ahead, I believe the real question is not whether energy communities will work, but how many more will have the courage to build them properly: from the ground up, based on trust and transparency, and with true citizen ownership.



Ivaylo Trendafilov Municipality of Burgas

## Project Updates

#### Energy Sharing: Mission Possible – TANDEMS at EUSEW 2025

At this year's EU Sustainable Energy Week, TANDEMS joined forces with its LIFE Sister Projects for a high-level policy session exploring the provocative question: "Energy Sharing – Mission Impossible?" The answer from the panel was clear: not only is energy sharing possible—it's already happening. But its success depends on smart regulation, citizen leadership, and political courage.

From Bulgaria to Barcelona, speakers shared powerful stories and clear demands:

- Energy sharing works, even in imperfect policy environments.
- Regulation must empower communities, not obstruct them.
- Inclusion isn't optional—it's essential for long-term success.
- Trust, engagement, and community building must come first
- ▶ Watch the full session on YouTube

"People told us this wasn't possible in Bulgaria. We proved them wrong."

Tanya Hristova, Mayor of Gabrovo



## Project Updates



#### TANDEMS in Antwerp Region and Brussels: Sharing Lessons, Shaping the Finish Line

From June 10–12, the TANDEMS consortium came together in Belgium for its General Assembly filled with shared insights, hands-on visits, and preparation for our final milestone. We reflected on what worked, explored the legacy of our tools, and took our impact to the EUSEW in Brussels. The final chapter? A best-practice collection to inspire energy communities across Europe.

Fead the story

# Award-Winning Local Action: Otterbeek's Community Energy for Social Housing

We're thrilled to share that the Community Energy for Social Housing project in Otterbeek (Mechelen) — one of the pilot initiatives co-developed within TANDEMS — has won the 2025 EUSEW Award in the "Local Energy Action" category!

This outstanding initiative demonstrates how inclusive the energy transition can be. By installing solar panels on 200 social housing units, the project delivers clean, affordable energy directly to residents — combining environmental impact with social justice. It's a model that shows how energy communities can thrive where they're needed most.

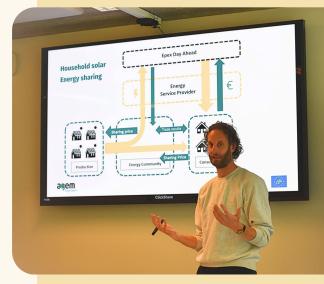
Congratulations to the Otterbeek team, the city of Mechelen, and all involved partners for making this vision a reality!

## Understanding Business Models for Energy Sharing: Why It's More Complex Than It Seems

The concept of energy sharing is simple: produce renewable energy locally and use it within your community. However, putting this into practice is anything but straightforward. From regulations and pricing mechanisms to balancing responsibilities and market access, energy sharing involves aligning a web of actors and services legally, technically and financially. The situation becomes even more complex when you consider that every country has its own legacy systems, laws and energy market structures.

For energy sharing to work effectively, a whole ecosystem of services must come together, most of which are invisible to the average energy user.

Imagine a community that installs solar panels on shared rooftops. That's just the beginning. Someone has to forecast how much energy the panels will produce each day. Another person must balance that energy on the grid, ensuring that generation and consumption match up in real time. When there is too much or too little energy, the community needs access to the electricity market to sell or buy the surplus or shortfall at a fair price.



Justin Pagden AGEM

All of this requires expertise, coordination and adherence to technical regulations. This also involves managing contracts, billing and communication with members, which we often refer to as customer care. However, in this case, it's about serving a community rather than just consumers. In most countries, these services are still dominated by traditional energy suppliers. However, new providers are emerging. In the Netherlands, for instance, Agem Energie Experts, a cooperatively owned provider, is stepping in not to make a profit, but to empower communities to take control of their energy. These organisations act as Energy Service Providers (ESPs), offering everything from market access and balancing services to billing and support.

And here's where things get even more complex: no two countries are alike. In Belgium, for instance, energy law is divided along regional lines, which makes it difficult for community projects to navigate the system. In Bulgaria, energy communities are a relatively new concept, and while there is enthusiasm, there is also a lack of legal tools or market structures to support them.

While the vision of energy sharing is simple — produce clean energy locally and use it together — the reality depends heavily on the national context, available expertise and the services behind the scenes that make the system run.



# Business Models for Energy Sharing

#### 1. The Traditional Market Model

Producers and consumers both have contracts with commercial suppliers. Prices are set by the energy market and influenced by external factors like fossil fuel prices. Producers aim to sell high, consumers aim to buy low—interests are misaligned, and there's no direct link between who produces and who consumes.

#### 2. The Investment-Based Energy Community Model

Citizens invest in renewable energy assets (e.g. solar parks) and earn returns from the profits. But electricity isn't shared—consumers still buy energy from the market, and there's no real-time link between production and consumption. Ownership is collective, but usage is not.

#### 3. The Energy Sharing Model

Here's where things get interesting: energy produced by the community is supplied to its own members, ideally in real-time. The goal is to provide energy at cost price—covering all operational costs, but without profit. To make it work, an Energy Service Provider (ESP) handles forecasting, market balancing, billing, and more.

# The Energy Sharing Model Energy Market Energy Market Forecasting Customer Care Billing Production 70% Town Town

# Kickstarting a Community Energy Revolution – Highlights from Brussels

On 11 June 2025, over 70 participants from across Europe gathered in Brussels for the "Kickstarting a Community Energy Revolution" forum, a joint event organised by five LIFE sister projects: COMANAGE, LIFE LOOP, LIFE BECKON, LIFE TANDEMS and LIFE LETsGO4Climate.

Held at L42 in the heart of the EU Quarter, the event provided a platform for the dynamic exchange of experiences, tools and policy insights, with a focus on empowering citizens and local authorities in the energy transition. With participants hailing from 17 different countries, the day truly encapsulated the essence of the energy community movement: collaboration, diversity, and action.

- <u>F Photo download</u>
- Fead more here



#### Key take-aways from round table discussions

**Energy poverty:** Clear definitions are still lacking. We need short-term relief and long-term structural solutions, such as renovations and inclusive housing.

**Policy & Finance:** Local partnerships, especially between municipalities and cooperatives, can achieve greater scale when backed by creative policies and funding tools.

**Energy sharing:** Participants called for fair pricing, better regulation, and expansion into storage, flexibility, and efficiency, beyond solar.

**Tools**: Many tools exist, but will they endure? One-stop shops and trust-based engagement are key to long-term success

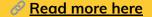
**Standards & Engagement:** Standards help to scale up, but stories matter too. People respond to values such as comfort, well-being and everyday impact.

# From Rooftops to Heat Networks: How ZuidtrAnt Brings Sustainable Energy to Life in Edegem and Mortsel

While many stories about the energy transition remain abstract or focus on policy, the ZuidtrAnt pilot in Belgium makes the shift to clean energy practical and tangible — literally. In the neighbouring municipalities of Edegem and Mortsel, local partners have collaborated with citizens, housing associations and technical providers to create collective energy systems that are both practical and scalable.

The approach begins with rooftop photovoltaic systems, which are installed and managed in a shared model. But it doesn't stop there. The ZuidtrAnt team is also piloting collective heating networks, connecting multiple households to shared low-temperature systems — an effort that reduces emissions and fosters energy solidarity.

Through participation in the TANDEMS project, the team has benefited from exchanges with other pilots and tools, particularly regarding business models and citizen participation. What sets ZuidtrAnt apart is its integration of infrastructure, governance and people.





#### Sophie Loots: A Well-Deserved Nomination for Women in Energy

Sophie Loots, board member to ZuidtrAnt and REScoop Flanders, had been nominated for the 2025 EUSEW Women in Energy Award. While she did not win, the nomination itself is clear recognition of her outstanding contribution to a fair and inclusive energy transition.

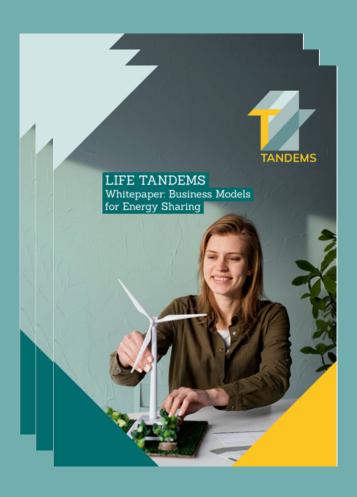
Sophie has a remarkable talent for uniting citizens, local authorities and fellow cooperatives. She has an exceptional ability to build trust, communicate complex ideas clearly, and maintain enthusiasm across diverse communities. At the heart of her work lies a deep commitment to justice, participation and local ownership in the energy transition.

We congratulate Sophie on this recognition and are grateful to have her voice, energy and leadership in our community.



**Sophie Loots** ZuidtrAnt

# New White Paper: Business Models for Energy Sharing in Community Energy



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Download the
Whitepaper: business
Models for Energy
Sharing from the
TANDEMS website

Energy communities are reshaping the energy system from the ground up—by generating, consuming, and sharing renewable energy locally. This white paper, developed within the LIFE TANDEMS project (2022–2025), explores how collective self-consumption can be supported by sustainable and fair business models.

Led by Agem Energie Experts, the study maps value exchanges across pilot sites in Bulgaria, Flanders, and the Netherlands. It compares traditional energy markets with emerging, community-driven models—analyzing their economic and organizational structures.

The whitepaper offers a practical framework to help design, assess, and scale energy sharing models. Key topics include cost structures, equity needs, and pricing mechanisms that ensure fairness and long-term viability.

By breaking down and quantifying the essential components of community energy business models, this resource supports energy community leaders and policymakers in creating models that work—not just in theory, but in practice.

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#### Co-Funded by the European Union

This project has received funding from the European Union's LIFE Programme under grant agreement No 101077514