

## **From Policy to Participation: Can the Citizens' Energy Package Deliver for People and Communities?**

Article by Ana Nanu, Conor Purcell

November 12, 2025

As the European Commission prepares to unveil the Citizens' Energy Package in 2026, energy communities and campaigners see an opportunity to shape Europe's energy transition into a more inclusive and democratic process. However, questions remain about whether the package can adequately address energy poverty and ensure fairness, or whether it will fail to meet its potential.

*Conor Purcell is the main author of this article. Ana Nanu contributed reporting.*

In September, the European Commission closed its [call for evidence](#) on the Citizens' Energy Package (CEP), a potential landmark initiative to make Europe's clean energy transition fair, affordable, and democratic. Hundreds of stakeholders, from cooperatives to NGOs, energy firms and municipalities are likely to have submitted contributions, laying out hopes, concerns, and calls for reform. Now, attention shifts to the next phase – adoption and rollout, likely beginning in 2026.

This is a critical juncture. The CEP's legal foundations are in place, but its real test lies in implementation, that is to say, how EU member states interpret rights and how energy democracy – the idea that citizens should not only consume but own, produce, and decide on energy systems – translates from principle to practice.

Back in 2019, the [Clean Energy for All Europeans Package](#) laid the legal groundwork for such citizen participation in the energy transition. But implementation has been uneven, with many member states slow to transpose EU rules into national law or to create enabling frameworks for local initiatives. Now the CEP aims to close that gap. But to do so, it will have to move beyond procedural reform towards genuine redistribution of agency, away from centralised utilities and towards the households, cooperatives, and municipalities driving local transitions.

[According to the Commission](#), the package is “intended to make the Just Transition a reality”, and is aimed at empowering energy consumers and communities to participate in the transition to a clean energy system. It will largely consist of guidance documents – published by the Commission in early 2026 – to promote consumer protection, combat energy poverty, and facilitate access to renewable energy for all citizens.

More specifically, by aiming to support measures such as energy communities, decentralised renewables, and digital tools to help citizens manage their consumption and benefit from a more flexible and affordable energy market, it could help restore trust in energy systems.

These are all ideas tied in with the notion of energy democracy, which has become one of the most contested concepts in Europe's climate debate. For some, it means decentralised renewables and community ownership; for others, participatory governance and social justice in the energy transition. In practice, it sits at the intersection of policy, technology, and power.

## **Energy poverty, citizens, and consumer rights**

According to campaigners, the CEP should do more than set rules: it has to ensure that energy is affordable and fair. That begins with tackling energy poverty and empowering citizens.

In a recent [position paper](#), the NGO coalition [Climate Action Network \(CAN\) Europe](#) urged that the CEP must put people at the heart of Europe's energy transition. They argue that the package's promise will only be fulfilled if citizens and communities gain the tools and rights to directly participate in, and benefit from, the clean energy shift. That means ensuring lower bills, community ownership, and fair access to the economic gains from renewables, not another round of fossil dependency dressed as reform.

According to Christophe Jost, [Energy Policy Coordinator at CAN Europe](#), it's not yet clear what the Commission's intention is regarding the recent call for evidence. "Overall we welcome the Commission's intent to introduce this package," he says. "I think they have some interesting ideas and really want to tackle the Just Transition and energy poverty."

"That was missing from previous announcements," he adds. "For example, earlier this year, we had the [Action Plan for Affordable Energy](#), which was pretty much focusing on businesses – for good reasons, of course – dealing with the issue of competitiveness. But at the time we were thinking, hey, what about the citizen aspect?"

"But while there is progress here, from what I see there is no real intention to directly work on the topic of energy democracy as such. I think they are taking more of a market approach, making sure that the European energy market can benefit consumers."

That tension between market logic and democratic participation sits at the heart of the CEP debate – whether citizens will remain passive consumers or become active agents in the transition. For CAN, addressing energy poverty must be central. Without targeted measures, the network warns, the energy transition risks deepening inequality. It calls for concrete mechanisms: protections for vulnerable households, full implementation of EU directives on electricity and buildings, and better support for community cooperatives and energy-saving flexibility schemes. Crucially, communities hosting renewable projects must have real decision-making power.

While CAN focuses on the need for direct participation and community ownership to ensure energy democracy, the [European Consumer Organisation \(BEUC\)](#) sees the issue through the lens of consumer rights, data transparency, and fair pricing. Laurens Rutten, Senior Energy Policy Officer at BEUC, emphasises the importance of empowering consumers to make informed choices. He says that the CEP has been one of the many packages they have been contributing to.

"The CEP needs to protect consumers, so we advocate for trustworthy consumer markets," he says. "And what does that mean? It means we need to have enough suppliers, to have competitive markets, and supplies that are reliable, so that, for example, we have sufficient hedging to prevent sudden price hikes in the energy system." According to Rutten, people's participation through energy communities and energy sharing is one way to alleviate that issue.

Indeed, if tackling energy poverty should be at the moral core of the CEP, as both CAN Europe and BEUC advocate, energy communities are generally seen as its practical engine.

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## **Building the social infrastructure for energy communities**

These ideas around energy communities – cooperatives or associations that produce, store, and share renewable energy locally – are echoed by REScoop, Europe’s federation of 2500 such communities, which also recently released its response to the CEP’s public consultation. Therein, they highlighted that supporting energy communities should be “a foundational pillar” of the CEP. In effect, the CEP should create an Energy Communities Action Plan by proposing and delivering on a distinct set of actions and measures that will ensure Europe’s citizens can reach their potential in taking ownership in the transition to locally produced renewable energy.

According to the Commission, the CEP “will ensure a solid framework for the empowerment and protection of energy consumers, both as individuals and as communities.” Indeed, as we know, energy communities are not just some vague idea – they are defined by EU law. Through the Clean energy for all Europeans package (2019), the EU introduced the concept of energy communities in its legislation for the first time, notably in specific legal frameworks such as citizen energy communities and renewable energy communities. The Commission describes energy communities as entities which “allow local communities to join forces and invest in clean energy.” Acting as a single entity means these communities can access all suitable energy markets on a level playing field with other market actors.

Given its meteoric rise and relative ease to install on domestic rooftops, solar seems to be an obvious natural step towards developing energy communities and encouraging energy democracy throughout the EU. REScoop also recently documented an example of a geothermal energy community – an interesting case since geothermal is not usually seen as a prime candidate for citizen participation because of its typically high upfront investment requirement.

In that case, an energy cooperative with over 900 members in Bavaria launched its first cold heating and cooling project in 2022. The system now serves around 40 homes and 160 residents, combining shallow geothermal energy, decentralised heat pumps, and rooftop photovoltaic installations for self-consumption. Residents pay a one-time connection fee plus monthly charges, with heating costs about 10 per cent lower than conventional systems.

However, not all member states are capitalising on these opportunities. In one recent case, due to administrative failings, Greece lost a significant EU grant intended for renewable electricity to vulnerable consumers in an energy community, further exacerbating the issue of energy poverty.

## **Clean heating and cooling are key**

To deliver on its promise of affordability, the CEP will have to address the biggest drivers of energy consumption and spending for most Europeans. Heating and cooling accounts for more than half of the energy consumed by households and takes up the largest share of their energy costs. An estimated 47 million Europeans struggle to heat their homes in winter.

According to a study by the European Commission’s Joint Research Centre, 30 per cent of those affected by energy poverty are income-poor, while the majority belong to middle-income households. Poorly insulated homes and a high proportion of the household budget being spent on energy bills are key drivers of energy poverty. Those facing extreme cold or heat in their homes pay a heavy toll: from cardiovascular diseases and respiratory conditions to anxiety, depression, and stress – all are more

prevalent in communities struggling with energy poverty.

“Reducing energy poverty means investing in better insulation, expanding access to rooftop solar, ensuring fair and lasting subsidies and empowering communities to take part in the energy transition,” says Benedetta Scuderi, a member of the Greens/EFA group in the European Parliament. “Only then can we build a Europe where energy is not a privilege, but a shared foundation of well-being and equality.”

Renewable energy is cheaper and more stable in price than fossil fuels, so clean technologies like heat pumps and solar thermal, or connections to district heating grids running on renewables, could lead to significant savings. For instance, meeting EU heat pump targets could slash 20 per cent off the average energy bill by 2030. Yet high installation costs for new technologies, taxes on electricity, and insufficient public investment in clean heat solutions are all stalling progress.

According to Tom Vasseur, Director of the Cool Heating Coalition (CHC), a network of civil society organisations advocating for clean heat by 2040, “prioritising clean heat in energy policy could really turn the tide on energy poverty in Europe.”

“Home-grown renewable energy is cleaner, healthier, and safer than imported fossil fuels,” he says. “By helping citizens access renovations and clean heating and cooling, the Citizens’ Energy Package can cut household bills, reduce air pollution, and improve public health, all while strengthening Europe’s energy independence.”

If the CEP is to enable citizens to participate in the production, distribution and consumption of energy in an equitable way, it will have to focus on removing financial barriers for households. In 2022, 3.1 billion euros was spent on installing fossil fuel heating systems in Europe. Redirecting those same funds towards renovations and clean heating and cooling technologies could improve the living conditions and health of millions of Europeans.

“A true Citizens’ Energy Package must go beyond technical fixes,” Scuderi says. “It must carry a political and moral message – that no European should be left in the cold or in the heat.”

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## **Barriers, opportunities, and the road ahead**

Now that the CEP consultation is closed and attention turns toward the drafting and roll-out phases, campaigners say it’s time to ask what role the package can play in making clean energy inclusive – not just technically efficient, but socially equitable.

Support for citizen energy within the European Parliament remains strong – even in the face of a growing far-right backlash – particularly among Greens and progressive MEPs who see the CEP as a chance to realign Europe’s energy politics and protect vulnerable citizens. “Tackling energy poverty is not just about overcoming the inability to pay bills – it is also about preserving health, dignity and social inclusion,” says Scuderi. “Across Europe, outdated infrastructure and poorly insulated homes trap people in hardship, forcing them to choose between comfort and affordability.”

Scuderi underscores that tackling energy poverty requires more than short-term fixes. It demands sustained investment and systemic change to make clean energy truly accessible to all. “Public subsidies and grants remain essential,” she adds, “yet too often they are fragmented, short-lived or inaccessible, failing to reach those who need them most.”

The momentum around the CEP, coupled with these insights from CAN Europe, REScoop, CHC, and BEUC, reveals a growing convergence that energy democracy is not just a slogan – it’s an infrastructure project. But translating that ideal into policy demands alignment across multiple layers of governance. Local authorities need technical capacity, cooperatives need finance, and households need protection and clarity.

And across these threads runs a single imperative: trust. For decades, energy systems have been opaque, centralised, and dominated by incumbents. Restoring public confidence will require transparency and tangible benefits, like cheaper bills, cleaner air, and stronger communities.

The next 12 months will decide whether the CEP becomes a technical footnote or a democratic milestone. Campaigners say that Europe’s citizens don’t just need fairer bills – they need a stake in the system itself. If the CEP can channel that demand into law and infrastructure, it could turn energy democracy from rhetoric into reality. If not, it risks reinforcing the very inequalities it set out to dismantle.

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Published November 12, 2025

Article in English

Published in the *Green European Journal*

Downloaded from <https://www.greeneuropeanjournal.eu/can-the-citizens-energy-package-deliver/>

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