



NATIONAL CONTROL COMMISSION
FOR PRICES AND ENERGY



UPDATE ON THE LATEST DEVELOPMENTS IN LITHUANIA

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Commissioner, NCC, Lithuania



OUTLINE



- Changes in legislation
- Investment descision(s) made



Renewables (1)

Law on Renewable Energy Resources (in force 05/2011):

- small generators (installed capacity up to 30 kW) will get tariff for 12 years
- generators with installed capacity over 30 kW must participate in auction, if they win, they get tariff for 12 years, if not – they must go to power market exchange
- auction zones (to be approved by the Government)
- transparent rules for usage of networks
- no double support (EU or national funds vs. tariffs)



Renewables (2)

- **Secondary legislation approved by the Regulator:**
 - Methodology for calculation of the prices for the renewable energy resources and related rules, implementing the Law on Renewable Energy Resources
 - Methodology for calculation of the market price
 - Amendments of the Methodology for calculation of the prices for the public service obligations (differentiation)
 - Amendments of the Methodology for calculation of connection fees (fees in average reduced 10-25% since 01/09/2011 for 4 customer groups)
 - Amendments of the Information submission rules
 - etc.
- **To be approved:**
 - Fixed tariffs
 - Rules on renewables incentives **(to be approved by the Government)**



Proposed fixed renewable energy tariffs

1. Solar (integrated) – 1,83 LTLc/kWh (0,53 EURc/kWh)
2. Solar (non-integrated) – 1,47 (0,43)
3. Wind – 0,36 (0,10)
4. Hydro (building the dam) – 0,36 (0,10)
5. Hydro (non-building the dam) – 0,26 (0,075)
6. Biomass – 0,66 (0,19)
7. Biogas (electricity) – 0,64 (0,185)
8. Biogas (gas from organic waste) – 0,42 (0,12)



Law on Energy

- Main amendments (mainly EU 3rd package) of the **Law on Energy** in force from 01/2012
 - revised functions of the State institutions
 - requirements for the National Energy Strategy
 - more precise provisions regarding:
 - licensing, issuing of permits and certificates
 - international cooperation
 - complaints
 - fines
 - Strengthened NRA independence
- Secondary legislation to be adopted/amended



Draft Law on Electricity

- Proposed main amendments of the **Law on Electricity** are still in the Parliament:
 - 3rd Energy package provisions
 - Supplier of Last Resort (auction)
 - PEX implementation on the regional basis (Nord Pool Spot AS)
 - Pricing regulation provisions

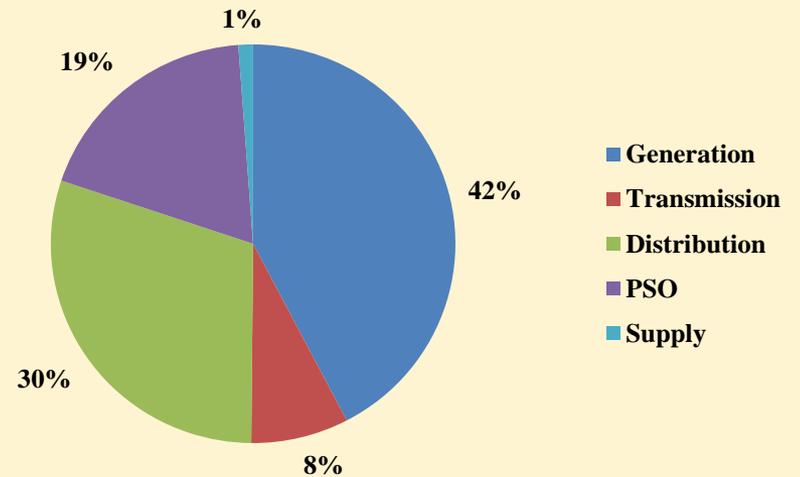
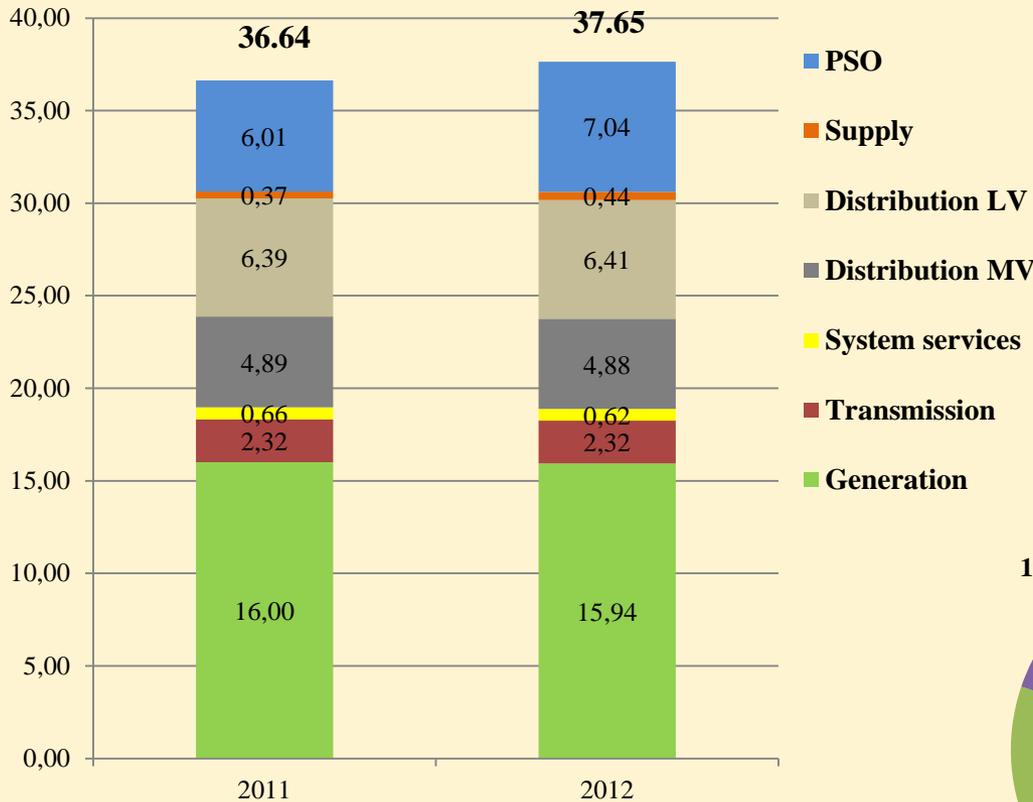


NORDBALT INVESTMENTS

- In July 2011 investments of the interconnection NordBalt for period 2010-2016 were approved
- the precise sums - about 25 thous EUR, included in the transmission tariff annually
- Total sum is 139 thous EUR or about 70% of the project



ELECTRICITY PRICE STRUCTURE, LTLct/kWh





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>ELECTRICITY



>GAS



>HEATING



>WATER



>TRANSPORT



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