Litgrid experience on CBA calculation and benefits allocation

2023 March 16th
Litgrid infrastructure projects and performed CBAs

LitPol Link (2014)
- Social economic welfare benefits **exceed 100%**
- Security of Supply benefits 0%.

Baltic Synchronization (2019)
- Social economic welfare benefits **below 50%**
- Security of Supply benefits **exceed 50%**


CBCA proposal and decision

CBCA proposal by project promoters

LitPol Link (2014)
• Contribution Indicator (CI) for Sweden is 48.5%
• Contribution Indicator (CI) for Norway is 39.3%
• Contribution Indicator (CI) for Germany is 12.2%

Baltic synchronization project (2019)
• no compensation required *(Finland was excluded due to high sensitivity of SEW benefits on FI-RU cross border capacities allocations and Olkilouto 3 nuclear power plant launch schedule)*
• investment costs born by each TSO in respective host country

Regulatory decision

ACER
National regulators
Conclusions

- Both CBAs (in 2014 and 2019) were carried out following valid ENTSOE CBA methodologies.
- For both CBAs indicators were monetized by project promoters:
  - 2014 by Litgrid,
  - 2019 by Elering, AST, Litgrid and PSE
- In both cases investment costs were born solely by project promoters
  - No contribution from significant beneficiaries
- Security of Supply indicator plays a major factor in benefits contribution for project promoters.