



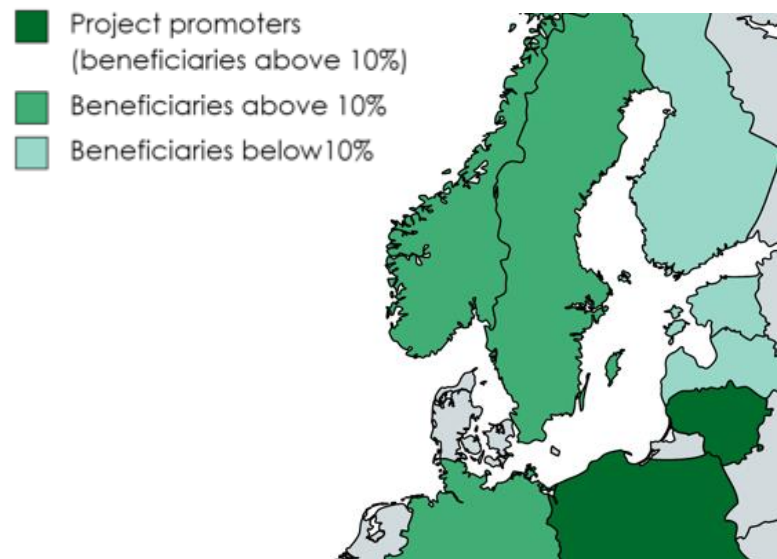
Litgrid experience on CBA calculation and benefits allocation

2023 March 16th



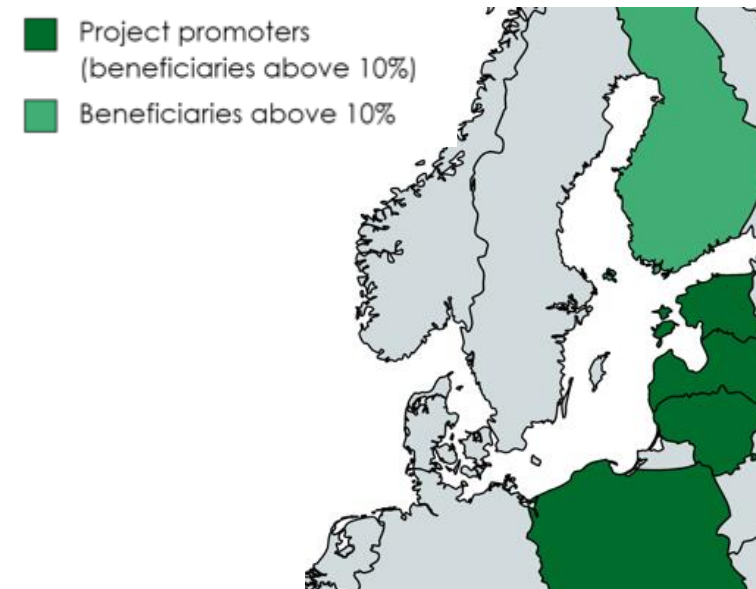
Litgrid infrastructure projects and performed CBAs

LitPol Link (2014)



- Social economic welfare benefits **exceed 100%**
- Security of Supply benefits **0%**.

Baltic Synchronization (2019) including Harmony link



- 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%

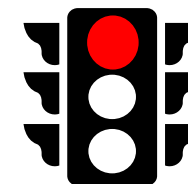
Baltic synchronization project (2019)

- 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.