

Research RES LEGAL – Grid issues

Country: Lithuania

1. Overview

Overview of grid issues	Operators of renewable energy systems are entitled to priority connection to the grid. The grid operator shall ensure priority transmission of electricity from renewable energy sources. The grid operators are not obliged to expand their grids on the request of system operators.
Connection to the grid	Operators of renewable energy systems are entitled to priority connection to the grid. Grid operators are obliged to connect systems even if it is only possible by optimising, boosting or expanding the grid.
Use of the grid	The grid operator shall ensure priority transmission of electricity from renewable energy sources via electricity transmission networks.
Grid expansion	After conclusion of a connection agreement, the grid operators are obliged by law to take all necessary and reasonable measures for optimisation, extension and (or) reconstruction of the grid and increase of the grid capacity in order to ensure safe and reliable access, transmission and distribution of electricity generated from renewable sources. However, the grid operators are not obliged to expand their grids on the request of system operators.
Statutory provisions	<ul style="list-style-type: none">• Law on Renewable Energy (Valstybės žinios, 2011, No. 62-2936);• Law on Electricity (Elektros Energetikos Įstatymas - Valstybės žinios, 2000, No. 66-1984; 2004, No. 107-3964; 2008, No. 77-1002; 2010, No. 117-5967);• Resolution No. 1474/2001 (Valstybės žinios, 2001, No. 104-3713; 2004, No. 9-228; 2005, No. 73-2651; 2006, No. 100-3862; 2009, No. 49-1958; 2010, No. 82-4329);• Order No. 1-246/2009 (Valstybės žinios, 2009, No. 149-6678);• Order No. 1-215/2009 (Valstybės žinios, 2009, Nr. 140-6159; 2011, Nr. 14-647)

2. Basic information on legal sources

Name of legal source (original language)	Elektros energetikos įstatymas	Elektros energetikos įstatymas	
Name of legal source (full name)	Lietuvos Respublikos Atsinaujinančių išteklių energetikos įstatymas (Valstybės žinios, 2011, Nr. 62-2936)	Lietuvos Respublikos Elektros energetikos įstatymas (Valstybės Žinios, 2000, Nr. 66-1984; 2004, Nr. 107-3964; 2008, Nr. 77-1002; 2010, Nr. 117-5967)	
Name (English)	Law of the Republic of Lithuania on Renewable Energy	Law of the Republic of Lithuania on Electricity	
Abbreviated form	Law on Renewable Energy	Law on Electricity	
Entry into force	24.05.2011	01.01.2002	
Last amended on		01.01.2010	
Future amendments	31.12.2011		
Purpose	Provides general legal framework for promotion of RES.	Provides for regulatory framework on generation, transmission, distribution and supply of electricity in Lithuania, on relations between electricity providers and customers, on encouraging competition in the electricity sector.	
Relation to renewable energy	Deals exclusively with RES.	Art. 6 provides that National Control Commission for Prices and Energy (NCC) shall make sure that new electricity producers are connected to the grid according to objective criteria and that objective, transparent and non-discriminatory conditions are applied to calculate the costs and benefits of various renewable energy technologies. Art. 9 sets forth that the State, in determining the obligations of public	

		services, shall encourage electricity producers to generate electricity from renewable sources.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=398874&p_query=&p_tr2=	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382479	
Link to full text of legal source (English)		http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=347154	

Name of legal source (original language)	Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos ištekliai, gamybos ir pirkimo skatinimo tvarkos aprašas	Elektros energijos vartotojų, gamintojų energetikos objektų (tinklų, įrenginių, sistemų) prijungimo prie veikiančių energetikos įmonių objektų (tinklų, įrenginių, sistemų) tvarkos ir sąlygų aprašas	
Name of legal source (full name)	Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos ištekliai, gamybos ir pirkimo skatinimo tvarkos aprašas, patvirtintas Lietuvos Respublikos Vyriausybės 2001 m. gruodžio 5 d. nutarimu Nr. 1474 (Valstybės žinios, 2001, Nr. 104-3713; 2004, Nr. 9-228; 2005, Nr. 73-2651; 2006, Nr. 100-3862; 2009, Nr. 49-1958; 2010, Nr. 82-4329)	Elektros energijos vartotojų, gamintojų energetikos objektų (tinklų, įrenginių, sistemų) prijungimo prie veikiančių energetikos įmonių objektų (tinklų, įrenginių, sistemų) tvarkos ir sąlygų aprašas, patvirtintas Lietuvos Respublikos energetikos ministro 2009 m. gruodžio 9 d. įsakymu Nr. 1-246 (Valstybės žinios, 2009, Nr. 149-6678)	
Name (English)	Procedure for the Promotion of the Generation and Purchase of Electricity Generated from Renewable Energy Sources approved by Resolution No 1474 of the Government of the Republic of Lithuania of 5 December 2001	Description of the Procedure and Conditions for the Connection of Energy Facilities (Networks, Installations, Systems) of Electricity Consumers and Producers to Operating Facilities of Energy Companies (Networks, Installations, Systems) approved by Order No 1-246 of the Energy Minister of the Republic of Lithuania of 9 December 2009	

Abbreviated form	Resolution No. 1474/2001	Order No. 1-246/2009	
Entry into force	01.01.2002	01.01.2010	
Last amended on	07.07.2010		
Future amendments			
Purpose	Regulates the issue, change, suspension, and revocation of permits in the electricity sector.	Defines the procedure and conditions for the connection of the energy facilities (networks, installations, systems) of electricity producers to the operators' grids.	
Relation to renewable energy	Defines activities in the electricity sector subject to authorisation, including electricity generation and expansion of electricity generating capacity. These are general conditions, but they also apply to renewables.	Defines the general procedure and conditions for the connection to the operators' grid; these also apply to renewables.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_l?p_id=378153	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_l?p_id=361474&p_query=&p_tr 2=	
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_l?p_id=312291		

Name of legal source (original language)	Viešuosius interesus atitinkančių paslaugų teikimo tvarkos aprašas		
Name of legal source (full name)	Viešuosius interesus atitinkančių paslaugų teikimo tvarkos aprašas, patvirtintas Lietuvos Respublikos energetikos ministro 2009 m. lapkričio 24 d. įsakymu Nr. 1-215 (Valstybės žinios, 2009, Nr. 140-6159; 2011, Nr. 14-647)		

Name (English)	Description of the Procedure for the Provision of Services of Public Interest approved by Order No. 1-215 of the Minister of Energy of the Republic of Lithuania of 24 November 2009		
Abbreviated form	Order No. 1-215/2009		
Entry into force	27.11.2009		
Last amended on	03.02.2011		
Future amendments			
Purpose	Defines the procedure for the provision of services of public interest.		
Relation to renewable energy	This legal document defines the procedure for providing services related to the generation of electricity from RES (services of public interest).		
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=359046&p_query=&p_tr2=		
Link to full text of legal source (English)			

3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Valstybinė kainų ir energetikos kontrolės komisija (National Control Commission for Prices and Energy)	http://www.regula.lt/en/about-us/	Darius Liutkevičius	+370 5 213 5241	darius.liutkevičius@regula.lt
LITGRID AB (Transmission grid operator)	http://www.litgrid.eu/go.php/lit/IMG	Ramūnas Ponelis	+370 5 278 2503	ramunas.ponelis@litgrid.eu
Lietuvos vėjo elektrinių asociacija (Lithuanian Wind Power Association)	http://www.lvea.lt/index.php/en	Saulius Vytas Pikšrys	+370 687 92486	saulius@atgaja.lt
Energy Agency	http://www.ena.lt/en/default.htm		+370 5 261 9225	eainfo@ena.lt

a. Connection to the grid

<p>Abbreviated form of legal sources</p>	<ul style="list-style-type: none"> • Law on Renewable Energy • Resolution No. 1474/ 2001 • Order No. 1-215/2009 • Order No. 1-246/2009
<p>Overview</p>	<p>According to the National Control Commission for Prices and Energy, claims for connection to the grid by the system operator against the grid operator are based on grid connection agreements.</p> <p>Renewable electricity generation systems whose capacity does not exceed 6 MW shall be connected to the distribution grid only. If the capacity is higher, the system shall be connected either to the distribution grid or the transmission grid, depending on the technical requirements.</p>
<p>Procedure</p>	<p>Procedure</p> <p>The connection procedure of RES systems is defined in the Law on Renewable Energy. The following steps are necessary:</p> <ol style="list-style-type: none"> 1. Application for preliminary connection requirements. The system operator submits an application requesting specifications on initial requirements for connection (Art. 14 par. 8 Law on Renewable Energy); 2. Application for signing a letter of intent. The system operator shall submit evidence on the compliance of the installation with municipal construction obligations to the grid operator (Art. 14 par. 11 Item 9 Law on Renewable Energy). In addition, both parties sign a Letter of Intent, committing them to construct and to connect an installation. The Letter sets out the capacity, the energy source that will be used in the system as well as the respective deadlines for the project. For connection of systems that have a capacity of up to 350 kW it is not necessary to sign a Letter of Intent (Art. 14 par. 10, 16 Law on Renewable Energy); 3. Application for a permit for the expansion of electricity production capacity. The system operator submits an application to the Ministry of Energy, requesting a permit for the expansion of electricity production capacity (Art. 14 par. 13 Law on Renewable Energy); 4. Financial guarantee. The system operator submits to the grid operator a financial guarantee, obliging the former to install a system or otherwise pay a fine. 5. Connection agreement. The system operator and the grid operator sign an agreement on the connection of the installation to the grid (Art.

		<p>14 par. 15 Law on Renewable Energy).</p> <p>In case of offshore wind farms, applicants have to take part in a tender in order to acquire the permits to use territorial sea, the exclusive economic zone in the Baltic Sea and (or) coastal areas for the development and maintenance of the wind farm (Art. 22 par. 2, 3 Law on Renewable Energy).</p>
	Deadlines	The transmission system operator must connect an RES system within 18 months or within the period during which the producer undertakes to build a system, if this period exceeds 18 months. This connection period starts at the moment when the agreement for connection services is signed and ends when the RES system is connected to the grid and ready for technical tests (Art. 14 par. 1 Law on Renewable Energy).
	Obligation to provide information	The grid operators must provide an RES producer with all information on the connection procedure as well as on the planned deadlines for network expansion works. Upon the request of a producer, the grid operators must submit a cost estimate of the connection services (Art. 14 par. 8 Law on Renewable Energy).
Priority to renewable energy (qualitative criteria)	(x) Priority to renewable energy () Non-discrimination	RES producers are entitled to priority connection to the operator's grid (Art. 14 par. 1 Law on Renewable Energy).
Capacity limits (quantitative criteria)	Network operators are obliged to connect systems even if the connection requires the grid to be optimised, boosted or expanded Art. 14 par. 2 Law on Renewable Energy).	
Funding		
	State	
	Consumers	According to the National Control Commission for Prices and Energy, the costs of services of public interest are included in the electricity price and thus borne by the final consumers. (Art. 21 par. 1, 2, 3, 6 Law on Renewable Energy; Chapter III Item 12 of the fifth document in Resolution No. 1474/2001; Chapter II Item 20 Order No. 1-215/2009)
	Grid operator	
	System operator	<p>A system operator has to bear:</p> <ul style="list-style-type: none"> – 40% of the connection costs (for systems with a capacity above 350 kW) – 20% of the connection costs (for systems with a capacity above 30kW)

		and up to 350 kW) The connection of systems with a capacity of up to 30 kW (each) is financed by the grid operator (Art. 21 par. 2, 3 Law on Renewable Energy).
	Distribution mechanism	

4. Use of the grid

Abbreviated form of legal sources	<ul style="list-style-type: none"> • Law on Renewable Energy • Order No. 1-215/2009; 	
Overview	According to the National Control Commission for Prices and Energy, the grid operator and the system operator shall conclude an agreement on the use of the grid. The grid operator is obliged to enter into this agreement.	
Procedure	Procedure	<ul style="list-style-type: none"> • Connection to the grid; • Conclusion of an agreement on the purchase and sale of electricity, concluded between system operator and grid operator; • The grid operator then purchases and transmits the electricity.
	Deadlines	According to the National Commission for Prices and Energy, deadlines are specified in the connection agreement.
	Obligation to provide information	
Priority to renewable energy (qualitative criteria)	(x) Priority to renewable energy () Non-discrimination	The transmission network operator shall ensure priority transmission of electricity produced from renewable sources (Chapter II Item 12 Order No. 1-215/2009).
Grid stability	<p>According to the transmission grid operator, there are no specific regulations for RES with regard to grid stabilisation. If there are problems in the grid (emergency situation), the dispatcher is entitled to reduce the output of certain systems. In any case the system owner shall be informed about the curtailment in advance. The National Control Commission for Prices and Energy provides information on the systems to be disconnected and the time of disconnection. This information is published on the website of the transmission grid operator.</p> <p>At the end of 2011, Art. 17 of the Law on Renewable Energy will enter into force and provide for specific curtailment regulation for RES producers. According to this provision, curtailment will be allowed only in case of emergency or due to other technical reasons, but in any case curtailment shall proceed according to non-discriminatory criteria. (Art. 17 par. 3, 4 Law on Renewable Energy. This provision will enter into force on 31.12.2011.)</p>	
Funding		
	State	
	Consumers	According to the Ministry of Energy, the consumers bear the costs of grid use.
	Grid operator	
	System operator	

	Distribution mechanism	According to the Ministry of Energy, the costs for use of the grid are passed on to the consumers through the electricity prices.
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5. Grid expansion

Abbreviated form of legal source	<ul style="list-style-type: none"> • Law on Renewable Energy • Law on Electricity 	
Overview	The grid operators shall expand their grids according to the general procedure envisaged by the provisions of the Law on Electricity.	
Procedure	Procedure	
	Enforcement of claims	The system operator is entitled against the grid operator to legally demand the grid be developed (Art. 14 par. 2 Law on Renewable Energy).
	Deadlines	According to the National Control Commission for Prices and Energy, deadlines concerning a possible expansion of the grid depend on the terms of the respective connection agreement.
	Obligation to provide information	
Incentives for grid expansion		
Funding		
	State	
	Consumers	Costs of optimisation, development and (or) the reconstruction of the grid are included in the price for electricity and thus borne by the final consumers (Art. 21 par. 9 Law on Renewable Energy).
	Grid operator	
	System operator	The system operator shall reimburse to the grid operator no more than 10% of the costs incurred for the optimisation, development and (or) reconstruction of the grid due to the grid operator's obligation to ensure safe and reliable access, transmission and distribution of energy generated from RES (Art. 21 par. 8 Law on Renewable Energy)
	Distribution mechanism	

Grid studies	
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