

Research RES LEGAL – Grid issues

Country: Lithuania

1. Overview of legal sources

Overview of access to the grid	The 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 a system operator.
Connection to the grid	The operators of renewable energy systems are entitled to priority connection to the grid. The grid operators are obliged to connect systems even if this is only possible by optimising, boosting or expanding the grid.
Use of the grid	The grid operator shall ensure that electricity from renewable sources is given priority transmission.
Grid expansion	After the conclusion of a connection agreement, the grid operators are obliged by law to take all necessary and reasonable measures to optimise, extend and (or) reinforce the grid as well as increase 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 a system operator.
Statutory provisions	<ul style="list-style-type: none"> • Law on Renewable Energy (Atsinaujinanciu istekliu energetikos istatymas) • Law on Electricity (Elektros energetikos istatymas) • Resolution No. 1474/2001 (Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos istekliai, gamybos ir pirkimo skatinimo tvarkos aprasas – Procedure for the Promotion of the Generation and Purchase of Electricity from Renewable Sources) • Order No. 1-246/2009 (Elektros energijos vartotoju, gamintoju energetikos objektu (tinklu, įrenginiu, sistemu) prijungimo prie veikianciu energetikos imonių objektu (tinklu, įrenginiu, sistemu) tvarkos ir salygų aprasas – Description of the Procedure and the Conditions for the Connection of Energy Facilities (Networks, Devices, Plants) of Electricity Consumers and Producers to the Facilities (Networks, Devices, Plants) of Energy Companies) • Order No. 1-215/2009 (Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas – Rules for the Provision of Services of Public Interest) • Resolution No. O3-229 (Skatinimo kvotu paskirstymo aukcionu nuostatai – Rules for feed-in tariff auctions)

2. Basic information on legal sources

Name of legal source (original language)	Atsinaujinanciu istekliu energetikos istatymas	Elektros energetikos istatymas	
Full name	Lietuvos Respublikos Atsinaujinanciu istekliu energetikos istatymas (Valstybes zinios, 2011, Nr. 62-2936)	Lietuvos Respublikos Elektros energetikos istatymas (Valstybes Zinios, 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 on Electricity of the Republic of Lithuania	
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	Establishing a general legal framework for the promotion of RES.	Establishing a framework for the generation, transmission, distribution and supply of electricity in Lithuania, for the relations between energy suppliers and consumers and for competitive incentives in the electricity sector.	
Relevance for Renewable Energy	Applies to renewables only.	Art. 6 provides that the 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	

		service providers, 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 aprasas	Elektros energijos vartotoju, gamintoju energetikos objektu (tinklu, irenginiu, sistemu) prijungimo prie veikianciu energetikos imonių objektu (tinklu, irenginiu, sistemu) tvarkos ir salygu aprasas	
Full name	Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos ištekliai, gamybos ir pirkimo skatinimo tvarkos aprasas, 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 vartotoju, gamintoju energetikos objektu (tinklu, irenginiu, sistemu) prijungimo prie veikianciu energetikos imonių objektu (tinklu, irenginiu, sistemu) tvarkos ir salygu aprasas, patvirtintas Lietuvos Respublikos energetikos ministro 2009 m. gruodžio 9 d. isakymu 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 the Conditions for the Connection of Energy Facilities (Networks, Devices, Plants) of Electricity Consumers and Producers to Operating Facilities (Networks, Devices, Plants) of Energy Companies, 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	Regulating the issue, change, suspension, and revocation of permits for activities 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.	
Relevance for Renewable Energy	Defines activities in the electricity sector that are subject to authorisation, including electricity generation and increases in 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; also applies to renewables.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=378153	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=361474&p_query=&p_tr2=	
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=312291		

Name of legal source (original language)	Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas	Skatinimo kvotu paskirstymo aukcionu nuostatai	
Full name	Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas, patvirtintas Lietuvos Respublikos energetikos ministro 2009 m. lapkricio 24 d. isakymu Nr. 1-215 (Valstybes zinios, 2009, Nr. 140-6159; 2011, Nr. 14-647)	Skatinimo kvotu paskirstymo aukcionu nuostatai, patvirtinti Valstybines Kainu ir Energetikos Kontroles Komisijos 2011 m. liepos 29 d. nutarimu Nr. O3-229 (Valtybes zinios, 2011, Nr.101-4774)	

Name (English)	Rules 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	Rules for Feed-in-tariff Auctions, adopted by Resolution No. O3-229 of the National Control Commission for Prices and Energy of 29 July 2011	
Abbreviated form	Order No. 1-215/2009	Resolution No. O3-229	
Entry into force	27.11.2009	01.01.2012	
Last amended on	03.02.2011		
Future amendments			
Purpose	Setting general conditions for services of public interest.	Defines the grant procedure for renewable energy systems.	
Relevance for Renewable Energy	Sets general conditions for services related to energy production from renewable sources (services of public interest).	Applies to renewable energy systems only.	
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=	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=404598&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)
Valstybine kainu ir energetikos kontroles komisija (NCC) – National Control Commission for Prices and Energy	http://www.regula.lt/en/about-us/	Darius Liutkevicius	+370 5 213 5241	darius.liutkevicius@regula.lt
LITGRID AB (Transmission grid operator)	http://www.litgrid.eu/go.php/lit/IMG	Ramunas Ponelis	+370 5 278 2503	ramunas.ponelis@litgrid.eu
Lietuvos vėjo elektriniu asociacija (Lithuanian Wind Power Association)	http://www.lvea.lt/index.php/en	Saulius Vytas Piksrys	+370 687 92486	saulius@atgaja.lt
Energetikos Agentura (EA) – Energy Agency	http://www.ena.lt/en/default.htm		+370 5 261 9225	eainfo@ena.lt

4. Connection to the grid

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • Law on Renewable Energy • Resolution No. 1474/2001 • Order No. 1-215/2009 • Order No. 1-246/2009 • Resolution No. O3-229
Main legal sources	<p>According to the National Control Commission for Prices and Energy, a system operator is entitled against the grid operator to be connected to the grid on the basis of the grid connection agreement.</p> <p>Renewable electricity generation systems whose capacity does not exceed 6 MW shall be connected to the distribution grid only. If the capacity of a system exceeds 6 MW, it shall be connected either to the distribution grid or the transmission grid, depending on the technical specifications.</p>
Procedure	<div> <div data-bbox="629 595 1093 1461"> Procedure </div> <div data-bbox="1093 595 2065 1461"> <p>The standard connection process 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 (Chapter III 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 (Chapter III 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. In the case of systems that have a capacity of up to 350 kW it is not necessary to sign a Letter of Intent (Chapter III 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 (Chapter III 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. The amount of guarantee to be provided depends on the generation capacity of the system (1 kW x LTL 50 (LTL 50 = approx. € 14.47)). The operators of systems whose capacity does not exceed 30 </div> </div>

		<p>kW are not obliged to provide a financial guarantee (Chapter III Art. 15 Par. 1 Law on Renewable Energy).</p> <p>5. Connection agreement. The system operator and the grid operator sign an agreement on the connection of the installation to the grid (Chapter Art. 14 Par. 15 Law on Renewable Energy).</p> <p>Offshore wind farms. 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 (Chapter III Art. 22 Par. 2, 3 Law on Renewable Energy).</p> <p>Systems above 30 kW. The operators of RES systems whose total installed capacity exceeds 30 kW must participate in an auction to receive a feed-in tariff, which will be paid only for a limited amount of their electricity. For each RES technology, separate auctions are organised in every region. An operator of an RES system may participate in an auction only if he has signed a letter of intent with the grid operator and provided a financial guarantee (Chapter III Art. 20 Par. 3 Law on Renewable Energy).</p> <p>The winner of an auction is the one who has proposed the lowest preferred guaranteed tariff. The winner also obtains the right to be connected to the grid in the region in which the auction was held (Chapter III Art. 20 Par. 3 Law on Renewable Energy). Capacity auctions will be held in a particular region until the new generation capacity for that region has been allocated (Chapter II Item 9 Resolution No. O3-229, in effect from 1 January 2012).</p> <p>The winner of an auction shall not, after the auction, change the connection point and the system capacity specified in the grid operator's technical requirements (Chapter II Item 11 Resolution No. O3-229, in effect from 1 January 2012).</p>
	Deadlines	<p>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. The period of connection, which must not exceed 18 months, is specified in the letter of intent (Chapter III Art. 14 Par. 1, 11 Law on Renewable Energy).</p>
	Obligation to provide information:	<p>The grid operators must provide an RES producer with all information on the connection procedure as well as on the planned deadlines for network extension works. The grid operators must submit a cost estimate of the connection services on the request of a producer (Chapter III Art. 14 Par. 8 Law on</p>

		Renewable Energy).
Priority for renewable energy (qualitative criteria)	(x) Priority for renewable energy () Non-discrimination	RES producers are entitled to priority connection to the operator's grid (Chapter III Art. 14 Par. 1 Law on Renewable Energy).
Capacity limits (qualitative criteria)	The network operators are obliged to connect systems even if the connection requires the grid to be optimised, boosted or expanded (Chapter III 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 (Chapter 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 shall 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) <p>The connection of systems with a capacity of up to 30 kW (each) shall be paid for by the grid operator (Chapter III Art. 21 Par. 2, 3 Law on Renewable Energy).</p>
	Distribution mechanism	

5. Use of the grid

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • Law on Renewable Energy • Order No. 1-215/2009 	
Main legal sources	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. 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 between the system operator and the 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 for renewable energy (qualitative criteria)	(x) Priority for 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>In late 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 (Chapter III 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 mechanisms	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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6. Grid expansion

Main legal sources	<ul style="list-style-type: none"> • Law on Renewable Energy • Law on Electricity 	
Basic information on legal sources	The grid operators shall expand their grids according to the general procedure described 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 (Chapter III Art. 14 Par. 2 Law on Renewable Energy).
	Deadlines	According to the National Control Commission for Prices and Energy, deadlines related to 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	The costs for optimising, developing and (or) reinforcing the grid are included in the price for electricity and thus borne by the final consumers (Chapter III 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) reinforcement 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 mechanisms	
Grid studies		