



# Renewable energy policy database and support – RES-LEGAL EUROPE

National profile: Lithuania

Client: DG Energy

Contact author: Jurga Tallat-Kelpšaitė, jtk@eclareon.com

Berlin, 25 October 2013











#### eclareon GmbH

Luisenstraße 41 10117 Berlin Germany

Phone : +49 30 246 86 90 Fax: +49 30 246 286 94

www.eclareon.com

#### Öko-Institut

P.O. Box 1771 79017 Freiburg Germany

Phone : +49 761 45295-30 Fax: +49 761 45295-88

www.oeko.de

#### **ECN**

P.O. Box 1 1755 ZG Petten The Netherlands

Phone : +31-224-564450 Fax: +31-224-568486

www.ecn.nl











# **TABLE OF CONTENTS**

LITHUANIA – SUMMARY TEXT	4
RES-E SUPPORT SCHEMES	5
Summary of support schemes	5
Basic information on legal sources	
Further information	
Support schemes	
RES-E GRID ISSUES	41
Overview	41
Basic information on legal sources	43
Further information	49
Grid issues	50
RES-H&C SUPPORT SCHEMES	62
Summary of support schemes	62
Basic information on legal sources	64
Further information	
Support schemes	
RES-H&C GRID ISSUES	87
Overview	87
Basic information on legal sources	89
Further information	91
Grid issues	
RES-T SUPPORT SCHEMES	99
Summary of support schemes	99
Basic information on legal sources	
Further information	107
Support schemes	
POLICIES	119
Summary of policies	
Basic information on legal sources	
APPLIES TO RENEWABLE ENERGY ONLY.	
Further information	
Policy categories	











# <u>Lithuania – summary text</u>

In Lithuania, electricity from renewable sources is mainly promoted through a feed-in tariff and grants. Renewable energy sources for heating and cooling purposes are exempt from environmental pollution tax and are eligible for grants. Moreover, heat suppliers are obliged to purchase all heat produced from renewable energy sources. Transport sector is promoted through reimbursement of raw materials for biofuel production and an exemption from excise tax and environmental pollution tax.

The operators of renewable energy plants are entitled to priority connection to the grid. The transmission and distribution of electricity from renewable energy sources shall be given the priority. Heating devices using renewable energy sources are connected according to non-discriminatory principles.

Currently, there are only a few legal provisions on policies aiming at promoting the development, installation and use of RES installations.











# RES-E support schemes

#### **Summary of support schemes**

Overview	In Lithuania, electricity from renewable sources is promoted mainly through a feed-in tariff. Furthermore, the producers of renewable electricity may apply for grants from the Lithuanian Environmental Investment Fund (LEIF) and the Fund for the Special Programme for Climate Change Mitigation and are exempt from excise tax.
Summary of support system	<ul> <li>Feed-in tariff. In Lithuania, electricity from renewable sources is promoted mainly through a feed-in tariff. The tariffs for RES plants with a capacity exceeding 10 kW are awarded through tenders. The National Control Commission for Prices and Energy quarterly sets tariff rates for RES plants with a generating capacity of up to 10 kW and maximum tariff levels for RES plants exceeding 10 kW. The operators of RES plants are entitled against the electricity company designated by the Ministry of Energy - a public electricity supplier serving the area in which the RES producer is operating or an independent electricity supplier - to payment for electricity exported to the grid. There is a technology-specific cap for the total amount of electricity eligible for promotion through the feed-in tariff.</li> <li>Subsidies by the LEIF. The Lithuanian Environmental Investment Fund (LEIF) subsidies projects that aim to reduce environmental damage in the long term, including RES-E projects with the exception of geothermal energy.</li> </ul>
	<ul> <li>Subsidies and loans from the Fund for the Special Programme for Climate Change Mitigation. The Fund for the Special Programme for Climate Change Mitigation supports projects aiming to reduce greenhouse gas emissions. All technologies used for renewable electricity generation are eligible for this scheme. This fund provides support in the form of loans and subsidies.</li> <li>Excise Tax Relief. In Lithuania, electricity from renewable sources is exempt from excise tax.</li> </ul>











Technologies	Basically, all technologies used for the generation of electricity from renewable sources are eligible for at least one support scheme.
Statutory provisions	<ul> <li>Law on Energy from Renewable Sources (Atsinaujinančių išteklių energetikos įstatymas)</li> <li>Law on Financial Instruments for Climate Change Management (Klimato kaitos valdymo finansinių instrumentų įstatymas)</li> <li>Law on Excise Taxes (Akcizų įstatymas)</li> <li>Resolution No. O3-335/2013 (Nutarimas "Dėl elektros energijos, pagamintos naudojant atsinaujinančius energijos išteklius, tarifų nustatymo 2013 metų IV ketvirčiui" - Resolution on the Tariffs for Electricity Produced from Renewable Energy Sources for 2013 Q IV)</li> <li>Resolution No. O3-233/2011 (Elektros energijos, pagamintos naudojant atsinaujinančius energijos išteklius, tarifų nustatymo metodika - Tariff Setting Methodology for Electricity Generated from Renewable Energy Sources)</li> <li>Resolution No. 827/2012 (Atsinaujinančių energijos išteklių naudojimo energijai gaminti skatinimo tvarkos aprašas – Description of the Procedure for the Support of Renewable Energy Sources for the Use of Energy Production)</li> <li>Resolution No. 916/2012 (Viešuosius interesus atitinkančių paslaugų elektros energetikos sektoriuje teikimo tvarkos aprašas – Rules for the Provision of Services of Public Interest in the Electricity Sector)</li> <li>Order No. D1-275/2010 (Klimato kaitos specialiosios programos lėšų naudojimo tvarkos aprašas – Guidelines for the Use of the Fund for the Special Programme for Climate Change Mitigation)</li> <li>Order No. 437/2003 (Lietuvos aplinkos apsaugos investicijų fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas – Description of the Procedure for Financing and Supervising Projects Funded by the Lithuanian Environmental Investment Fund)</li> <li>Statutes of the LEIF (Viešosios Įstaigos Lietuvos Aplinkos Apsaugos Investicijų Fondas Įstatai – Statutes of the Lithuanian Environmental Investment Fund)</li> </ul>













#### **Basic information on legal sources**

Name of legal source (original language)	Atsinaujinančių išteklių energetikos įstatymas	Dėl elektros energijos, pagamintos naudojant atsinaujinančius energijos išteklius, tarifų nustatymo 2013 metų IV ketvirčiui	Klimato kaitos specialiosios programos lėšų naudojimo tvarkos aprašas
Full name	Lietuvos Respublikos Atsinaujinančių išteklių energetikos įstatymas (Valstybės žinios, 2011, Nr. 62-2936; 2013, Nr. 78-3940)	Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2013 m. rugpjūčio 27 d. nutarimas Nr. O3-335 "Dėl elektros energijos, pagamintos naudojant atsinaujinančius energijos išteklius, tarifų nustatymo 2013 metų IV ketvirčiui" (Valstybės žinios, 2013, Nr. 92-4631)	Klimato kaitos specialiosios programos lėšų naudojimo tvarkos aprašas, patvirtintas Lietuvos Respublikos Aplinkos ministro 2010 m. balandžio 6 d. įsakymu Nr. D1-275 (Valstybės žinios, 2010, 42-2040; 2013, Nr. 70-3560)
Name (English)	Law of the Republic of Lithuania on Renewable Energy	Resolution on the Tariffs for Electricity Produced from Renewable Energy Sources for 2013 Q IV, approved by Resolution No. O3- 335 of the National Control Commission for Prices and Energy of 27 August 2013	Guidelines for the Use of the Fund for the Special Programme for Climate Change Mitigation, approved by Order No. D1-275 of the Minister of the Environment of 6 April 2010
Abbreviated form	Law on Energy from Renewable Sources	Resolution No. O3-335/2013	Order No. D1-275/2010
Entry into force	24.05.2011	01.09.2013	13.04.2010
Last amended on	02.07.2013		26.06.2013
Future amendments			











Purpose	Establishing a general legal framework for the promotion of RES.	Sets the feed-in tariffs (for power plants with a total installed capacity of up to 10 kW) and the maximum tariff levels for RES plant operators participating in tenders.	The order sets out rules for the use of the Fund for the Special Programme for Climate Change Mitigation.
Relevance for renewable energy	Applies to renewable energy only.	Applies to renewable energy only.	One of the aims of the Special Programme for Climate Change Mitigation is the support of renewable energy sources.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_l?p_id=453899&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.sho wdoc_l?p_id=443831&p_query=&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.sh owdoc_l?p_id=369461&p_query=&p_tr2=2
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_l?p_id=448947 This translation does not provide information on the latest amendment.		http://www.am.lt/VI/en/VI/files/0.2795010 01292314228.pdf This translation does not provide information on the latest amendment.











Name of legal source (original language)	naudojant atsinaujinančius energijos programos lėšomis finansuojamų investicinių e		Viešuosius interesus atitinkančių paslaugų elektros energetikos sektoriuje teikimo tvarkos aprašas
Full name	Elektros energijos, pagamintos naudojant atsinaujinančius energijos išteklius, tarifų nustatymo metodika, patvirtinta Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2011 m liepos 29 d. nutarimu Nr. O3-233 (Valstybės žinios, Žin., 2011, Nr. 101-4776; 2012, Nr. 15-685, Nr. 72-3778; 2013, Nr. 21-1057, 51-2598)	Lietuvos aplinkos apsaugos investicijų fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas, patvirtintas Lietuvos Respublikos aplinkos ministro 2003 m. rugpjūčio 29 d. įsakymu Nr. 437 (Valstybės žinios, 2003, Nr. 85-3890; 2010, Nr. 112-5700; 2011, Nr. 46-2206; 2013, Nr. 80-4043)	Viešuosius interesus atitinkančių paslaugų elektros energetikos sektoriuje teikimo tvarkos aprašas, patvirtintas Lietuvos Respublikos Vyriausybės 2012 m. liepos 18 d. Nutarimu Nr. 916 (Valstybės žinios, 2012, Nr. 88-4609)
Name (English)	Tariff Setting Methodology for Electricity Generated from Renewable Energy Sources, approved by Resolution No. O3- 233 of the National Control Commission for Prices and Energy of 29 July 2011	Description of the Procedure for Financing and Supervising Projects funded by the Lithuanian Environmental Investment Fund, approved by Order No. 437 of the Minister of Environment of the Republic of Lithuania of 29 August 20003	Rules for the Provision of Services of Public Interest in the Electricity Sector, approved by Resolution No. 916 of the Government of the Republic of Lithuania of 18 July 2013
Abbreviated form	Resolution No. O3-233/2011	Order No. 437/2003	Resolution No. 916/2012
Entry into force	10.08.2011	06.09.2003	01.03.2013
Last amended on	14.05.2013	19.07.2013	











Future amendments			
Purpose	Establishes the methodology for setting the tariffs for electricity generated from renewable energy sources.	Establishing conditions for the financing of environmental investment projects by the Fund, as well as an enforcement mechanism for these conditions.	Setting general conditions for services of public interest.
Relevance for renewable energy	Applies to renewable energy only.	Establishes financing conditions for environmental investment projects, including projects related to renewable energy.	Sets general conditions for services related to energy production from renewable sources (services of public interest).
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc I?p id=404600&p query=&p tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.sho wdoc I?p id=396792	http://www3.lrs.lt/pls/inter3/dokpaieska.sh owdoc l?p id=443663&p query=Vie%F0uos ius%20interesus%20atitinkan%E8i%F8%20p aslaug%F8%20elektros%20energetikos%20s ektoriuje%20l%EB%F0%F8%20administravi mo%20tvarkos%20apra%F0as&p tr2=2
Link to full text of legal source (English)			













Name of legal source (original language)	Lietuvos aplinkos apsaugos investicijų fondo nuostatai	Akcizų įstatymas	Atsinaujinančių energijos išteklių naudojimo energijai gaminti skatinimo tvarkos aprašas
Full name	Lietuvos aplinkos apsaugos investicijų fondo nuostatai, patvirtinti Lietuvos Respublikos aplinkos ministro 2010 m. spalio 12 d. įsakymu Nr. D1-858 (Valstybės žinios, 2010, Nr. 122-6221, 147-7542)	Lietuvos Respublikos Akcizų įstatymas (Valstybės žinios, 2001, Nr. 98-3482; 2010, Nr. 45-2174; 2013, Nr. 76-3846)	Atsinaujinančių energijos išteklių naudojimo energijai gaminti skatinimo tvarkos aprašas, patvitintas Lietuvos Respublikos Vyriausybės 2012 m. liepos 4 d. Nutarimu Nr. 827 (Valstybės žinios, 2012, 2012, Nr. 81-4239, 2013, 109-5380)
Name (English)	Statutes of the Lithuanian Environmental Investment Fund, approved by Order No. D1-858 of the Minister of Environment of the Republic of Lithuania of 12 October 2010	Excise Tax Law	Description of the Procedure for the Support of Renewable Energy Sources for the Use of Energy Production, approved by Resolution No. 827 of the Government of the Republic of Lithuania of 4 July 2012
Abbreviated form	Statutes of the LEIF	Law on Excise Taxes	Resolution No. 827/2012
Entry into force	15.10.2010	01.07.2002	14.10.2013
Last amended on	31.01.2012	2.07.2013	18.10.2013
Future amendments			
Purpose	Defining the objectives and tasks of the Lithuanian Environmental Investment Fund.	This Law regulates the taxes on the trade and consumption of energy.	Established a procedure for the support of renewable energy sources for energy production.











Relevance for renewable energy	Establishes the promotion of renewable energy sources as one of the aims of the Lithuanian Environmental Investment Fund.	Electricity generated from renewable sources is exempt from tax.	Applies to renewable energy only.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc 1?p id=383207&p query=&p tr2=	http://www3.lrs.lt/pls/inter3/dokpaieska.sho wdoc_l?p_id=453917&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.sh owdoc l?p id=458023&p query=Vie%F0uos ius%20interesus%20atitinkan%E8*%20pasla ug*&p tr2=2
Link to full text of legal source (English)	http://www.laaif.lt/index.php?17697291 70 This translation does not provide information on the latest amendment.		













Name of legal source	Klimato kaitos valdymo finansinių instrumentų įstatymas	
(original language)		
Full name	Lietuvos Respublikos klimato kaitos valdymo finansinių instrumentų įstatymas (Valstybės žinios, 2009-07- 23, Nr. 87-3662;2010-12-11, Nr. 145- 7427; 2013, Nr. 54-2691)	
Name (English)	Law of the Republic of Lithuania on Financial Instruments for Climate Change Management	
Abbreviated form	Law on Financial Instruments for Climate Change Management	
Entry into force	23.07.2009	
Last amended on	09.05.2013	
Future amendments		
Purpose	Stipulates the rights, duties and liability of the persons engaged in the economic activities resulting in greenhouse gas emissions as well as the sphere of	













	competence of state institutions and bodies.	
Relevance for renewable energy	Defines sources of funding of the Special Programme for Climate Change Mitigation also supporting projects promoting use of renewable energy sources.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_l?p_id=449512&p_tr2=2	
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=353938  This translation does not provide information on the latest amendment.	











#### **Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Lietuvos Respublikos energetikos ministerija – Ministry of Energy of the Republic of Lithuania	http://www.enmin.lt/lt/		+370 706 64715	info@enmin.lt
Lietuvos Respublikos aplinkos ministerija – Ministry of Environment of the Republic of Lithuania	http://www.am.lt/VI/index.php		+370 5 266 3661	info@am.lt
Valstybinė mokesčių inspekcija prie Lietuvos Respublikos finansų ministerijos (State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania)	http://www.vmi.lt/lt/		+370 5 255 3190	vmi@vmi.lt
Valstybinė kainų ir energetikos kontrolės komisija – National Control Commission for Prices and Energy	http://www.regula.lt/lt/		+370 5 213 5166	rastine@regula.lt
Lietuvos aplinkos apsaugos investicijų fondas (LAAIF) –	http://www.laaif.lt/		+370 216 9599	laaif@laaif.lt











Lithuanian Environmental Investment Fund (LEIF)			
Energetikos Agentūra (EA) – Energy Agency	http://www.ena.lt/	+370 5 706 64 923	eainfo@ena.lt
Atsinaujinančios Energijos Gamintojų Asociacija (AEGA) – Renewable Energy Producers Association	http://www.aega.lt/	+370 693 70347	info@aega.lt











#### **Support schemes**

#### Subsidy (LEIF)

Abbreviated form of legal source(s)	<ul> <li>Statutes of the LEIF</li> <li>Order No. 437/2003</li> </ul>	
Contact Authority	LEIF	
Summary	The Lithuanian Environmental Investment Fund (LEIF) supports projects aiming to reduce environmental damage in the long term. This definition includes RES-E projects with the exception of geothermal energy. Projects are supported in the form of interest subsidies and soft loans. There are two calls a year that are published in the media or on the website of the LEIF. For general information in English on the funding of projects by the Lithuanian Environmental Fund please see www.laaif.lt/index.php.	
	General information	All technologies used for renewable electricity generation, with the exception of geothermal energy, are promoted under this scheme (Chapter II Item 13.2.1. Statutes of the LEIF).
	Wind energy	Eligible.
Eligible technologies	Solar energy	Eligible.
	Geothermal energy	
	Biogas	Eligible.
	Hydro-power	Eligible.
	Biomass	Eligible.
Amount	The maximum subsidy is LTL 690,000 (approx. € 200,000) and must not exceed 80% of the total project expenses (Chapter II Item 7 Order No. 437/2003).  Applicants shall demonstrate that they are able to provide funding for the rest of the project through their own resources	













	(Chapter II Item 12 Order No. 437/2003).  The first part of the awarded subsidy (60%) is paid when the applicant has acquired, installed and started operating facilities as intended in the project plan. The remaining part of the awarded subsidy (40%) is paid when the applicant has submitted data on the environmental compliance achieved during the first year of the supported project. The remaining part of the subsidy is paid under the condition that during the first project year the environmental indicators set in the grant application are met by at least 95%. If 50% - 95% of environmental indicators are met, the grant shall be reduced accordingly. Finally, if during the first project year less than 50% of environmental indicators are met, environmental compliance is considered as not achieved and the second part of the subsidy will not be paid to the applicant. In this case the applicant shall also pay back the first part of the subsidy (which he has already received) to the LEIF (Chapter II Items 9-11 Order No. 437/2003).	
Addressees	Entitled parties: Legal entities registered in Lithuania, or legal entities established in another country within the European Economic Area whose subsidiary is registered in Lithuania and carries out projects in Lithuania (Chapter I Item 5 Order No. 437/2003).  Obligated party: The Lithuanian Environmental Investment Fund (LEIF) (Chapter I Item 1 Order No. 437/2003).	
Procedure	Process flow	Applicants for grants shall demonstrate that they are able to provide funds for the rest of the project through their own resources (Chapter II Item 12 Order No. 437/2003).  Procedure:  Project Information Form. An applicant shall submit to the LEIF a completed Project Information Form. The LEIF decides on whether a project complies with its funding objectives and financing conditions and shall inform the applicant about its decision within 10 working days after receipt of the form (Chapter III Items 16-17 Order No. 437/2003).  Application. The applicant submits an application for subsidy (Chapter III Items 16-17 Order No. 437/2003).













- Application assessment. The LEIF examines the application.
   This includes an inspection to establish whether an application complies with the administrative and environmental requirements (Chapter III Items 23 Order No. 437/2003). The examination on compliance with administrative requirements shall be carried out within 5 working days and the examination on compliance with environmental requirements shall be carried out within 60 working days (Chapter III Items 27, 29 and 34 Order No. 437/2003).
  - Decision on the award of a subsidy. The decision on the award of a subsidy consists of several steps:
    - The applications selected by the LEIF are presented to the Selection Committee, which is appointed by the Minister of Environment. The Committee shall decide which projects will be promoted (Chapter III Item 35 Order No. 437/2003).
    - Within 5 working days from the selection made by the Selection Committee, the LEIF shall submit selected projects to the Minister of Environment (Chapter III Item 35 Order No. 437/2003). The Minister shall decide which projects will be granted a subsidy within 20 working days (Chapter III Item 37 Order No. 437/2003).
- Contract on financing and supervision. The LEIF shall prepare a draft contract on financing and supervision and













		<ul> <li>submit it to the applicant within 20 working days from the decision on the award of a subsidy. The applicant shall sign the contract within one month from its receipt (Chapter IV Item 41 Order No. 437/2003).</li> <li>Payment of subsidy. After acquiring, installing and starting to operate the facilities as intended in the project plan, the applicant has to submit an application for payment of the first part of the awarded subsidy (60%) and a report on technical implementation to the LEIF (Chapter II Item 9.1, Chapter IV Item 46 Order No. 437/2003). An application for payment of the second part of the subsidy (40%) shall be submitted to the LEIF together with the data on environmental compliance achieved during the first year of the supported project and with a final report on project implementation (Chapter II Item 9.2, Chapter IV Item 51 Order No. 437/2003).</li> </ul>
	Competent authority	The LEIF
Flexibility mechanism		
	State	The LEIF is funded from the state budget and other lawfully acquired funds (Chapter I Item 8 Statutes of the LEIF).
Distribution of costs	Consumers	
	Plant operator	
	Grid operator	











European Union	
Distribution mechanism	













#### **Subsidy (The Fund of the Special Programme for Climate Change Mitigation)**

Abbreviated form of legal source(s)	<ul> <li>Law on Financial Instruments for Climate Change Management</li> <li>Order No. D1-275/2010</li> </ul>	
Contact Authority	LEIF	
Summary	The Fund for the Special Programme for Climate Change Mitigation supports projects aiming to reduce greenhouse gas emissions. No less than 40% of the funds of this programme are intended to be used to encourage renewable energy use and the introduction of environmentally friendly technologies. This fund provides support in the form of loans and subsidies according to the Guidelines for the Use of the Fund for the Special Programme for Climate Change Mitigation, approved by Order No. D1-275/2010.	
	General information	All renewable energy generation technologies are eligible for this scheme.
	Wind energy	Eligible.
Eligible technologies	Solar energy	Eligible.
Liigible teciniologies	Geothermal energy	Eligible.
	Biogas	Eligible.
	Hydro-power	Eligible.
	Biomass	Eligible.
Amount	The maximum level of funding for applicants not engaged in economic and commercial activities shall be LTL 5 million (EUR 1,447,270) and LTL 690,000 (EUR 199,723) for applicants engaged in economic and commercial activities. However, the amount of subsidy may not exceed 80% of the entire eligible expenses for a project. The amount of subsidy specified in the annual cost estimate may differ from the actual subsidy level (Chapter IV Item 28 Order No. D1-275/2010).	













Addressees	Entitled parties: Natural and legal persons not engaged in economic and commercial activities, rural communities, legal persons engaged in economic and commercial activities (with the exception of income-generating projects), if they are registered in the Republic of Lithuania and are implementing the renewable energy projects (Chapter II Item 4.1.2, Chapter IV Item 26 Order No. D1-275/2010). Natural persons may apply for grants solely for the implementation of small-scale projects (Chapter IV Item 27 Order No. D1-275/2010).  Obligated parties: Ministry of Environment, the Lithuanian Environmental Investment Fund (LEIF) (Item 2 Order No. D1-	
	275).	
Procedure	Process flow	Call for tenders. The LEIF is obliged to publish on its website information on the tenders for grants, like application submission deadlines and a description of the selection process, no later than within 30 working days from the approval of the annual cost estimate. The information to be provided varies according to the project type. There are several project categories like, for example, energy efficiency projects, renewable energy projects and climate protection projects. Funding is provided in the form of subsidies or loans (Chapter VI Item 45 Order No. D1-275/2010).  Application. An application form must be completed and submitted to the LEIF along with the mandatory documents (Chapter VI Item 46 Order No. D1-275/2010).
		Written notice of registration. The LEIF registers the applications received. A written notice of registration of the application shall be sent to each applicant not later than within 3 working days from the registration of his application (Chapter VI Items 47, 49 Order No. D1-275/2010).  Project Evaluation. The evaluation of a project is carried out by the LEIF or independent experts and consists of an assessment of the













		administrative compliance of the application as well as an environmental and technical evaluation of the project (Chapter VI Items 50, 51 Order No. D1-275/2010). Applications for subsidies for small-scale projects have to be evaluated according to a simplified procedure (Chapter VI Item 53 Order No. D1-275/2010).  Finance Agreement. The Ministry of Environment and the applicant have to sign a finance agreement. Within 20 working days from the adoption of the decision, the LEIF shall draft the finance agreement and submit it for signature to the applicant. The applicant must sign the finance agreement within one month from the date of receipt of the draft agreement. Otherwise it is deemed that the applicant has refused funding. Finance agreement is not required for the small-scale projects of natural persons. In such case the applicant has to comply with the obligations specified in the application, applicant's declaration and the Guidelines for the Use of the Fund. (Chapter VII Item 79, 79¹, 80 Order No. D1-275/2010).
	Competent authority	The Ministry of Environment is responsible for the management and coordination of this programme as well as for the preparation and approval of cost estimates and reports (Item 2.1. Order No. D1-275/2010).  The LEIF is responsible for monitoring compliance with the technical requirements (Item 2.2. Order No. D1-275/2010).
Flexibility mechanism		
Distribution of costs	State	The budget of the Special Programme for Climate Change Mitigation is financed from revenue from the European Union's Emissions











	Trading System, financial penalties, donations for climate change mitigation and other funds that were legally obtained (Chapter III Art. 10 Par. 2 Law on Financial Instruments for Climate Change Management).
Consumers	
Plant operator	
Grid operator	
European Union	
Distribution mechanism	













#### Loan (The Fund of the Special Programme for Climate Change Mitigation)

Abbreviated form of legal source(s)	<ul> <li>Law on Financial Instruments for Climate Change Management</li> <li>Order No. D1-275/2010</li> </ul>		
Contact Authority	LEIF		
Summary	The Fund for the Special Programme for Climate Change Mitigation supports projects aiming to reduce greenhouse gas emissions. No less than 40% of the funds for this programme are intended to be used to encourage renewable energy use and the introduction of environmentally friendly technologies. This fund provides support in the form of loans and subsidies according to the Guidelines for the Use of the Fund for the Special Programme for Climate Change Mitigation, approved by Order No. D1-275/2010.		
	General information	All renewable energy generation technologies are eligible for this scheme.	
	Wind energy	Eligible	
Eligible technologies	Solar energy	Eligible	
Liigible teciniologies	Geothermal energy	Eligible	
	Biogas	Eligible	
	Hydro-power	Eligible	
	Biomass	Eligible	
Amount	All loans granted shall be financed partly from the programme's budget and partly from the funds of a credit institution. The loan will be paid out by a credit institution on behalf of the Ministry of Environment. No maximum has been set for the total amount of credit per applicant. The amount to be provided by the credit institution shall be no less than 20% of the loan (Chapter III Items 14, 17 Order No. D1-275/2010).		











Addressees	<b>Entitled parties:</b> Natural persons and legal entities conducting commercial activities in Lithuania and implementing renewable energy projects (Chapter II Item 4.1.2, Chapter III Item 10 Order No. D1-275/2010).		
	<b>Obligated parties:</b> Ministry of Environment, the Lithuanian Environmental Investment Fund (LEIF) (Item 2 Order No. D1-275).		
Procedure	Process flow	Notice on application deadline. The LEIF is obliged to publish on its website application submission deadlines, the selection process and other information required for the submission of applications within 30 working days from the approval of the annual cost estimate. The information to be provided varies according to the project type. There are several project categories like, for example, energy efficiency projects, renewable energy projects and climate protection projects. Funding is provided in the form of subsidies or loans (Chapter VI Item 45 Order No. D1-275/2010).  Application. An application form must be completed and submitted to the LEIF along with the mandatory documents (Chapter VI Item 46 Order No. D1-275/2010).  Written notice of registration. The LEIF registers the applications received. A written notice of registration of the application shall be sent to the applicant not later than within 3 working days from the registration of his application (Chapter VI Items 47, 49 Order No. D1-275/2010).  Project Evaluation. The evaluation of a project is carried out by the LEIF or independent experts and consists of an assessment of the administrative compliance of the application as well as an environmental and technical evaluation of the project (Chapter VI Items 50, 51 Order No. D1-275/2010). Applications for subsidies for	











	small-scale projects have to be evaluated according to a simplified procedure (Chapter VI Item 53 Order No. D1-275/2010).
	Special-Purpose Agreement and Loan Agreement. The LEIF is obliged to notify the credit institution of its decision to grant a loan and the terms and conditions thereof within 5 working days. If the credit institution agrees to issue the loan, it signs a special-purpose agreement with the Ministry of Environment. Within 2 months from the signing of this agreement, the applicant and the credit institution must enter into a loan agreement and forward a copy thereof to the Ministry of Environment and the LEIF (Chapter VII Item 81, 82 Order No. D1-275/2010).  Finance Agreement. Within 20 working days of signing of the special-purpose agreement, the LEIF is obliged to draft a finance agreement for the project and submit the same for signature to the applicant, who must sign it within one month of the date of receipt of the draft agreement. If the applicant fails to sign the finance agreement within one month, it is deemed that he has refused funding (Chapter VII
	Item 83 Order No. D1-275/2010).
Competent authority	The Ministry of Environment is responsible for the management and coordination of this programme as well as for the preparation and approval of cost estimates and reports (Item 2.1. Order No. D1-275/2010).
	The LEIF is responsible for monitoring compliance with the technical requirements (Item 2.2. Order No. D1-275/2010).













Flexibility mechanism		
	State	The budget of the Special Programme for Climate Change Mitigation is financed from revenue from the European Union's Emissions Trading System, financial penalties, donations by natural and legal persons for climate change mitigation, and other funds that were legally obtained (Chapter III Art. 10 Par. 2 Law on Financial Instruments for Climate Change Management).
	Consumers	
Distribution of costs	Plant operator	
	Grid operator	
	European Union	
	Distribution mechanism	











#### Feed-in tariff (Law on Energy from Renewable Sources)

Abbreviated form of legal source(s)	<ul> <li>Law on Energy from Renewable Sources</li> <li>Resolution No. 916/2012</li> <li>Resolution No. 03-233/2011</li> <li>Resolution No. 03-335/2013</li> <li>Resolution No. 827/2012</li> </ul>	
Contact Authority	Ministry of Energy; National Control Commission for	Prices and Energy (NCC)
Summary	generation plants are entitled against the electricit supplier serving the area in which the RES produce electricity exported to the grid. For purchasing renew Public Service Obligations. All electricity produced by be purchased at the feed-in tariff set by the Natic contracts for the operators of RES plants with a total	moted through a feed-in tariff. The operators of renewable electricity y company designated by the Ministry of Energy - a public electricity or is operating or an independent electricity supplier - to payment for wable electricity the obliged parties are remunerated from the Funds of y RES plants whose total installed capacity does not exceed 10 kW shall ional Control Commission for Prices and Energy (NCC). Feed-in tariff installed capacity exceeding 10 kW are awarded through tenders. Tariff to 10 kW and maximum tariff rates for RES plants exceeding 10 kW on a
Eligible technologies	General information	Except for electricity generated from geothermal power technologies, all renewable generation technologies are eligible for this support scheme (Chapter III Art. 13 Par. 3, Chapter III Art. 20 Par. 2, 3 Law on Energy from Renewable Sources, Chapter II Item 4 Resolution No. 827/2012).
	Wind energy	Eligible.
	Solar energy	Eligible.
	Geothermal energy	











	Biogas	Eligible.
	Hydro-power	Eligible.
	Biomass	Eligible.
Amount	General information	Guaranteed tariffs for RES plants with a total installed capacity of more than 10 kW is awarded in tenders organised by the NCC. A tender is won by the participant offering the lowest feed-in tariff. The NCC quarterly sets the maximum feed-in tariff for the subsequent tender procedures (Chapter III Art. 20 Par. 3, 4, 6 Law on Energy from Renewable Sources). Electricity generated by renewable energy plants whose installed capacity does not exceed 10 kW shall be purchased at a guaranteed price set by the NCC. A guaranteed price is paid for up to 50 % of electricity generated from renewable energy sources during a calendar year (the so called "surplus electricity") (Chapter III Art. 20 Par. 12 Law on Energy from Renewable Sources). From 1 October 2013 to 31 December 2013, the following tariffs for RES plants with a generating capacity of up to 10 kW and maximum tariff rates for RES plants exceeding 10 kW were set by the NCC (Resolution No. O3-335/2013):
	Wind energy	<ul> <li>Feed-in tariff (Item 1.3. Resolution No. O3-335/2013):</li> <li>Installed capacity of up to 10 kW: LTL 0.33 per kWh (approx. EUR 0.10 per kWh)</li> <li>Maximum feed-in tariff rates for wind power plants (Item 1.3. Resolution No. O3-335/2013):</li> <li>Installed capacity exceeding 10 kW up to 350 kW: LTL 0.32 per kWh (approx. EUR 0.09 per kWh)</li> </ul>













	Installed capacity exceeding 350 kW: LTL 0.26 per kWh     (approx. EUR 0.08 per kWh)
Solar energy  Geothermal energy	Feed-in tariffs for building-integrated solar power installations (Item 1.1 Resolution No. O3-335/2013):  • Installed capacity of up to 10 kW: LTL 0.73 per kWh (approx. EUR 0.21 per kWh)  Maximum feed-in tariff for building-integrated solar power installations (Item 1.1 Resolution No. O3-335/2013)  • Installed capacity exceeding 10 kW up to 100 kW: LTL 0.52 per kWh (approx. EUR 0.15 per kWh)  • Installed capacity exceeding 100 kW: LTL 0.61 per kWh (approx. EUR 0.18 per kWh)  Feed-in tariffs for solar power installations not integrated in buildings (Item 1.2 Resolution No. O3-335/2013):  • Installed capacity of up to 10 kW: LTL 0.56 per kWh (approx. EUR 0.16 per kWh)  Maximum feed-in tariffs for solar power installations not integrated in buildings (Item 1.2 Resolution No. O3-335/2013):  • Installed capacity exceeding 10 kW up to 100 kW: LTL 0.52 per kWh (approx. EUR 0.15 per kWh)  • Installed capacity exceeding 10 kW up to 100 kW: LTL 0.52 per kWh (approx. EUR 0.15 per kWh)
Biogas	Feed-in tariffs for power plants using landfill gas (Item 1.7 Resolution











No. O3-335/2013):

 Installed capacity of up to 10 kW: LTL 0.43 per kWh (approx. EUR 0.12 per kWh)

Maximum feed-in tariffs for power plants using landfill gas (Item 1.7 Resolution No. O3-335/2013):

- Installed capacity exceeding 10 kW up to 500 kW: LTL 0.41 per kWh (approx. EUR 0.12 per kWh)
- Installed capacity exceeding 500 kW: LTL 0.33 per kWh (approx. EUR 0.10 per kWh)

Feed-in tariffs for power plants using biogas derived from anaerobic digestion or other biodegradable organic waste or substrates (Item 1.8 Resolution No. O3-335/2013):

 Installed capacity of up to 10 kW: LTL 0.55 per kWh (approx. EUR 0.16 per kWh)

Maximum feed-in tariffs for power plants using biogas derived from anaerobic digestion or other biodegradable organic waste or substrates (Item 1.8 Resolution No. O3-335/2013):

- Installed capacity exceeding 10 kW up to 500 kW: LTL 0.51 per kWh (approx. EUR 0.15 per kWh)
- Installed capacity exceeding 500 kW up to 1000 kW: LTL 0.48 per kWh (approx. EUR 0.14 per kWh)
- Installed capacity exceeding 1000 kW up to 2000 kW: LTL
   0.46 per kWh (approx. EUR 0.13 per kWh)
- Installed capacity exceeding 2000 kW: LTL 0.44 per kWh (approx. EUR 0.13 per kWh)













	Feed-in tariffs for hydro-power plants (Item 1.4 Resolution No. O3-335/2013):  • Installed capacity of up to 10 kW: LTL 0.27 per kWh (approx. EUR 0.08 per kWh)
Hydro-power	Maximum feed-in tariffs for hydro-power plants (Item 1.4 Resolution No. O3-335/2013):
	<ul> <li>Installed capacity exceeding 10 kW up to 1000 kW: LTL 0.24 per kWh (approx. EUR 0.07 per kWh)</li> <li>Installed capacity exceeding 1000 kW: LTL 0.22 per kWh (approx. EUR 0.06 per kWh)</li> </ul>
	Feed-in tariffs for power plants using biomass (Item 1.5 Resolution No. O3-335/2013):  • Installed capacity of up to 10 kW: LTL 0.40 per kWh (approx.
	EUR 0.12 per kWh)  Maximum feed-in tariffs for power plants using biomass (Item 1.5 Resolution No. O3-335/2013):
Biomass	<ul> <li>Installed capacity exceeding 10 kW up to 5000 kW: LTL 0.34 per kWh (approx. EUR 0.10 per kWh)</li> <li>Installed capacity exceeding 5000 kW: LTL 0.31 per kWh (approx. EUR 0.09 per kWh)</li> <li>Feed-in tariffs for reconstructed power plants using biomass (Item 1.6 Resolution No. O3-335/2013):</li> </ul>
	<ul> <li>Installed capacity of up to 10 kW: LTL 0.37 per kWh (approx.</li> <li>EUR 0.11 per kWh)</li> </ul>













		Maximum feed-in tariffs for reconstructed power plants using biomass (Item 1.6 Resolution No. O3-335/2013):  Installed capacity exceeding 10 kW up to 5000 kW: LTL 0.32 per kWh (approx. EUR 0.09 per kWh)  Installed capacity exceeding 5000 kW: LTL 0.29 per kWh (approx. EUR 0.08 per kWh)
	General information	
	Wind energy	
	Solar energy	
Degression	Geothermal energy	
	Biogas	
	Hydro-power	
	Biomass	
		uced a cap on feed-in tariff payments for each eligible technology. This tricity produced with a particular technology will be supported through
Сар	Until 2020 the following caps are set:	
		Art. 13 Par. 3 Item 1 Law on Energy from Renewable Sources),
		p to 30kW authorised to expand electricity generation capacity B1 December 2012 latest): 10 MW (Chapter III Art. 13 Par. 3 Item 2 Law
	on Energy from Renewable Sources),	of December 2012 latesty. 10 livin (Chapter III Art. 13 Fdl. 3 Itelii 2 Law
		II Art. 13 Par. 3 Item 3 Law on Energy from Renewable Sources),











Eligibility period from the mkW) (Chapt  Entitled pa plants (Cha Obligated p  Surplus electoristy policy of that obtain electricity policy of the plants of the property of the plants of the property of the plants of the property of the plants of the plan	ty: The persons entitled to the purchase of the III Art. 20 Par. 7, 12 Law on Energy from ty: The persons entitled to the purchase of the III Art. 20 Law on Energy from Renewative.  tricity generated in RES plants of up to 10 a public electricity supplier to whose power the independent supplier, a public electricity urchase the surplus renewable electricity	of electricity exported to the grid are the operators of renewable power
Addressees  Addressees  Addressees  Electricity pelectricity pelectric	oter III Art. 20 Law on Energy from Renewa arty: tricity generated in RES plants of up to 10 a public electricity supplier to whose powe th the independent supplier, a public elect urchase the surplus renewable electricity	vable Sources).  O kW is purchased on contractual basis by an independent electricity ver grid the RES plant is connected. In case no agreement could be tricity supplier to whose power grid the RES plant is connected is
Operators of	enerating capacity by 23 May 2011 as welled the permission to expand electricity geometricity designated by the Ministry of Ene	capacity of up to 250 kW that obtained the permission to expand sell as RES plants with the installed capacity not exceeding 30 kW and enerating capacity from 24 May 2011 onwards is purchased by the ergy or, on contractual basis, a public electricity supplier serving the
	th the RES plant is operating (Chapter IV It f the remaining RES plants have the right by the Ministry of Energy (Chapter IV Item	to sell the whole renewable electricity to the electricity company
Process flor Procedure	v	Different procedures are applicable according to the total installed capacity of an RES plants:  • Electricity produced by RES plants whose total installed capacity does not exceed 10 kW shall be purchased at the













Item 25 Resolution No. O3-233/2011).

 The operators of RES plants with a total installed capacity above 10 kW may acquire guaranteed tariffs by taking part in tenders, organised by the NCC (Chapter III Art. 20 Par. 3 Law on Energy from Renewable Sources).

For each RES technology, separate tenders are organised in every region. Electricity generated from renewable sources is eligible for a flexible bonus, i.e. the difference between the guaranteed feed-in tariff and the sale price for electricity generated from RES. This price shall not be lower than the average market price of the previous month and shall be calculated according to the procedure set by the National Control Commission for Prices and Energy (Chapter III Art. 20 Par. 2 Law on Energy from Renewable Sources). The maximum feed-in tariff or RES plants with a total installed capacity above 10 kW is set on a quarterly basis by the NCC for the subsequent tender procedures. The winner of a tender is the one who has proposed the lowest preferred fixed tariff. Where two or more auction participants have submitted proposals with the same preferred tariff, the winner is the one who offered to build the RES plant with the highest total generating capacity. Where several auction participants have proposed the same tariff and the same generating capacity, the supported amount of electricity will be equally split between these participants (Chapter III Art. 20 Par. 3 Law on Energy from Renewable Sources, Chapter IV Item 25 Resolution No. O3-233/2011).

RES plant operators are eligible for this support scheme only if they did not take part in any national or local funding programme for RES development (Chapter XII Item 57 Resolution No. 827/2012).













	Competent authority	The Ministry of Energy as well as the National Control Commission for Prices and Energy are responsible for supervising compliance with the regulations regarding the feed-in tariff (Chapter II Art. 6, 11 Law on Energy from Renewable Sources).
Flexibility Mechanism		
	State	
	Consumers	According to the National Control Commission for Prices and Energy, the electricity price consists of several elements. Among these elements are the charges on services of public interest. As the generation of electricity from renewable energy sources is one of these services, the costs arising from the feed-in tariff are borne by the consumers through the electricity prices (Chapter II Item 7.1 Resolution No. 916/2012).
	Plant operator	
Distribution of costs	Grid operator	
	European Union	
	Distribution mechanism	Electricity company designated by the Ministry of Energy, or a public electricity supplier serving the area in which the RES producer is operating, or an independent electricity supplier purchase electricity from renewable sources from the RES plant operators (Chapter IV Item 14, Chapter V Item 21 Resolution No. 827/2012). The costs arising from the feed-in tariff are included in the charges for services of public interest and thus borne by the consumers through the electricity prices (Chapter II Item 7.1 Resolution No. 916/2012).













### Tax regulation mechanisms (Law on Excise Taxes)

Abbreviated form of legal source(s)	Law on Excise Taxes		
Contact Authority	State Tax Inspectorate		
Summary	In Lithuania, the obligation to pay excise tax on electricity arises where:  • it is sold or otherwise transmitted to a person who has no business licence,  • it is received by an unlicensed person from another EU member state,  • it is imported by an unlicensed person or  • it is consumed by the holder of a licence or an electricity producer for own use. Electricity consumption for own use is defined as the consumption of electricity for purposes other than electricity production processes and production process maintenance (Chapter IV Art. 45 Law on Excise Taxes).  Electricity from renewable sources is exempt from excise tax (Chapter IV Art. 48 Par. 1 Item 2 Law on Excise Taxes).		
	General information	All renewable electricity generation technologies are exempt from excise tax (Chapter IV Art. 48 Par. 1 Item 2 Law on Excise Taxes).	
	Wind energy	Eligible	
Eligible technologies	Solar energy	Eligible	
Eligible technologies	Geothermal energy	Eligible	
	Biogas	Eligible	
	Hydro-power	Eligible	
	Biomass	Eligible	











Amount	The amount of subsidy is equal to the amount of tax a person is exempt from. The tax on generated electricity is LTL 3.5 per MWh (approx. EUR 1 per MWh). Generated electricity used for business purposes is subject to a tax of LTL 1.8 per MWh (approx. EUR 0.52 per MWh) (Chapter IV Art. 47 Par. 1, 2 Law on Excise Taxes).			
Addressees	<b>Entitled party:</b> Plant operators generating electricity from renewable sources (Chapter IV Art. 48 Par. 1 Item 2 Law on Excise Taxes).			
	Process flow  This scheme is based on obligations. There is no administrative procedure.			
Procedure	Competent authority  The institution that implements the measures and is responsible the monitoring of excise tax payment is the State Tax Inspectora the Ministry of Finance of the Republic of Lithuania (Chapter I Ar Par. 1 Law on Excise Taxes).			
Flexibility Mechanism				
	State			
	Consumers			
Distribution of costs	Plant operator			
	Grid operator			
	European Union			
	Distribution mechanism			











# **RES-E** grid issues

#### **Overview**

Overview of grid issues	The operators of renewable energy plants are entitled to priority connection to the grid. The grid operator shall ensure priority transmission and distribution of electricity from renewable energy sources. The grid operators are obliged to optimise, boost or expand their grids if this is required for RES plant connection.	
Connection to the grid	The operators of renewable energy plants are entitled to priority connection to the grid. The grid operators are obliged to connect plants even if this is only possible by optimising, boosting or expanding the grid. A grid operator cannot set connection requirements other than those necessary for the appropriate, safe and reliable operation of an installation and the grid.	
Use of the grid	Plant operators are statutorily entitled against the grid operator to the access and transmission/distribution of all electricity from renewable sources offered. The grid operator shall ensure that electricity from renewable sources is given priority transmission/distribution.	
Grid development	After the conclusion of an agreement on the connection of an RES plant to the electricity network with the plant's operator, the grid operator shall, taking into account the current technical condition of the network, immediately take all reasonable steps to optimise, extend and (or) reinforce the grid in order to ensure the safe and reliable receipt, transmission and distribution of electricity generated from renewable energy resources. However, the RES plant operators do not have the legal right to claim the development of the grid from the grid operator.	
Statutory provisions	<ul> <li>Law on Renewable Energy (Atsinaujinančiu isteklių energetikos įstatymas)</li> <li>Law on Electricity (Elektros energetikos įstatymas)</li> <li>Construction Law (Statybos įstatymas)</li> <li>Order No. 380/2001 (Leidimų veikloms elektros energetikos sektoriuje išdavimo taisyklės - Rules for the Issue of Permits for Activities in the Electricity Sector)</li> <li>Resolution No. O3-229 (Skatinimo kvotų paskirstymo aukcionu nuostatai – Rules for Quota Auctions)</li> <li>Order No. 1-127/2012 (Elektros energijos gamintojų ir vartotojų elektros įrenginių prijungimo prie elektros tinklų tvarkos</li> </ul>	











	aprašas – Description of the Procedure for the Connection of Electricity Facilities of Electricity Producers and Consumers
	to the Power Grid)
•	Rules on the use of the transmission grid (LITGRID AB Elektros energijos gamintojų pasinaudojimo elektros tinklais
	tvarkos aprašas - LITGRID AB's Description of the Procedure for the Use of Electricity Grid by Electricity Producers)
•	Rules on the use of the distribution grid (AB LESTO Elektros energijos gamintojų pasinaudojimo elektros tinklais tvarkos
	aprašas - Description of the Procedure for the Use of Electricity Grid by Electricity Producers)











### **Basic information on legal sources**

Name of legal source (original language)	Atsinaujinančių išteklių energetikos įstatymas	Elektros energetikos įstatymas	LITGRID AB Elektros energijos gamintojų pasinaudojimo elektros tinklais tvarkos aprašas
Full name	Lietuvos Respublikos Atsinaujinančių išteklių energetikos įstatymas (Valstybės žinios, 2011, Nr. 62-2936; 2013, Nr. 78-3940)	Lietuvos Respublikos Elektros energetikos įstatymas (Valstybės žinios, 2000, Nr. 66- 1984; 2004, Nr. 107-3964; 2008, Nr. 77-1002; 2010, Nr. 117-5967; 2012, Nr. 17-752)	LITGRID AB Elektros energijos gamintojų pasinaudojimo elektros tinklais tvarkos aprašas, suderintas Valstybinės kainų ir energetikos kontrolės komisijos 2012 m. birželio 18 d. Nutarimu Nr. O3-159
Name (English)	Law of the Republic of Lithuania on Energy from Renewable Sources	Law on Electricity of the Republic of Lithuania	LITGRID AB's Description of the Procedure for the Use of Electricity Grid by Electricity Producers, agreed by Resolution No. O3- 159 of the National Control Commission for Prices and Energy of 18 June 2012
Abbreviated form	Law on Energy from Renewable Sources	Law on Electricity	Rules on the use of the transmission grid
Entry into force	24.05.2011	01.01.2002	
Last amended on	02.07.2013	17.01.2013	
Future amendments			
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	Establishing rules on the use of the electricity transmission grid operated by the transmission system operator LITGRID











		between energy suppliers and consumers and for competitive incentives in the electricity sector.	AB.
Relevance for renewable energy	Applies to renewable energy only.	Provides general conditions for the electricity sector. These conditions apply also to renewables, if they are not subject to special rules applicable exclusively to renewables.	Applies also to producers of electricity from renewable energy sources.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_l?p_id=453899	http://www3.lrs.lt/pls/inter3/dokpaieska.sho wdoc_l?p_id=417975&p_query=&p_tr2=2	http://www.regula.lt/lt/elektra/Pasinaudo jimo_el_tinklais_aprasai/
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=448947  This translation does not provide information on the latest amendment.		











Name of legal source (original language)	Skatinimo kvotų paskirstymo aukcionų nuostatai	Elektros energijos gamintojų ir vartotojų elektros įrenginių prijungimo prie elektros tinklų tvarkos aprašas	
Full name	Skatinimo kvotų paskirstymo aukcionu nuostatai, patvirtinti Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2011 m. liepos 29 d. nutarimu Nr. O3-229 (Valstybės žinios, 2011, Nr.101-4774; 2013, Nr. 110-5486)	Elektros energijos gamintojų ir vartotojų elektros įrenginių prijungimo prie elektros tinklų tvarkos aprašas, patvirtintas Lietuvos Respublikos Energetikos ministro 2012 m. Liepos 4 d. Įsakymu Nr. 1-127 (Valstybės žinios, 2012, Nr. 82-4279; 2013, Nr. 102-5055)	
Name (English)	Rules for quota auctions, adopted by Resolution No. O3-229 of the National Control Commission for Prices and Energy of 29 July 2011	Description of the Procedure for the Connection of Electricity Facilities of Electricity Producers and Consumers to the Power Grid, approved by Order No. 1-127 of the Minister of Energy of the Republic of Lithuania of 4 July 2012	
Abbreviated form	Resolution No. O3-229/2011	Order No. 1-127/2012	
Entry into force	01.01.2012	01.08.2012	
Last amended on	16.10.2013	26.09.2013	
Future amendments			
Purpose	Defines the grant procedure for renewable energy plants.	Defines the procedure and conditions for the connection of the electricity facilities of	











		electricity producers to the power grids.	
Relevance for renewable energy	Applies to renewable energy plants only.	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/dokpaiesk a.showdoc l?p id=404598&p query=&p _tr2=	http://www3.lrs.lt/pls/inter3/dokpaieska.sho wdoc l?p id=429993	
Link to full text of legal source (English)			











Name of legal source (original language)	Leidimų veikloms elektros energetikos sektoriuje išdavimo taisyklės	Statybos įstatymas	AB LESTO Elektros energijos gamintojų pasinaudojimo elektros tinklais tvarkos aprašas
Full name	Leidimų veikloms elektros energetikos sektoriuje išdavimo taisyklės, patvirtintos Lietuvos Respublikos Ūkio ministro 2001 m. gruodžio 18 d. įsakymu Nr. 380 (Valstybės žinios, 2001, Nr 110-4010; 2009, Nr 63-2522)	Lietuvos Respublikos Statybos įstatymas (Valstybės žinios, 1996, Nr. 32-788; 2001, Nr. 101-3597; 2011, Nr.153-7201; 2013, Nr. 76- 3841)	AB LESTO Elektros energijos gamintojų pasinaudojimo elektros tinklais tvarkos aprašas, suderintas Valstybinės kainų ir energetikos kontrolės komisijos 2012 m. liepos 27 d. nutarimu Nr. O3-201
Name (English)	Rules for the Issue of Permits for Activities in the Electricity Sector approved by Order No 380 of the Minister of Economy of the Republic of Lithuania of 18 December 2001	Law of the Republic of Lithuania on Construction	Description of the Procedure for the Use of Electricity Grid by Electricity Producers, agreed by Resolution No. O3-201 of the National Control Commission for Prices and Energy of 27 July 2012
Abbreviated form	Order No. 380/2001	Law on Construction	Rules on the use of the distribution grid
Entry into force	01.01.2002	01.09.1996	
Last amended on	301.04.2010	27.06.2013	
Future amendments			
Purpose	Establishes the procedure for the issue of permits for activities in the electricity sector.	Defines essential requirements for construction works.	Establishing rules on the use of the electricity distribution grid operated by the electricity distribution grid operator











			LESTO AB.
Relevance for renewable energy	Also applies to RES plants in cases where permission is sought for an increase in output or for the generation of electricity.	Applies to RES plants that require a construction permit.	Applies also to producers of electricity from renewable energy sources.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_l?p_id=157277&p_query=&p _tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.sho wdoc_l?p_id=415042&p_query=&p_tr2=2	http://www.regula.lt/lt/elektra/Pasinaudo jimo_el_tinklais_aprasai/Litgrid_AB/lesto/
Link to full text of legal source (English)			











### **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/lt/		+370 5 213 5166	rastine @regula.lt
Lietuvos Respublikos Energetikos ministerija – (Ministry of Energy)	http://www.enmin.lt/lt/		+370 7066 6 4715	info@enmin.lt
Energetikos Agentura (EA) – Energy Agency	http://www.ena.lt/		+370 706 64 923	eainfo@ena.lt
LITGRID AB -Transmission grid operator	http://www.litgrid.eu/	Ramūnas Ponelis	+370 5 278 2503	ramunas.ponelis@litgrid.eu
LESTO AB - Distribution system operator	http://www.lesto.lt/		+370 6112 1802	info@lesto.lt
Atsinaujinančios Energijos Gamintojų Asociacija (AEGA) – Renewable Energy Producers Association	http://www.aega.lt/		+370 693 70347	info@aega.lt











### **Grid issues**

#### Connection to the grid

Abbreviated form of legal sources	<ul> <li>Law on Energy from Renewable Sources</li> <li>Construction Law</li> <li>Resolution No. 03-229/2011</li> <li>Order No. 1-127/2012</li> <li>Order No. 380/2001</li> <li>Rules on the use of the transmission grid</li> <li>Rules on the use of the distribution grid</li> </ul>	
Contact Authority	Ministry of Energy; LITGRID AB; LESTO AB	
Overview	The grid operator is obliged to connect RES plants to the grid even if the connection requires the grid to be optimised, boosted or expanded.  Renewable electricity generation plants whose capacity does not exceed 6 MW shall be connected to the distribution grid only. If the capacity of a plant exceeds 6 MW, it shall be connected either to the distribution grid or the transmission grid, depending on the technical specifications.	
Procedure	The standard connection process for RES plants is defined in the Law on Energy from Renewable Sources. The following steps are necessary:  • Application for preliminary connection requirements. The plant operated submits an application requesting specifications on initial requirements for connection. These preliminary connection requirements shall contain only those requirements which are necessary to ensure the appropriate quality, reliability and safety of an electricity installation as well as of the grid (Chapter III Art. 1 Par. 8 Law on Energy from Renewable Sources).  • Application for signing a letter of intent. The plant operator shall submits and safety of the signing a letter of intent. The plant operator shall submits are necessary:	













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 Energy from Renewable Sources). In addition, both parties sign a Letter of Intent, committing themselves to construct and to connect an installation. The Letter sets out the capacity, the energy source that will be used in the plant as well as the respective deadlines for the project. (Chapter III Art. 14 Par. 10, 11 Law on Energy from Renewable Sources).

- Financial guarantee. The plant operator submits to the grid operator a financial guarantee obliging the former to install a plant or otherwise pay a fine. The amount of guarantee to be provided depends on the generation capacity of the plant (1 kW x LTL 50 (LTL 50 = approx. € 14.47). The operators of plants whose capacity does not exceed 10 kW are not obliged to provide a financial guarantee (Chapter III Art. 15 Par. 1, 2, Art. 20 Par. 3 Law on Energy from Renewable Sources).
- Participation in a tender. The operators of RES plants whose total installed capacity exceeds 10 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, as defined by the NCC. An operator of an RES plant may participate in an auction only if he has signed a letter of intent with the grid operator and provided a financial guarantee. 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 Energy from Renewable Sources). 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. O3-229/2011). The winner of an auction shall not, after the auction, change the connection point and increase













plant capacity specified in the letter of Intent or the grid operator's technical requirements. Plant capacity may be decreased in cases specified in the Resolution No O3-229 (Chapter II Item 12 Resolution No. O3-229/2011).

- Application for a permit for the expansion of electricity production capacity. The plant operator submits an application to the Ministry of Energy, requesting a permit for the expansion of electricity production capacity (Chapter III Art. 14 Par. 15, Art. 16 Par. 2 Law on Energy from Renewable Sources). This permission is issued by the Ministry of Energy within 30 calendar days from the receipt of all required application documents (Chapter III Art. 16 Par. 6 Law on Energy from Renewable Sources). The permit is not required where extended or installed electricity generating capacity does not exceed 10 kW and the generated electricity is used for own needs. In such cases, the plant operator shall inform the grid operator about the planned extension or installation of electricity generating capacity (Chapter III Art. 16 Par. 4 Law on Electricity).
- Construction permit. Upon the receipt of the permission for an increase in output by the Ministry of Energy, a plant operator has to apply for a construction permit, issued by the director of administration of the competent municipality (or an authorised municipality official). Construction permits are issued according to the "one-stop shop" principle (Chapter X Art. 49 Law on Energy from Renewable Sources, Chapter VI Art. 23 Par 2 Construction Law).
- Issue of connection requirements. Upon the receipt of the permission for the expansion of electricity production capacity by the Ministry of Energy, RES plant operator applies to the grid operator for the issue of connection requirements (Chapter VIII Item 47 Rules on the use of the transmission grid; Chapter IX Item 41 Rules on the use of the distribution grid).
- Connection agreement. The plant operator and the grid operator sign an











		agreement on the connection of the installation to the grid (Chapter III Art. 14 Par. 15 Law on Energy from Renewable Sources).
		<ul> <li>Permission to generate electricity. When the construction of new power generation facilities is completed, the plant operator has to obtain permission from the Ministry of Energy for the generation of electricity (Chapter I Item 3, Chapter II Item 9.3, Chapter III Item 15 Order No. 380/2001). This permission is issued by the Ministry of Energy within 30 calendar days from the receipt of all required application documents (Chapter V Item 34 Order No. 380/2001).</li> </ul>
		• Statement of verification. The RES plant operator shall submit to the grid operator a statement of verification of the technical performance of the electricity equipment by the National Energy Inspectorate or other competent person/body authorised to issue a document attesting the technical condition of electrical installations (Chapter II Art. 14 Par. 11 Item 2 Law on Energy from Renewable Sources, Chapter III Item 35 Order No. 1-127/2012).
		<ul> <li>Connection. The grid operator is obliged to connect the RES plant to the grid within 18 months from signing the agreement on the connection of the installation to the grid or within the period specified in the letter of intent in case the construction of the RES plant exceeds 18 months (Chapter III Art. 14 Par. 1 Law on Energy from Renewable Sources).</li> </ul>
		<b>Offshore wind farms.</b> 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 Energy from Renewable Sources).
De	eadlines	The transmission system operator must connect an RES plant within 18 months or within













		the period specified in the letter of intent, if construction of the RES plant exceeds 18 months. This connection period starts at the moment when the agreement for connection services is signed and ends when the RES plant is connected to the grid and ready for technical tests. The period of connection is specified in the letter of intent (Chapter III Art. 14 Par. 1, 11 Law on Energy from Renewable Sources).
	Obligation to inform	The grid operators must provide an RES producer with all information on the connection procedure as well as on the planned deadlines for grid development works. The grid operators must submit a cost estimate of the connection services on the request of a producer. All this information has to be submitted to the plant operator within 30 calendar days from the submission of an application for preliminary connection requirements (Chapter III Art. 14 Par. 8 Law on Energy from Renewable Sources).
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 (Chapter III Art. 14 Par. 1 Law on Energy from Renewable Sources).
Capacity limits (quantitative criteria)	The network operators are obliged to connect plants even if the connection requires the grid to be optimised, boosted or expanded (Chapter III Art. 14 Par. 2 Law on Energy from Renewable Sources).	
	State	
Distribution of costs	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.
	Grid operator	











Plant operator	<ul> <li>A plant operator shall bear:</li> <li>40% of the connection costs (for plants with a capacity above 350 kW)</li> <li>20% of the connection costs (for plants with a capacity of up to 350 kW)</li> <li>(Chapter III Art. 21 Par. 3 Law on Energy from Renewable Sources).</li> </ul>
European Union	
Distribution mechanism	











#### Use of the grid

Abbreviated form of legal sources	<ul> <li>Law on Energy from Renewable Sources</li> <li>Law on Electricity</li> <li>Order No. 380/2001</li> <li>Rules on the use of the transmission grid</li> <li>Rules on the use of the distribution grid</li> </ul>	
Contact Authority	Ministry of Energy; LITGRID AB; LESTO AB	
Overview	Grid operators are statutorily obliged to accept and transmit/distribute all electricity from renewable sources offered. According to the National Control Commission for Prices and Energy (NCC), the grid operator and the RES plant operator shall conclude an agreement on the use of the grid. The grid operator is obliged to enter into this agreement if all technical and legal requirements are met by the plant operator.	
Procedure	The Law on Energy from Renewable Sources and the Law on Electricity prescribe the plant operators have to adhere to the rules on the use of the grid, as prepared by the NCC, as well as to the technical requirements set by the grid operators. The rules on the use of the grid have to be based on objection transparent and non-discriminatory criteria (Chapter III Art. 14 Par. 7 Law on Energy from Renewable Sources; Chapter IV Art. 20 Par. 1, Art. 22 Par. 2 Law on Electricity). The rules on the use of the transmission grid (in Lithuanian only) can be found on the website the National Control Commission for Prices and Energy http://www.regula.lt/lt/elektra/Pasinaudojimo el tinklais aprasai/. The rules on the use of the distribution grid (in Lithuanian only) can be found on the website of the TSO http://www.lesto.lt/Content/Files/1888.pdf.	
	Deadlines According to the National Commission for Prices and Energy, deadlines are specified in	













		the connection agreement.
	Obligation to inform	The transmission system operator is obliged to submit to the grid users information on forecasted shortages of generated power or transmission restrictions. He also has to publish on his website information relating to interconnections, grid use and capacity allocation to interested parties (Chapter V Art. 31 Items 1, 21 Law on Electricity). Distribution system operator is obliged to publish all the information relevant for accessing the distribution grid (Chapter VI Art. 35 Par. 3 Law on Electricity).  Moreover, the grid operators shall prepare the rules on the use of the grid, which have to be approved by the National Control Commission for Prices and Energy and published on the website of the respective grid operator. The rules shall be based on objective, transparent and non-discriminatory criteria (Chapter IV Art. 22 Par. 2 Law on Electricity).
Priority to renewable energy  (qualitative criteria)	( x ) Priority to renewable energy ( ) Non-discrimination	The grid operator shall ensure priority access, transmission and (or) distribution of electricity produced from renewable sources. The priority right is guaranteed against conventional electricity producers (Chapter III Art. 17 Par. 1 Law on Energy from Renewable Sources).
Curtailment	Upon the request of grid operator, wind power plants with total installed capacity above 350 kW and hydro power plants with total installed capacity exceeding 5 MW have to be equipped with certain technical and opeartional measures, allowing grid operators at any time to reduce or increase generating capacity (Chapter III Art. 19 Par. 3 Law on Energy from Renewable Sources).  However, curtailment is 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 Energy from Renewable Sources). The plant operator, whose plant has been curtailed, is not entitled to compensation for damages, except in cases when damages were caused by grid operators or when RES plant operator's right to be compensated for damages is fixed by other legal acts (Chapter III Art. 17 Par. 3, 4 Law on Energy from Renewable Sources). The Law on Energy from Renewable Sources does not stipulate for any RES specific steps to be made on behalf of the grid operator before the curtailment. However, according to the transmission grid operator, in any	











	· · ·	case the RES plant operator shall be informed about the curtailment in advance. The NCC provides information on the plants to be disconnected and the time of disconnection. This information is published on the website of the transmission grid operator.		
	State			
Distribution of costs	Consumers	According to the Ministry of Energy, the consumers bear the costs of grid use.		
	Grid operator			
	Plant operator			
	European Union			
	Distribution mechanism	According to the Ministry of Energy, the costs for the use of the grid are passed on to the consumers through the electricity prices.		











#### **Grid development**

Abbreviated form of legal source	<ul> <li>Law on Energy from Renewable Sources</li> <li>Law on Electricity</li> </ul>		
Contact Authority	Ministry of Energy; LITGRID AB; LESTO AB		
Overview	After the conclusion of an agreement for the connection of an RES plant to the electricity network with the RES plant operator, the grid operator shall, taking into account the current technical condition of the network, immediately take all reasonable steps to optimise, extend and (or) reinforce the grid in order to ensure the safe and reliable receipt, transmission and distribution of electricity generated from renewable energy resources. However, the RES plant operators do not have the legal right to claim the development of the grid.		
	Process flow	When the RES producer and grid operator conclude an agreement for the connection of RES plant to the electricity network, the grid operator shall, taking into account the current technical condition of the network, immediately take all reasonable steps to optimise, extend and (or) reinforce the grid in order to ensure the safe and reliable receipt, transmission and distribution of electricity generated from renewable energy resources (Chapter III Art. 18 Par. 1 Law on Energy from Renewable Sources).	
Procedure	Enforcement of claims	If the grid operator fails to comply with its obligation to optimise, expand and (or) reconstruct and upgrade the capacity of the electricity network, the RES producer is entitled to information from the grid operator about the reasons why and the extent to which the grid operator failed to carry out his obligation to optimise, extend and (or) reinforce the grid (Chapter III Art. 18 Par. 2 Law on Energy from Renewable Sources). However, the Law on Energy from Renewable Sources does not give RES plant operators the right to demand from the grid operator that it should develop the grid.	
	Deadlines	If the connection of an RES plant requires the grid to be optimised, boosted or expanded, the plant has to be connected within a reasonable time agreed upon by both parties (the grid operator and a plant operator). This deadline for connection shall be specified after the extent of the required upgrade or expansion has been assessed. The deadline is then set in	













		the grid connection agreement (Chapter III Art. 14 Par. 1, 2 Law on Energy from Renewable Sources).
	Obligation to inform	The grid operators must provide an RES producer with all information on the planned deadlines for grid development works. The grid operators must submit a cost estimate of the connection services on the request of an RES plant operator. All this information has to be submitted to the plant operator within 30 calendar days from the submission of an application for preliminary connection requirements. Moreover, the grid operator and the plant operator are obliged to exchange all technical and other information relevant to and necessary for the connection of an RES plant during the whole connection process (Chapter III Art. 14 Par. 8 Law on Energy from Renewable Sources).
Regulatory incentives for grid expansion and innovation		
	State	
Distribution of costs	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 Energy from Renewable Sources).
	Grid operator	
	Plant operator	The plant 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 (Chapter III Art. 21 Par. 8 Law on Energy from Renewable Sources).











	European Union	
Distribution mechanism		No more than 10% of the costs incurred for the optimisation, development and (or) reinforcement of the grid shall be reimbursed to the grid operator by a plant operator. The remaining costs are first covered by the grid operator and later included in the price for electricity and thus borne by the final consumers (Chapter III Art. 21 Par. 8, 9 Law on Energy from Renewable Sources).
	Summaries on main strategic and infrastructure projects can be found on the website of the TSO at http://www.litgrid.eu/index.php/grid-development-/strategic-projects-/strategic-projects-/779.	
Grid studies	Development Plan of the 330-110 Transmission Grid of the Electric Power System of Lithuania in 2012–2021 is available (in Lithuanian only at <a href="http://www.regula.lt/lt/viesosios">http://www.regula.lt/lt/viesosios</a>	











# RES-H&C support schemes

### **Summary of support schemes**

Overview	In Lithuania, heating and cooling from renewable energy sources is promoted through several support schemes. These include the suppliers' obligation to purchase all heat produced from RES, grants in the form of subsidies from the Lithuanian Environmental Investment Fund (LEIF), as well as environmental pollution tax reliefs.	
Summary of support schemes	<ul> <li>Guaranteed purchase of heat from RES. The state promotes the purchase of heat produced from renewable energy sources. Heat suppliers are obliged to purchase all heat from RES generated by independent producers which is cheaper than the heat produced by the heat supplier himself and which satisfies quality, supply security and environmental requirements. This obligation shall not apply where the supply of heat from RES generated by independent producers exceeds consumers' heat demand.</li> <li>Subsidies by the LEIF. The Lithuanian Environmental Investment Fund (LEIF) supports projects aiming to reduce environmental damage in the long term. This definition also covers the conversion of heating plants in order to change from solid fuels to liquid biomass and geothermal resources. Projects are supported in the form of subsidies.</li> <li>Environmental Pollution Tax exemption. Natural and legal persons using biogas, solid and liquid biomass for heating purposes shall be released from environmental pollution tax liability for all stationary source emissions resulting from the use of biogas, solid and liquid biomass.</li> </ul>	
Technologies	In general, all renewable energy technologies used for the generation of heat are eligible for at least one support scheme.	
Statutory provisions	<ul> <li>Law on Energy from Renewable Sources (Atsinaujinančių išteklių energetikos įstatymas)</li> <li>Law on Environmental Pollution Taxes (Mokesčio už aplinkos teršimą įstatymas)</li> <li>Law on State Environmental Control (Aplinkos apsaugos valstybinės kontrolės įstatymas)</li> <li>Law on Heat Sector (Šilumos ūkio įstatymas)</li> </ul>	













- Order No. 437/2003 (Lietuvos aplinkos apsaugos investicijų fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas – Description of the Method of Financing and Supervising Projects Funded by the Lithuanian Environmental Investment Fund)
- Second Document of Order No. D1-370/1K-230 (Mokesčio už aplinkos teršimą iš stacionarių taršos šaltinių apskaičiavimo ir mokėjimo tvarkos aprašas - Description of the Procedure of Calculation and Payment of Environmental Pollution Taxes for Stationary Sources)
- Order No. 80/2002 (Taršos integruotos prevencijos ir kontrolės leidimų išdavimo, atnaujinimo ir panaikinimo taisyklės - Rules on the Issue, Renewal and Withdrawal of Integrated Pollution Prevention and Control Permits)
- Resolution No. O3-74/2013 (Šilumos supirkimo iš nepriklausomų šilumos gamintojų tvarkos ir salygų aprašas - Description of the Procedure and the Conditions for the Purchase of Heat from Independent Producers)
- Resolution No. O3-437/2013 (Nepriklausomų šilumos gamintojų pripažinimo nereguliuojamais tvarkos aprašas - Description of the Procedure for the Recognition of Independent Heat Producers as Unregulated Heat Producers)
- Resolution No. O3-96 (Šilumos kainų nustatymo metodika Heat Pricing Methodology)
- Statutes of the LEIF (Viešosios Įstaigos Lietuvos Aplinkos Apsaugos Investicijų Fondas Įstatai Statutes of the Lithuanian Environmental Investment Fund)











### **Basic information on legal sources**

Name of legal source (original language)	Atsinaujinančių išteklių energetikos įstatymas	Mokesčio už aplinkos teršimą įstatymas	Lietuvos aplinkos apsaugos investicijų fondo nuostatai
Full name	Lietuvos Respublikos Atsinaujinančių išteklių energetikos įstatymas (Valstybės žinios, 2011, Nr. 62-2936; 2013, Nr. 78-3940)	Lietuvos Respublikos Mokesčio už aplinkos teršimą įstatymas (Valstybės žinios, 1999, No 47-1469; 2002, No 13-474; 2005, No 47-1560; 2011, Nr.164-7798; 2013, Nr. 55- 2728)	Lietuvos aplinkos apsaugos investicijų fondo nuostatai, patvirtinti Lietuvos Respublikos aplinkos ministro 2010 m. spalio 12 d. įsakymu Nr. D1-858 (Valstybės žinios, 2010, Nr. 122-6221, 147-7542)
Name (English)	Law of the Republic of Lithuania on Energy from Renewable Sources	Law of the Republic of Lithuania on Environmental Pollution Taxes for Renewable Energy	Statutes of the Lithuanian Environmental Investment Fund, approved by Order No. D1-858 of the Minister of Environment of the Republic of Lithuania of 12 October 2010
Abbreviated form	Law on Energy from Renewable Sources	Law on Environmental Pollution Taxes	Statutes of the LEIF
Entry into force	24.05.2011	01.01.2000	15.10.2010
Last amended on	02.07.2013	09.05.2013	31.01.2012
Future amendments			











Purpose	Establishing a general legal framework for the promotion of RES.	Specifying environmental pollution tax payments and monitoring procedures. Its purpose is to encourage polluters to reduce pollution of the environment.  Defining the objectives and tasks the Lithuanian Environment Investment Fund.	
Relevance for renewable energy	Applies to renewable energy only.	Introduces a tax exemption scheme for natural and legal persons using biofuels at stationary sources of pollution.	Establishes the promotion of renewable energy sources as one of the aims of the Lithuanian Environmental Investment Fund.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=453899	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_I?p_id=449570&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaies ka.showdoc_l?p_id=383207&p_query= &p_tr2=
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=448947  This translation does not provide information on the latest amendment.		http://www.laaif.lt/index.php?176972 9170  This translation does not provide information on the latest amendment.











Name of legal source (original language)	Lietuvos aplinkos apsaugos investicijų fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas	Taršos integruotos prevencijos ir kontrolės leidimų išdavimo, atnaujinimo ir panaikinimo taisyklės	Mokesčio už aplinkos teršimą iš stacionarių taršos šaltinių apskaičiavimo ir mokėjimo tvarkos aprašas
Full name	Lietuvos aplinkos apsaugos investicijų fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas, patvirtintas Lietuvos Respublikos aplinkos ministro 2003 m. rugpjūčio 29 d. įsakymu Nr. 437 (Valstybės žinios, 2003, Nr. 85-3890; 2010, Nr. 112-5700; 2011, Nr. 46-2206; 2013, Nr. 80-4043)	Taršos integruotos prevencijos ir kontrolės leidimų išdavimo, atnaujinimo ir panaikinimo taisyklės, patvirtintos Lietuvos Respublikos aplinkos ministro 2002 m. vasario 27 d. įsakymu Nr. 80 (Valstybės žinios, 2002, Nr. 85-3684; 2005, Nr.103-3829; 2006, Nr. 120-4571; 2013, Nr. 3-95)	Mokesčio už aplinkos teršimą iš stacionarių taršos šaltinių apskaičiavimo ir mokėjimo tvarkos aprašas, patvirtintas Lietuvos Respublikos aplinkos ministro ir Lietuvos Respublikos finansų ministro 2008 m. liepos 9 d. įsakymu Nr. D1-370/1K-230 (Valstybės žinios, 2008, Nr. 79-3140; 2010, Nr. 49-2411; 2013, Nr. 93-4666)
Name (English)	Description of the Method of Financing and Supervising Projects Funded by the Lithuanian Environmental Investment Fund, approved by Order No. 437 of the Minister of Environment of the Republic of Lithuania of 29 August 2003	Rules on the Issue, Renewal and Withdrawal of Integrated Pollution Prevention and Control Permits, approved by Order No. 80 of the Minister of Environment of the Republic of Lithuania of 27 February 2002	Description of the Procedure of Calculation and Payment of Environmental Pollution Taxes for Stationary Sources, approved by Order No. D1-370/1K-230 of the Minister of Environment of the Republic of Lithuania and the Minister of Finance of the Republic of Lithuania of 9 July 2008











Abbreviated form	Order No. 437/2003	Order No. 80/2002	Second Document of Order No. D1-370/1K-230
Entry into force	06.09.2003	01.01.2004	01.01.2009
Last amended on	19.07.2013	04.01.2013	29.08.2013
Future amendments			
Purpose	Establishing conditions for the financing of environmental investment projects by the Fund, as well as an enforcement mechanism for these conditions.	Establishing rules on the issue, renewal and withdrawal of permits for an acceptable level of environmental pollution.	Describes the procedure of calculation and payment of environmental pollution taxes for stationary sources.
Relevance for renewable energy	Establishes financing conditions for environmental investment projects, including projects related to renewable energy.	Establishes which operators of stationary sources of pollution are subject to environmental pollution tax.	Stipulates which documents confirming the use of biofuel in stationary sources of pollution have to be submitted by natural and legal persons in order to be exempt from environmental pollution tax.
Link to full text of legal source (original language)	http://www.laaif.lt/index.php?267943 166	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc I?p id=261077	http://www3.lrs.lt/pls/inter3/dokpaies ka.showdoc I?p id=370966
Link to full text of legal source (English)			













Name of legal source (original language)	Aplinkos apsaugos valstybinės kontrolės įstatymas	Šilumos ūkio įstatymas	Šilumos supirkimo iš nepriklausomų šilumos gamintojų tvarkos ir salygų aprašas	
Full name	Lietuvos Respublikos Aplinkos apsaugos valstybinės kontrolės įstatymas (Valstybės žinios, 2002, Nr. 72-3017; 2008, Nr. 53-1954; 2011, Nr. 85-4124; 2013, Nr. 57-2838)	Lietuvos Respublikos Šilumos ūkio įstatymas (Valstybės žinios, 2003, Nr. 51- 2254; 2007, Nr. 130-5259; 2010, Nr. 1-6; 2011, Nr. 128-6051; 2013, Nr. 78-3937)	Šilumos supirkimo iš nepriklausomų šilumos gamintojų tvarkos ir salygų aprašas, patvirtintas Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2013 m. vasario 28 d. nutarimu Nr. O3- 74 (Valstybės žinios, 2013, Nr. 25- 1250)	
Name (English)	Law of the Republic of Lithuania on State Environmental Control	Law of the Republic of Lithuania on Heat Sector	Description of the Procedure and the Conditions for the Purchase of Heat from Independent Producers, approved by Resolution No. O3-74 of the National Control Commission for Prices and Energy of 28 February 2013	
Abbreviated form	Law on State Environmental Control	Law on Heat Sector	Resolution No. O3-74/2013	
Entry into force	01.01.2003	01.07.2003	09.03.2013	
Last amended on	14.05.2013	02.07.2013		











Future amendments			
Purpose	Defines institutions and officials responsible for state environmental control.	Sets out rules for state control over the heat sector, activities of heat plant operators, their relations with heat consumers, and their responsibilities.	Sets out the procedure and the conditions for the purchase of heat from independent producers.
Relevance for renewable energy	Defines the institutions responsible for granting environmental pollution tax exemption.	Promotes heat production from renewable energy sources.	Regulates the pricing for heat generated by independent producers, including those producing heat from RES.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=449887&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_l?p_id=453882&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaies ka.showdoc I?p id=444064
Link to full text of legal source (English)			











Name of legal source (original language)	Nepriklausomų šilumos gamintojų pripažinimo nereguliuojamais tvarkos aprašas	Šilumos kainų nustatymo metodika	
Full name	Nepriklausomų šilumos gamintojų pripažinimo nereguliuojamais tvarkos aprašas, patvirtintas Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2013 m. spalio 11 d. nutarimu Nr. O3-437 (Valstybės žinios, 2013, Nr. 108-5354)	Šilumos kainų nustatymo metodika, patvirtinta Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2009 m. liepos 8 d. nutarimu Nr. O3-96 (Valstybės žinios, 2009, Nr. 92-3959; 2010, Nr. 122-6255; 2011, Nr. 130-6214, Nr. 164-7858; 2012, Nr. 15-684; 2013, Nr. 69-3505)	
Name (English)	Description of the Procedure for the Recognition of Independent Heat Producers as Unregulated Heat Producers, approved by Resolution No. O3-437 of the National Control Commission for Prices and Energy of 11 October 2013	Heat Pricing Methodology, approved by Resolution No. O3-96 of the National Control Commission for Prices and Energy of 8 July 2009	
Abbreviated form	Resolution No. 03-437/2013	Resolution No. O3-96/2009	
Entry into force	16.10.2013	02.08.2009	
Last amended on		27.06.2013	
Future amendments			











Purpose	Describes the procedure for the recognition of independent heat producers as unregulated heat producers.	Sets out the methodology for the calculation of heat prices.	
Relevance for renewable energy	RES heat producers may apply for recognition as unregulated independent heat suppliers.	Applies to the calculation of a heat supplier's comparable heat production price, which is a reference price for independent heat producers.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=457683&p_query=D %EBI%20Nepriklausom%F8%20%F0ilum os%20gamintoj%F8%20pripa%FEinimo% 20nereguliuojamaisiais%20tvarkos%20a pra%F0o%20patvirtinimo&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_I?p_id=350475&p_query=&p_tr2 =2	
Link to full text of legal source (English)			











### **Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Lietuvos Respublikos Energetikos ministerija – Ministry of Energy of Republic of Lithuania	http://www.ukmin.lt		+370 706 64 845 +370 706 64 868	kanc@ukmin.lt
Lietuvos Respublikos Aplinkos ministerija – Ministry of Environment of Republic of Lithuania	http://www.am.lt		+370 5 2663661	info@am.lt
Valstybinė kainų ir energetikos kontrolės komisija – National Control Commission for Prices and Energy	http://www.regula.lt		+370 5 213 5166	rastine <u>@regula.lt</u>
Energetikos Agentura (EA) – Energy Agency	http://www.ena.lt		+370 706 64 923	eainfo@ena.lt
Atsinaujinančios Energijos Gamintojų Asociacija (AEGA) – Renewable Energy Producers	http://www.aega.lt/		+370 693 70347	info@aega.lt











Association			
Lietuvos šilumos tiekėjų asociacija (LŠTA) – The Lithuanian District Heating Association (LDHA)	http://www.lsta.lt	+370 5 266 7025	info@lsta.lt













## **Support schemes**

#### **Subsidy (Lithuanian Environmental Investment Fund)**

Abbreviated form of legal source(s)  • Statutes of the LEIF  • Order No. 437/2003			
Contact Authority	LEIF		
Summary	The Lithuanian Environmental Investment Fund (LEIF) supports projects aiming to reduce environmental damage in the long term. This definition covers the conversion of heating plants in order to change from solid fuels to liquid biomass and geothermal resources (Chapter II Item 13.2.3 Statutes of the LEIF as amended on 09.12.2010). Projects are supported in the form of subsidies. Each year, there are two calls, published via the media or on the website of the LEIF. For general information in English on the funding of projects by the Lithuanian Environmental Fund please see <a href="https://www.laaif.lt/index.php">www.laaif.lt/index.php</a> .		
	General information	The Lithuanian Environmental Investment Fund (LEIF) supports projects for the conversion of heating plants in order to change from solid fuels to liquid biomass and geothermal resources (Chapter II Item 13.2.3 Statutes of the LEIF as amended on 09.12.2010).	
Eligible technologies	Aerothermal		
Engible technologies	Hydrothermal		
	Biogas	Eligible	
	Biomass	Eligible	
	Geothermal energy	Eligible	











	Solar Thermal	
	The maximum subsidy is LTL 690,000 (approx. € 200,000) and must not exceed 80% of the total project expenses (Chapter II Item 7 Order No. 437/2003).	
	Applicants shall demonstrate that they are able to provide funding for the rest of the project through their own resource (Chapter II Item 12 Order No. 437/2003).	
Amount	The first part of the awarded subsidy (60%) is paid when the applicant has acquired, installed and started operating facilities as intended in the project plan. The remaining part of the awarded subsidy (40%) is paid when the applicant has submitted data on the environmental compliance achieved during the first year of the supported project. The remaining part of the subsidy is paid under the condition that during the first project year the environmental indicators set in the grant application are met by at least 95%. If 50% - 95% of environmental indicators are met, the grant shall be reduced accordingly. Finally, if during the first project year less than 50% of environmental indicators are met, environmental compliance is considered as not achieved and the second part of the subsidy will not be paid to the applicant. In this case, the applicant shall pay back the first part of the subsidy (which he has already received) to the LEIF (Chapter II Items 9-11 Order No. 437/2003).	
Addressees	Entitled party: Legal entities registered in Lithuania, or legal entities established in another country within the European Economic Area whose subsidiary is registered in Lithuania and carries out projects in Lithuania (Chapter I Item 5 Order No. 437/2003).	
Procedure	Process flow	<ul> <li>Project Information Form. Applicants shall complete the Project Information Form and submit it to the LEIF. The LEIF decides whether a project complies with its funding objectives and financing conditions and shall inform the applicant about its decision within 10 working days from the receipt of the form (Chapter III Items 16, 17 Order No.</li> </ul>













**Application.** The applicant then submits an application for a subsidy (Chapter III Item 16 Order No. 437/2003).

Application assessment. The LEIF examines the application. This includes an inspection to determine whether an application complies with the administrative and environmental requirements (Chapter III Items 23 Order No. 437/2003). The examination on compliance with administrative requirements shall be carried out within 5 working days and the examination on compliance with environmental requirements shall be carried out within 60 working days (Chapter III Items 27, 29 and 34 Order No. 437/2003).

- Decision on the award of a subsidy. The decision on the award of a subsidy consists of several steps:
  - The applications selected by the LEIF are presented to the Selection Committee, which is appointed by the Minister of Environment. The Committee shall decide which projects will receive funding (Chapter III Item 35 Order No. 437/2003).
  - Within 5 working days from the selection of projects by the Selection Committee, the LEIF shall submit the selected projects to the Minister of Environment (Chapter III Item 35 Order No.







437/2003).





		<ul> <li>437/2003). The Minister shall decide within 20 working days which projects will be granted a subsidy (Chapter III Item 37 Order 437/2003).</li> <li>Contract on financing and supervision. The LEIF shall prepare a draft contract on financing and supervision and submit it to the applicant within 20 working days from the decision on the award of a subsidy. The applicant shall sign the contract within one month from its receipt (Chapter IV Item 41 Order No. 437/2003).</li> <li>Payment of subsidy. After acquiring, installing and starting to operate the facilities as intended in the project plan, the applicant has to submit an application for payment of the first part of the awarded subsidy (60%) and a report on technical implementation to the LEIF (Chapter II Item 9.1, Chapter IV Item 46 Order No. 437/2003). An application for payment of the second part of the subsidy (40%) shall be submitted to the LEIF together with the data on environmental compliance achieved during the first year of the supported project and with a final report on project implementation (Chapter II Item 9.1, Chapter IV Item 51 Order No. 437/2003).</li> </ul>
	Competent authority	The Lithuanian Environmental Investment Fund (LEIF) (Chapter II Item 1 Order No. 437/2003).
Flexibility mechanism		











	State	The LEIF is funded from the state budget and other lawfully acquired funds (Chapter I Item 8 Statutes of the LEIF).
	Consumers	
Distribution of costs	Plant operator	
	Grid operator	
	European Union	
	Distribution mechanism	











## Tax regulation mechanism (Law on Environmental Pollution Taxes)

Abbreviated form of legal source(s)	<ul> <li>Law on Environmental Pollution Taxes</li> <li>Law on Energy from Renewable Sources</li> <li>Law on State Environmental Control</li> <li>Order No. D1-370/1K-230</li> </ul>	
Contact Authority	Order No. 80/2002 (as amended on 29.06.2005)  Ministry of Environment	
Summary	Environmental pollution tax for stationary sources of pollution shall be paid by all operators of fuel-burning installations whose nominal thermal capacity exceeds 50 MW. This tax must also be paid by operators using at least one solid fuel boiler whose thermal capacity amounts to or exceeds 0.5 MW and operators using incinerators whose thermal capacity amounts to or exceeds 1 MW (Appendix 1 Item 1.1; Appendix 2 Items 5, 6 Order No. 80/2002 as amended on 29.06.2005). Operators using biogas, solid and liquid biomass shall be exempt from environmental pollution tax for all stationary source emissions resulting from the use of liquid biomass (Art. 5 Par. 4 Law on Environmental Pollution Taxes).	
	General information	Under this support scheme, only biogas, solid and liquid biomass is eligible (Art. 5 Par. 4 Law on Environmental Pollution Taxes; Chapter I Art. 2 Law on Energy from Renewable Sources).
	Aerothermal	
Eligible technologies	Hydrothermal	
	Biogas	Eligible
	Biomass	Eligible











	Geothermal energy	
	Solar Thermal	
Amount	sources depends on the type of pollutants and on	tax a natural or legal person is exempt from. The tax rate for stationary where they are emitted – in the air, the water or the ground. The tax ellution Taxes (Art. 11 Par. 1 in conjunction with the Appendix 1 Law on
Addressees	<b>Entitled party:</b> Natural and legal persons who have submitted documents confirming the use of eligible technology in stationary sources of pollution (Art. 5 Par. 4 Law on Environmental Pollution Taxes).	
Procedure	Process flow	Natural and legal persons using biogas, solid and liquid biomass in statutory pollution sources have to provide evidence confirming the use of it (Art. 5 Par. 4 Law on Environmental Pollution Taxes).  Individuals using biogas, solid and liquid biomass for energy production may verify its use on the basis of the following documents:  • documents verifying the purchase of biogas, solid and liquid biomass (e.g. invoices etc.);  • documents verifying the consumption of biogas, solid and liquid biomass (e.g. depreciation claimed in the tax return, reports etc.);  • waste management accounting report;  • report on energy production from bio-degradable waste.  Evidence supporting the acquisition and use of biogas, solid and liquid











		biomass must be provided to the environmental protection officers or tax officials if they request them during the company's tax audit (Chapter III Item 16 Second Document of the Order No. D1-370/1K-230).
	Competent authority	Regional environmental protection departments under the Ministry of the Environment of the Republic of Lithuania (Chapter II Art. 6 Par. 1 Law on State Environmental Control).
Flexibility Mechanism		
	State	The costs of tax relief are borne by the state.
	Consumers	
Distribution of costs	Plant operator	
	Grid operator	
	European Union	
	Distribution mechanism	











#### Price-based mechanisms (Purchase of heat produced from RES)

Abbreviated form of legal source(s)	<ul> <li>Law on Energy from Renewable Sources</li> <li>Law on Heat Sector</li> <li>Resolution No. O3-74/2013</li> <li>Resolution No. O3-437/2013</li> <li>Resolution No. O3-96/2009</li> </ul>	
Contact Authority	Ministry of Energy; National Control Commission for Prices and Energy (NCC)	
Summary	The production of heat and the purchase of heat produced from renewable sources are public service obligations. The state promotes the purchase of heat produced from all renewable energy sources. Utilities have a priority purchase obligation for renewable heat generated by independent producers. Heat suppliers are obliged to purchase all RES heat generated by independent heat producers that is cheaper than the heat produced by the heat supplier himself and which satisfies quality, supply security and environmental requirements. This obligation does not apply where the supply of renewable heat generated by independent heat producers exceeds network capacity (Chapter IV Art. 25 Law on Energy from Renewable Sources; Chapter II Art. 4; Chapter IV Art. 10 Par. 1 Law on Heat Sector).  The procedure and the conditions for the purchase of heat from independent heat producers are defined by the National Control Commission for Prices and Energy (Chapter II Art. 4 Item 2, Chapter IV Art. 10 Item 1 Law on Heat Sector).	
Eligible technologies	General information	The state promotes the purchase of heat produced from renewable energy sources (Chapter I Art. 2 Par. 2, Chapter IV Art. 25 Item 1 Law on Energy from Renewable Sources; Chapter II Art. 4 Item 3 Law on Heat Sector).
	Aerothermal	Eligible











	Hydrothermal	Eligible
	Biogas	Eligible
	Biomass	Eligible
	Geothermal energy	Eligible
	Solar Thermal	Eligible
Amount	General information	Independent heat producers may freely define the price for their heat if the NCC has taken the reasoned decision not to impose legal restrictions on the pricing of heat. If the NCC has not taken such a decision, the independent heat producer must sell its heat at the regulated price. In case of regulated pricing, prices shall be in line with the rules established by the NCC. The heat price offered by an independent producer must not be higher than the comparative heat production costs for the heat supplier (Chapter III Item 9 Resolution No. O3-74/2013). These "comparative heat production costs" for the heat supplier are calculated in accordance with the Heat Pricing Methodology (Resolution No.O3-96/2009) adopted by the NCC and depend on the capacity of the heat production facilities available to the heat supplier (Chapter III Item 10 Resolution No. O3-74/2013).  Where renewable heat is produced by two and more independent producers, the priority purchase obligation applies to the producer
		whose selling price is lowest (Chapter IV Art. 25 Par. 3 Law on Energy











		from Renewable Sources).
	Aerothermal	
	Hydrothermal	
	Biogas	
	Biomass	
	Geothermal energy	
	Solar Thermal	
	General information	
	Aerothermal	
	Hydrothermal	
Degression	Biogas	
	Biomass	
	Geothermal energy	
	Solar Thermal	
Сар		
Eligibility period		











Addressees	Independent producers of heat from renewable energy sources (Chapter IV Art. 25 Item 2 Law on Energy from Renewable Sources).	
Procedure	Process flow	<ul> <li>Request to the NCC. The independent heat producer submits a reasoned request to the NCC, providing the reasons why the price of heat produced by him should not be subject to mandatory regulation (Chapter II Items 8, 9 Resolution No. O3-437/2013).</li> <li>Investigation by the NCC. Upon receipt of the request submitted by the independent heat producer, the NCC launches an investigation in order to clarify how the quantity of the heat produced and supplied to the district heating network by the independent producer may impact the final price of centrally supplied heat (Chapter II Item 8 Resolution No. O3-437/2013).</li> <li>Decision. If the NCC determines that the quantity of the heat produced and supplied to the district heating network by the independent producer does not significantly impact the final price of centrally supplied heat, it takes a written decision that heat prices by the respective independent heat producer shall not be subject to mandatory regulation (Chapter VI Item 21 Resolution No. O3-437/2013).</li> <li>Regulated heat prices: If, during the investigation, the NCC determines that the quantity of the heat produced and supplied to the district heating network by the independent producer would</li> </ul>











		significantly impact the final price of centrally supplied heat, heat prices by the respective independent heat producer shall be subject to mandatory regulation and comply with the rules established by the NCC (Chapter VI Item 21 Resolution No. O3-437/2013).
	Competent authority	The NCC determines the procedure and the conditions for the purchase of heat generated by independent heat producers, establishes standard agreement conditions for the purchase of renewable heat, and is responsible for the resolution of disputes between the supplier and independent producers (Chapter IV Article 25 Item 5 Law on Energy from Renewable Sources; Chapter II Art. 4 Item 2, Chapter IV Art. 10 Items 1, 2 Law on Heat Sector).
Flexibility Mechanism		
	State	
Distribution of costs	Consumers	Heat production as well as the purchase of renewable heat is considered to be a public service obligation and thus the costs are passed on to the consumers via the heat price (Chapter II Art. 4 Items 1, 3 Law on Heat Sector).
	Plant operator	
	Grid operator	
	European Union	
	Distribution mechanism	











# RES-H&C grid issues

## **Overview**

Overview of grid issues	Heating devices using renewable energy sources are not given priority connection. RES heating devices of independent heat producers are connected to the heat transmission network according to conditions set up and issued by the heat supplier. The heat supplier will, according to non-discriminatory principles, select the connection point for an RES heat generation device of an independent heat producer. The heat supplier shall purchase all RES heat produced by devices connected to the heating network that is cheaper than the heat produced by the heat supplier himself and which satisfies quality, supply security and environmental requirements, unless the supply of RES heat generated by independent heat producers exceeds the consumers' heat demand.
Connection to the grid	The heat supplier is obliged to connect all RES heating devices of independent heat producers that were installed to replace fossil fuel plants. RES heating devices are connected to the heat transmission network at the technically suitable point which is closest to the heating device to be connected, unless there is a technically and economically more suitable connection point. The connection costs are covered by the independent heat producer.
Use of the grid	There is a priority purchase obligation for renewable heat. Heat suppliers shall purchase all RES heat generated by independent heat producers that is cheaper than the heat produced by the heat supplier himself and which satisfy quality, supply security and environmental requirements, unless the supply of RES heat generated by independent heat producers exceeds the consumers' heat demand. If RES heat is produced by two or more independent producers, priority is given to the one whose selling price is lowest. Heat suppliers must not discriminate against independent heat producers when operating, maintaining, managing and developing the heat transmission network.
Grid development	











	<ul> <li>Law on Energy from Renewable Sources (Atsinaujinančių išteklių energetikos įstatymas)</li> </ul>
Statutory provisions	<ul> <li>Law on Heat Sector (Šilumos ūkio įstatymas)</li> </ul>
	<ul> <li>Resolution No. O3-74/2013 (Šilumos supirkimo iš nepriklausomų šilumos gamintojų tvarkos ir salygų aprašas –</li> </ul>
	Description of the Procedure and the Conditions for the Purchase of Heat from Independent Heat Producers)











## **Basic information on legal sources**

Name of legal source (original language)	Atsinaujinančių išteklių energetikos įstatymas	Šilumos ūkio įstatymas	Šilumos supirkimo iš nepriklausomų šilumos gamintojų tvarkos ir salygų aprašas
Full name	Lietuvos Respublikos Atsinaujinančių išteklių energetikos įstatymas (Valstybės žinios, 2011, Nr. 62-2936; 2013, Nr. 78-3940)	Lietuvos Respublikos Šilumos ūkio įstatymas (Valstybės žinios, 2003, Nr. 51- 2254; 2007, Nr. 130-5259; 2010, Nr. 1-6; 2011, Nr. 128-6051; 2013, Nr. 78-3937)	Šilumos supirkimo iš nepriklausomų šilumos gamintojų tvarkos ir salygų aprašas, patvirtintas Valstybinės Kainų ir Energetikos Kontrolės Komisijos 2013 m. vasario 28 d. nutarimu Nr. O3-74 (Valstybės žinios, 2013, Nr. 25-1250)
Name (English)	Law of the Republic of Lithuania on Energy from Renewable Sources	Law of the Republic of Lithuania on Heat Sector	Description of the Procedure and the Conditions for the Purchase of Heat from Independent Heat Producers, approved by Resolution No. O3-74 of the National Control Commission for Prices and Energy of 28 February 2013
Abbreviated form	Law on Energy from Renewable Sources	Law on Heat Sector	Resolution No. O3-74/2013
Entry into force	24.05.2011	01.07.2003	09.03.2013
Last amended on	02.07.2013	02.07.2013	











Future amendments			
Purpose	Establishing a general legal framework for the promotion of RES.	Establishes rules for state control over the heat sector, activities of heating plant operators, their relations with heat consumers, and their responsibilities.	Sets out the procedure and the conditions for the purchase of heat from independent heat producers.
Relevance for renewable energy	Applies to renewable energy only.	Incentivises heat production from renewable energy sources.	Sets out rules on the pricing of RES heat for independent heat producers.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_I?p_id=453899	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc_l?p_id=453882&p_tr2=2	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc 1?p id=444064
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaiesk a.showdoc 1?p id=448947  This translation does not provide information on the latest amendment.		











## **Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Lietuvos Respublikos Energetikos ministerija – (Ministry of Energy)	http://www.enmin.lt/lt/		+370 706 6 4715	info@enmin.lt
Valstybinė kainų ir energetikos kontrolės komisija – National Control Commission for Prices and Energy	http://www.regula.lt/lt/		+370 5 213 5166	rastine@regula.lt
Energetikos Agentura (EA) – Energy Agency	http://www.ena.lt/		+370 706 64 923	eainfo@ena.lt
Atsinaujinančios Energijos Gamintojų Asociacija (AEGA) – Renewable Energy Producers Association	http://www.aega.lt/		+370 693 70347	info@aega.lt
Lietuvos šilumos tiekėjų asociacija (LŠTA) – The Lithuanian District Heating Association (LDHA)	http://www.lsta.lt/		+370 5 266 7025	info@lsta.lt











#### **Grid issues**

#### **Connection to the grid**

Abbreviated form of legal sources	<ul> <li>Law on Energy from Renewable Sources</li> <li>Law on Heat Sector</li> <li>Resolution No. O3-74/2013</li> </ul>	
Overview	Heat suppliers are obliged to connect all RES heating devices of independent heat producers that were installed to replace fossil fuel plants. The independent heat producer has to ensure that the heat supplied is consistent with legal quality, supply reliability and environmental requirements. RES heating devices are connected to the heat transmission network at the technically suitable point which is closest to the heating device to be connected, unless there is a technically and economically more suitable connection point. The connection point is selected by the heat supplier on the request of an independent heat producer (Chapter IV Art. 24 Law on Energy from Renewable Sources). The connection costs are covered by the independent heat producer (Chapter VI Item 23 Resolution No. O3-74/2013).	
Procedure	Process flow	Connection request. The independent heat producer intending to produce renewable heat shall submit a written connection request to the heat supplier (Chapter VII Item 30 Resolution No. O3-74/2013).  Information on technical possibilities and requirements. No later than within 15 calendar days from the receipt of application the heat supplier shall provide the applicant with the detailed information on the technical possibilities and requirements for the connection of the RES-H installation to the heat transmission network (e.g. bandwidth of the grid, technical parameters, etc). The information shall be provided free of charge (Chapter VII Item 30 Resolution No. O3-74/2013).  Connection conditions. Conditions for the connection to the heat transmission network











shall be prepared, published and issued by the heat transmission network operator (Chapter VII Item 31 Resolution No. O3-74/2013).

Preliminary purchase and sale agreement. The heat supplier and the potential independent heat producer shall conclude a preliminary agreement on heat purchase and sale. The preliminary agreement contains essential conditions such as obligations and responsibility of both parties, date of connection to the heat network, mean of price setting and key purchase and sale agreement conditions. The heat supplier cannot include any independent heat producer discriminating conditions (Chapter VII Item 32, 33 Resolution No. O3-74/2013).

**Purchase and sale agreement.** When entering into the agreement, the independent heat producer shall submit to the heat supplier the findings of the State Energy Inspectorate, stating that the renewable heat producing device complies with the applicable technical and operational requirements (Chapter II Item 8 Resolution No. O3-74/2013).

The independent heat producer's connection request to the heat transmission network may only be refused if:

- He fails to submit to the heat supplier the findings of the State Energy
  Inspectorate, stating that the RES heat producing device complies with the
  applicable technical and operational requirements (Chapter VI Item 24.1.1
  Resolution No. O3-74/2013);
- He fails to guarantee the implementation of the technical connection requirements (Chapter VI Item 24.1.2 Resolution No. O3-74/2013);
- He rejects to pay the connection fee (Chapter VI Item 24.1.3 Resolution No. O3-74/2013);
- The findings of the State Energy Inspectorate indicate serious violations of the











	Deadlines	operation requirements for RES heat devices which are likely to affect the security and reliability of heat supply (Chapter VI Item 24.2 Resolution No. O3-74/2013).  Connection date is provided in the preliminary and the final connection to the heat transmission grid agreement concluded between the heat supplier and the independent heat producer (Chapter VI Item 32 Resolution No. O3-74/2013).
	Obligation to inform	The heat supplier is obliged to publish (monthly forecasts on the monthly heat demand, the quantities of heat planned to be purchased and produced, and the fuel structure for the coming 12 months (Chapter VII Item 29 Resolution No. O3-74/2013).  Within 15 days from the receipt of a written request of an independent heat producer,
		the heat supplier has to submit detailed information about the technical possibilities and conditions for connection to the heat transmission network. This includes information on network bandwidth and other technical parameters like pressure, temperature and flow. This information must be provided free of charge (Chapter VII Item 30 Resolution No. O3-74/2013).
Priority to renewable energy	( ) Priority to renewable energy	The heat supplier shall select the connection point for an RES heat device of an independent heat producer according to non-discriminatory selection principles (Chapter
(qualitative criteria)	( x ) Non-discrimination	IV Art. 24 Par. 2 Law on Energy from Renewable Sources).
Capacity limits		
(quantitative criteria)		
Distribution of costs	The connection costs are covered by the	ne independent heat producer (Chapter VI Item 23 Resolution No. O3-74/2013).











State	
Consumers	
Grid operator	
Plant operator	The connection costs are covered by the independent heat producer (Chapter VI Item 23 Resolution No. O3-74/2013).
European Union	
Distribution mechanism	











#### Use of the grid

Abbreviated form of legal sources	<ul> <li>Law on Energy from Renewable Sources</li> <li>Law on Heat Sector</li> <li>Resolution No. O3-74/2013</li> </ul>	
Contact Authority	Ministry of Energy	
Overview	There is a priority purchase obligation for heat produced from renewable energy sources. Heat suppliers are obliged to purchase all RES heat generated by independent heat producers that is cheaper than the heat produced by the heat supplier himself and which satisfies quality, supply security and environmental requirements, unless the supply of the RES heat generated by independent heat producers exceeds network capacity. If heat from renewables is produced by two or more independent producers, priority is given to the one whose selling price is lowest (Chapter IV Art. 25 Law on Energy from Renewable Sources). Independent heat producers shall supply their heat to the heat transmission network in accordance with the technical conditions set by the heat supplier. Moreover, they have to follow the instructions of the transmission network dispatcher (Chapter IV Item 18 Resolution No. O3-74/2013).	
Procedure	Heat from independent heat suppliers is purchased according to the purchase and so agreement signed between the independent heat producer and the heat supplier. When the heat supplier findings of the State Energy Inspectorate, stating that the RES hengeneration device complies with the applicable technical and operational requirement (Chapter II Item 8 Resolution No. O3-74/2013). The independent heat producer responsible for the adequate technical condition of RES-H facilities in order to secure the reliable operation of the heat supply system (Chapter II Item 5.2 Resolution No. O74/2013).  The independent heat producer has to cover actual balancing costs incurred by the heat supplier if he:	











	Deadlines	<ul> <li>fails to supply the agreed amount of heat or the supplied heat fails to meet quality requirements set in the Resolution No. O3-74/2013 (Chapter II Item 5.3 Resolution No. O3-74/2013);</li> <li>supplies a greater amount of heat than agreed (Chapter II Item 5.4 Resolution No. O3-74/2013).</li> </ul>
	Obligation to inform	
Priority to renewable energy (qualitative criteria)	( x ) Priority to renewable energy  ( ) Non-discrimination	There is a priority purchase obligation for heat produced from renewable energy sources (Chapter IV Art. 25 Item 1 Law on Energy from Renewable Sources). However, heat suppliers must not discriminate against any independent heat producer when operating, maintaining, managing and developing the heat transmission network. Heat suppliers must not compromise the conditions for the purchase of heat generated by independent producers, reduce the amount of purchased heat or consumer demand, or cause additional connection costs to be covered by the independent heat producers (Chapter VII Item 33 Resolution No. O3-74/2013).
Curtailment	As long as an independent heat producer complies with all the requirements, the transmission and purchase of heat generated by this producer may be terminated or suspended only in order to protect public interests during heat network maintenance work. In case of the planned maintenance (repair) work the RES-H facilities of the independent heat producer may be disconnected for the period of up to one month. The independent heat producer has to be informed about the planned curtailment no later than 20 calendar days in advance. In case of emergency, the heat supplier can disconnect the independent heat producer immediately after notification but only for the period of emergency (Chapter VI Item 25 Resolution No. O3-74/2013).	











	State	
Distribution of costs	Consumers	The purchase of heat produced from renewable sources is a public service obligation and thus the costs are passed on to the consumers via the heat price (Chapter II Art. 4 Items 1, 3 Law on Heat Sector).
Distribution of costs	Grid operator	
	Plant operator	
	European Union	
	Distribution mechanism	











# RES-T support schemes

# **Summary of support schemes**

Overview	In Lithuania, renewable energy use in the transport sector is promoted through several support schemes. These include the reimbursement, by the National Paying Agency of the Ministry of Agriculture, of raw materials for biofuel production, an excise tax relief and an exemption from environmental pollution tax.
Summary of support schemes	<ul> <li>Reimbursement. Part of the price of rape oil used for the production of rapeseed methyl (ethyl) ester (RME) and part of the price of rape seed and cereal grain purchased for the production of dehydrated ethanol will be repaid. This measure is implemented by the National Paying Agency on behalf of the Ministry of Agriculture.</li> <li>Excise Tax Relief. Excise tax relief applies to biofuels for transport. The rate of excise tax is reduced in proportion to the percentage of biomass per tonne of biofuel. The relief applies to bioethanol, biodiesel, bio-ETBE and vegetable oil.</li> <li>Environmental Pollution Tax Exemption. Natural and legal persons using biofuels in vehicles are released from environmental pollution tax on their mobile source emissions.</li> </ul>
Technologies	Biofuels are eligible for all three support schemes. Biohydrogen is only eligible for exemption from environmental pollution tax.
Statutory provisions	<ul> <li>Law on Excise Taxes (Akcizų įstatymas)</li> <li>Law on Environmental Pollution Taxes (Mokesčio už aplinkos teršimą įstatymas)</li> <li>Law on State Environmental Control (Aplinkos apsaugos valstybinės kontrolės įstatymas)</li> <li>Order No. VA-75/2004 (Leidimo gaminti energetinius produktus, turinčius biologinės kilmės priemaišų, išdavimo taisyklės)</li> </ul>











•	Order No. VA-79/2004 (Vietos apskrities valstybinės mokesčių inspekcijos informavimo apie akcizais
	apmokestinamų prekių, už kurias akcizai sumokėti, maišymą (naudojimą, perdirbimą), taisyklės)

- Order No 3D-417/2009 (Biodegalų gamybos plėtros finansavimo taisyklės)
- Order No. 2B-290/2008 (Techniniai motorinių transporto priemonių ir jų priekabų reikalavimai)
- First Document of Order No. D1-370/1K-230 (Mokesčio už aplinkos teršimą iš mobilių taršos šaltinių apskaičiavimo ir mokėjimo tvarkos aprašas)











## **Basic information on legal sources**

Name of legal source (original language)	Akcizų įstatymas	Mokesčio už aplinkos teršimą įstatymas
Full name	Lietuvos Respublikos Akcizų įstatymas (Valstybės žinios, 2001, Nr. 98-3482; 2010, Nr. 45-2174; 2013, Nr. 76-3846)	Lietuvos Respublikos Mokesčio už aplinkos teršimą įstatymas (Valstybės žinios, 1999, No 47-1469; 2002, No 13-474; 2005, No 47-1560; 2011, Nr.164-7798; 2013, Nr. 55-2728)
Name (English)	Law of the Republic of Lithuania on Excise Taxes	Law of the Republic of Lithuania on Environmental Pollution Taxes
Abbreviated form	Law on Excise Taxes	Law on Environmental Pollution Taxes
Entry into force	01.07.2002	01.01.2000
Last amended on	02.07.2013	09.05.2013
Future amendments		
Purpose This law defines the taxes on the trade and consumption of energy.		Sets out rules on environmental pollution tax payments and monitoring, encourages polluters to











		reduce environmental pollution.
Relevance for renewable energy	Electricity generated from renewable sources is exempt from excise tax.	Introduces a tax exemption for natural and legal persons using biofuels in vehicles.
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska. showdoc I?p id=389323	http://www3.lrs.lt/pls/inter3/dokpaie ska.showdoc_I?p_id=449570&p_tr2=2
Link to full text of legal source (English)		











Name of legal source (original language)	Aplinkos apsaugos valstybinės kontrolės įstatymas	Leidimo gaminti energetinius produktus, turinčius biologinės kilmės priemaišų, išdavimo taisyklės	Vietos apskrities valstybinės mokesčių inspekcijos informavimo apie akcizais apmokestinamų prekių, už kurias akcizai sumokėti, maišymą (naudojimą, perdirbimą), taisyklės
Full name	Lietuvos Respublikos Aplinkos apsaugos valstybinės kontrolės įstatymas (Valstybės žinios, 2002, Nr. 72-3017; 2008, Nr. 53- 1954; 2011, Nr. 85-4124; 2013, Nr. 57- 2838)	Leidimo gaminti energetinius produktus, turinčius biologinės kilmės priemaišų, išdavimo taisyklės, patvirtintos Valstybinės mokesčių inspekcijos prie Lietuvos Respublikos finansų ministerijos viršininko 2004 m. balandžio 29 d. įsakymu Nr. VA-75 (Valstybės žinios, 2004, Nr. 75-2611)	Vietos apskrities valstybinės mokesčių inspekcijos informavimo apie akcizais apmokestinamų prekių, už kurias akcizai sumokėti, maišymą (naudojimą, perdirbimą), taisyklės, patvirtintos Valstybinės mokesčių inspekcijos prie Lietuvos Respublikos finansų ministerijos viršininko 2004 m. balandžio 29 d. įsakymu Nr. VA-79 (Valstybės žinios, 2004, Nr. 75-2615)
Name (English)	Law of the Republic of Lithuania on State Environmental Control	Rules for the Issue of Permits for the Production of Energy Products Containing Additives of Biological Origin, approved by Order No. VA-75 of the Chief of the State Tax Inspectorate of the Ministry of Finance of the Republic of Lithuania of 29 April 2004	Rules on the Submission of Information to the Local County State Tax Inspectorate about the Mixing (Use, Processing) of Excise Goods on which Excise Duty has been paid, approved by Order No. VA-79 of the Chief of the State Tax Inspectorate of the Ministry of Finance of the Republic of Lithuania of 29 April 2004











Abbreviated form	Law on State Environmental Control	Order No. VA-75/2004	Order No. VA-79/2004
Entry into force 01.01.2003		06.05.2004	01.05.2004
Last amended on 14.05.2013		28.12.2007	
Future amendments			
Purpose	Defines the institutions and officials responsible for state environmental control.	Establishes rules for the issue of permits for the production of energy products containing additives of biological origin.	Establishes rules on the submission of formation on biofuel production to the Local County State Tax Inspectorate.
Relevant in so far as biofuels used in transport are exempt from environm pollution tax.		Relevant in so far as biofuels used in transport are exempt from excise tax.	Relevant in so far as biofuels used in transport are exempt from excise tax.
Link to full text of legal source (original language)  http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_I?p_id=449887&p_tr2=2		http://www3.lrs.lt/pls/inter3/dokpaieska. showdoc_I?p_id=273339	http://www3.lrs.lt/pls/inter3/dokpaie ska.showdoc_l?p_id=232730&p_quer y=&p_tr2=2
Link to full text of legal source (English)			











priemonių ir jų priekabų reikalavimai		Mokesčio už aplinkos teršimą iš mobilių Biodegalų gamybos taršos šaltinių apskaičiavimo ir mokėjimo finansavimo taisyklės tvarkos aprašas	
priemonių ir jų priekabų reikalavimai, patvirtinti Valstybinės kelių transporto inspekcijos prie Susisiekimo ministerijos viršininko 2008 m. liepos 29 d. įsakymu Nr. 2B-290 (Valstybės žinios, 2008, Nr. 88- 3550, Nr. 106-4073; 2009, Nr. 6-212; 2010, Nr. 50-2465; 2011, Nr. 77-3792;		Mokesčio už aplinkos teršimą iš mobilių taršos šaltinių apskaičiavimo ir mokėjimo tvarkos aprašas, patvirtintas Lietuvos Respublikos aplinkos ministro ir Lietuvos Respublikos finansų ministro 2008 m. liepos 9 d. įsakymu Nr. D1-370/1K-230 (Valstybės žinios, 2008, Nr. 79-3140; 2009, Nr. 83-3474; 2010, Nr. 49-2411; 2012, Nr. 44-2163; 2013, Nr. 93-4666)	
Trailers, approved by Order No. Nr. 2B- 290 of the Head of the State Road Transport Inspectorate of the Ministry of Transport and Communications of 29 July 2008		Description of the Method of Calculation and Payment of Taxes for Environmental Pollution from Mobile Sources, approved by Order No. D1-370/1K-230 of the Minister of Environment of the Republic of Lithuania and the Minister of Finances of the Republic of Lithuania of 9 July 2008	Rules on Funding for Developments in Biofuel Productiont, approved by Order No. 3D-417 of the Minister of Agriculture of the Republic of Lithuania of 25 July 2008
Abbreviated form  Order No. 2B-290/2008		First Document of Order No. D1-370/1K- 230	Order No. 3D-417/2009











Entry into force 01.08.2008		01.01.2009	03.08.2008
Last amended on 13.06.2013		29.08.2013	14.10.2013
Future amendments			
Purpose Establishes requirements for vehicles to pass technical inspection.		Describes the method of calculation and payment of taxes for environmental pollution from mobile sources.	Establishes rules for the funding of biofuel production.
Relevance for renewable energy	Tax exemption for biofuels used in transport will be granted only if the vehicle complies with the legal requirements.	Specifies which documents have to be submitted as evidence when applying for the exemption of transport biofuels from environmental pollution tax.	Deals with the reimbursement of the production costs of raw materials associated with the production of biofuels.
Link to full text of legal source (original language)  http://www3.lrs.lt/pls/inter3/dokpaieska. showdoc_l?p_id=325585&p_query=&p_tr 2=2		http://www3.lrs.lt/pls/inter3/dokpaieska.s howdoc_I?p_id=370966	http://www3.lrs.lt/pls/inter3/dokpaie ska.showdoc_l?p_id=457983&p_tr2=2
Link to full text of legal source (English)			











## **Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Nacionalinė mokėjimo agentūra prie Žemės ūkio ministerijos – National Paying Agency of the Ministry of Agriculture	http://www.nma.lt/		+370 5 252 6999	info@nma.lt
Valstybinė mokesčių inspekcija prie Lietuvos Respublikos finansų ministerijos – State Tax Inspectorate of the Ministry of Finance of the Republic of Lithuania	http://www.vmi.lt/lt/		+370 5 255 3190	vmi@vmi.lt
Lietuvos Respublikos aplinkos ministerija – Ministry of Environment of the Republic of Lithuania	http://www.am.lt/VI/index.php		+370 5 266 3661	info@am.lt
Lietuvos Respublikos Susisiekimo ministerija – Ministry of Transport and Communications of the	http://www.transp.lt/		+370 5 261 2363	sumin@sumin.lt











Republic of Lithuania			
Aplinkos apsaugos agentūra – Environmental Protection Agency (EPA)	http://gamta.lt/cms/index	+370 706 62008	aaa@aaa.am.lt
Biodegalų asociacija – Biofuels Association	http://www.biofuels.lt/lt/	+370 5 2106084	mindaugas@biofuels.lt sandra@biofuels.lt ramūnas@biofuels.lt













#### **Support schemes**

#### **Subsidy (National Paying Agency under the Ministry of Agriculture)**

Abbreviated form of legal source(s)	Order No 3D-417/2009 (as amended on 22.06.2011)	
Contact Authority	National Paying Agency	
Summary	Part of the price of rape oil used for the production of rapeseed methyl (ethyl) ester (RME) and part of the price of rape seed and cereal grain purchased for the production of dehydrated ethanol will be reimbursed under this support scheme (Chapter I Item 3 Order No. 3D-417). The maximum reimbursement for rapeseed and cereal grains is set by the Minister of Agriculture each year (Chapter V Item 11 Order No. 3D-417). This measure is implemented by the National Paying Agency on behalf of the Ministry of Agriculture (Chapter IX Item 18 Order No. 3D-417).	
	General information	Rape oil, rape seed and cereal grains are eligible (Chapter I Item 3 Order No. 3D-417).
Eligible technologies	Biofuels Eligible	
	Electricity	
Hydrogen		
Amount	The following amounts will be provided for raw materials sold to biofuel producers:  • for rapeseed grains – LTL 160 per tonne (€ 46 per tonne);  • for cereal grains – LTL 114 per tonne (€ 33 per tonne) (Chapter IV Item 10 Order No. 3D-417).  The maximum reimbursement for rapeseed and cereal grains for a given year is set by the Minister of Agriculture (Chapter V Item 11 Order No. 3D-417).	











Addressees	The entities entitled to reimbursement under this scheme are the producers of rapeseed oil, used for the production of rapeseed methyl ester, of rapeseed methyl (ethyl) ester and of dehydrated ethanol (Chapter II Item 5 Order No. 3D-417).	
	Process flow	Application. Applications have to be submitted together with certain supporting documents between 15 October and 15 November each year. Applications have to be submitted to the competent regional department of the National Paying Agency of the Ministry of Agriculture, depending on the applicant's place of residence (Chapter VII Item 15 Order No. 3D-417).  Submission of financial information. By the end of January of the
Procedure		following year, the applicant has to provide the Ministry of Agriculture with written information on the company's financial economic indicators, which support the applicant's need for financial support and are necessary to determine the level of support for the next calendar year (Chapter VIII Item 17 Order No. 3D-417).
		<b>Decision by the National Paying Agency.</b> The National Paying Agency decides on whether or not to grant support and informs the applicant on its decision in writing (Chapter IX Item 20 Order No. 3D-417).
		<b>Reimbursement.</b> The applicant's expenses are reimbursed during the period from 20 November of the given year to 20 June of the next year (Chapter IX Item 21 Order No. 3D-417).
		Aid repayment. By 15 November of the year of reimbursement, applicants have to submit to the National Paying Agency written











		<ul> <li>evidence that:</li> <li>all rape oil produced from rapeseed for which reimbursement was received was sold to rapeseed methyl (ethyl) ester producers in Lithuania or the EU by 1 July of the year following application;</li> <li>all rapeseed and cereal grains for which reimbursement was received were transformed into biofuels by 15 July of the year following application.</li> <li>Applicants failing to provide complete information must pay back their financial aid or part thereof, depending on the amount of rape oil or biofuels for which no evidence was provided. Repayments shall be made by the end of the given year. Applicants failing to provide sufficient evidence lose their right to reimbursement for the given</li> </ul>
	Competent authority	and the coming years (Chapter IX Item 23 Order No. 3D-417).  This measure is implemented by the National Paying Agency on behalf of the Ministry of Agriculture (Chapter IX Item 18 Order No. 3D-417).
Flexibility mechanism		
Distribution of costs	State	This support scheme is financed from the national budget (Chapter I Item 3 Order No. 3D-417).
	Consumers	
	Plant operator	











	Grid operator	
	European Union	
	Distribution mechanism	











#### Tax regulation mechanism (Law on Excise Taxes)

Abbreviated form of legal source(s)  Contact Authority	<ul> <li>Law on Excise Taxes</li> <li>Order No. VA-79/2004</li> <li>Order No. VA-75/2004</li> </ul> State Tax Inspectorate	
Summary	Excise tax relief applies to transport biofuels produced from biomass. The excise tax rate is reduced in proportion to the percentage of biomass per tonne of biofuel. The relief applies to bioethanol, biodiesel, bio-ETBE and vegetable oil. To be eligible under this support scheme, biofuels must comply with the mandatory statutory quality requirements and other requirements, standards and European norms (Chapter III Art. 40 Law on Excise Taxes).	
	General information	Transport biofuels produced from biomass are eligible for excise tax relief (Chapter III Art. 40 Par. 1 Item 4 Law on Excise Taxes).
Eligible technologies	Biofuels	The relief is applicable to bioethanol, biodiesel, bio-ETBE and vegetable oil (Chapter III Art. 40 Par. 1 Item 4 Law on Excise Taxes).
	Electricity	
	Hydrogen	
Amount	For organic biofuel blends (only organic additives) of at least 30%, the tax relief is proportional to the percentage of organic additives. Biofuels produced entirely from materials of organic origin are fully exempt from excise duty. For other biofuel blends, the tax rate is reduced in proportion to the percentage of biofuels exceeding the mandatory percentage (Chapter III Art. 40 Law on Excise Taxes).	











Addressees	Producers of biofuels from biomass (Chapter III Art. 40 Par. 6 Law on Excise Taxes).		
Procedure	Process flow	The producer must notify the competent County State Tax Inspectorate no later than three days before the start of biofuel production by submitting a completed standard notification form. In addition, the producer must obtain authorisation from the County State Tax Inspectorate, allowing for the excise tax relief (Chapter III Art. 40 Par. 6 Law on Excise Taxes; Chapter II Item 3 Order No. VA-79/2004; Chapter I Item 4 Order No. VA-75/2004).	
	Competent authority	The implementing and monitoring institution is the State Tax Inspectorate of the Ministry of Finance of the Republic of Lithuania (Chapter I Art. 21 Par. 1 Law on Excise Taxes).	
Flexibility Mechanism		•	
	State	The costs of tax relief are borne by the state.	
	Consumers		
Distribution of costs	Plant operator		
	Grid operator		
	European Union		
	Distribution mechanism		





















#### Tax regulation mechanism (Law on Environmental Pollution Taxes)

Abbreviated form of legal source(s)	<ul> <li>Law on Environmental Pollution Taxes</li> <li>Law on State Environmental Control</li> <li>First Document of the Order No. D1-370/1K-230</li> </ul>	
Contact Authority	Order No. 2B-290/2008  Ministry of Environment	
Contact Authority	Willistry of Environment	
Summary	Natural and legal persons using biofuels, including biohydrogen, in vehicles are exempt from environmental pollution tax on their mobile source emissions. The decision to grant exemption from environmental pollution tax is based on documentary evidence. Moreover, in order to be eligible for environmental pollution tax relief, biofuels must meet certain statutory standards. The amount of subsidy is equal to the amount of tax a natural or legal person is exempt from (Art. 5 Par. 3 Item 4 Law on Environmental Pollution Taxes).	
		This measure applies to liquid and gas fuels produced from biomass (Art. 5 Par. 3 Item 4 Law on Environmental Pollution Taxes; Chapter I Art. 2 Par. 8 Law on Energy from Renewable Sources).
Eligible technologies	Biofuels  Eligible (Art. 5 Par. 3 Item 4 Law on Environmental Pollution Tax Chapter I Art. 2 Par. 8 Law on Energy from Renewable Sources)	
	Electricity	
	Hydrogen	
Amount	The amount of subsidy is equal to the amount of	tax a natural or legal person is exempt from (Art. 5 Par. 3 Item 4 Law on











	Environmental Pollution Taxes).	
Addressees	Natural and legal persons using biofuels in vehicles (Art. 5 Par. 3 Item 4 Law on Environmental Pollution Taxes).	
	Process flow	The decision to grant exemption from pollution tax is based on documentary evidence (Art. 5 Par. 3 Item 4 Law on Environmental Pollution Taxes).
		The following evidence must be submitted:
		Documentation supporting the presence and operation of an exhaust gas neutralisation system in the vehicle:
Procedure		<ul> <li>certificate issued by the manufacturer of the vehicle, his representative agent/official distributor in Lithuania, containing specific information as described in the First Document of the Order No. D1-370/1K-230;</li> <li>technical inspection card (or a duplicate thereof), indicating CO and CH emission concentration in the exhaust gases of spark ignition engine vehicles. CO and CH emissions shall not exceed the limits set by the State Road Transport Inspectorate of the Ministry of Transport and Communications. These limits are set out in Order No. 2B-290/2008.</li> <li>Certificate issued by the vehicle manufacturer or his authorised representative/official distributor in Lithuania, confirming compliance with Euro I, Euro II, Euro III, Euro IV or Euro V</li> </ul>











		requirements (Chapter III Items 9 and 10 of the First Document of the Order No. D1-370/1K-230).	
	Competent authority	Regional environmental protection departments of the Ministry of the Environment of the Republic of Lithuania (Chapter II Art. 6 Par. 1 Law on State Environmental Control).	
Flexibility Mechanism			
	State	The costs of tax relief are borne by the state.	
	Consumers		
Distribution of costs	Plant operator		
Distribution of costs	Grid operator		
	European Union		
	Distribution mechanism		











# **Policies**

# **Summary of policies**

Overview	Currently, there are only a few legal provisions on the certification of RES installations, the exemplary role of public authorities and an RES-H building obligation promoting the development, installation and use of RES installations.	
	<b>Exemplary role of public authorities.</b> Since 2012, buildings that are owned by state and municipal institutions, agencies and enterprises and are either new or subject to major renovation have been required to meet the renewable energy requirements for buildings.	
Summary of policies	<b>RES-H building obligation.</b> As of 31 December 2014, all new buildings and existing buildings subject to major renovation will have to meet the renewable energy requirements for buildings. Compliance with these requirements may also be achieved by using district heating and cooling energy which was largely generated from renewable energy sources.	
	<b>Certification.</b> There are no national certification programmes. Currently, in order to be eligible for national support schemes, heat pumps and solar energy installations require certification in accordance with existing European Union standards. Certain conditions for biomass conversion technologies for heating and cooling have been established by national laws.	
Technologies		
Statutory provisions	<ul> <li>Law on Energy from Renewable Sources (Atsinaujinančių išteklių energetikos įstatymas)</li> <li>Order No. 1-172/2012 (Atsinaujinančių išteklių energijos gamybos įrenginius montuojančių specialistų</li> </ul>	











mokymo ir atestavimo tvarkos aprašas)











#### **Basic information on legal sources**

Name of legal source (original language)	Atsinaujinančių išteklių energetikos įstatymas	Atsinaujinančių išteklių energijos gamybos įrenginius montuojančių specialistų mokymo ir atestavimo tvarkos aprašas	
Full name	Lietuvos Respublikos Atsinaujinančių išteklių energetikos įstatymas (Valstybės žinios, 2011, Nr. 62-2936; 2013, Nr. 78- 3940)	Atsinaujinančių išteklių energijos gamybos įrenginius montuojančių specialistų mokymo ir atestavimo tvarkos aprašas, patvirtintas Lietuvos Respublikos energetikos ministro 2012 m. rugsėjo 6 d. įsakymu Nr. 1-172 (Valstybės žinios, 2012, 106-5396)	
Name (English)	Law of the Republic of Lithuania on Renewable Energy	Procedure on Training and Certification of installers of renewable facilities, approved by Order No. 1-172 of the Minister of Energy of the Republic of Lithuania of 6 September 2012	
Abbreviated form	Law on Energy from Renewable Sources	Order No. 1-172/2012	
Entry into force	24.05.2011	12.09.2012	











Last amended on	02.07.2013		
Future amendments			
Purpose	Establishing a general legal framework for the promotion of RES.	Establishes certification and training requirements for installers of renewable facilities.	
Relevance for renewable energy	Applies to renewable energy only.	Applies to renewable energy only.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_I?p_id= 453899	http://www3.lrs.lt/pls/inter3/dokpaies ka.showdoc I?p id=432488&p query= &p tr2=2	
Link to full text of legal source (English)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id= 448947  This translation does not provide information on the latest amendment.		











#### **Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Lietuvos Respublikos energetikos ministerija – Ministry of Energy of the Republic of Lithuania	http://www.enmin.lt/lt/		+370 706 6 4715	info@enmin.lt
Valstybinė energetikos inspekcija prie Energetikos ministerijos - State Energy Inspectorate of the Ministry of Economy of the Republic of Lithuania	http://www.vei.lt/		+370 5 263 6006	vei@vei.lt
Lietuvos Respublikos aplinkos ministerija - Ministry of Environment of the Republic of Lithuania	http://www.am.lt/VI/index.php		+370 5 2663661	info@am.lt











#### **Policy categories**

#### **Training programmes for installers**

Abbreviated form of legal source(s)	Law on Energy from Renewable Sources	
Sector	Electricity; Heating & Cooling	
Contact Authority	State Energy Inspectorate; Ministry of Energy	
Description	The Law on Energy from Renewable Sources stipulates that technicians shall be certified in accordance with certain requirements to be able to install the following equipment for energy generation from renewable sources:  1) biomass boilers and non-brick furnaces; 2) photovoltaic and solar thermal energy production equipment; 3) geothermal plants and heat pumps (Chapter IX Art. 45 Par. 4 Law of Energy from Renewable Sources).  Requirements are defined in the Procedure on Training and Certification of installers of renewable facilities (Order No. 1-172/2012).	
Addressees	Installers of biomass boilers and non-brick furnaces, photovoltaic and solar thermal energy production equipment, and geothermal plants and heat pumps (Order No. 1-172/2012).	
Competent authority	Training and certification process is administered by the Energy Agency (Order No. 1-172/2012).	
Further information		
Distribution of costs	State	











Private Financing	
European Union	
Others	











#### **Certification Programmes for RES installations**

Abbreviated form of legal source(s)	Law on Energy from Renewable Sources	
Sector	Heating & Cooling	
Contact Authority	-	
Description	In order to be eligible for national support schemes, heat pumps and solar energy installations shall be certified in accordance with existing European Union standards. Thus, heat pumps and their installation are eligible for national support schemes if the heat pumps meet the criteria for the award of the Community eco-label for electrically driven, gasdriven or gas absorption heat pumps, set out in Directive 2007/742/EC (OJ 2007 L301, p.14). Solar thermal power installations are eligible if they have been certified in accordance with existing European Union standards, including eco-labels, energy labels and other technical reference systems established by the European Union's standardisation bodies (Chapter IX Art. 47 Par. 2 and 3 Law on Energy from Renewable Sources).  Biomass conversion technologies for heating and cooling are eligible for national support schemes if:  • the energy conversion efficiency of biomass H&C plants for home and commercial use must be at least 85%;  • the energy conversion efficiency of biomass heating and cooling plants for industrial use must be at least 70% (Chapter IX Art. 47 Par. 2 Law on Energy from Renewable Sources).	
Addressees		
Competent authority		
Further information		
	State	
Distribution of costs	Industry	
	System Producers	











European Union	
Others	











#### Exemplary role of public authorities in accordance with Art. 13 Par. 5 RES Directive

Abbreviated form of legal source(s)	Law on Energy from Renewable Sources
Sector	Electricity; Heating & Cooling
Contact Authority	Ministry of Environment
Description	Since 2012, buildings that are owned by state and municipal institutions, agencies and enterprises and are either new or subject to major renovation have been required to meet the renewable energy requirements for buildings. These requirements as well as a defined implementation process shall be met by the government and its authorised institutions. Measures for the increased use of renewable energy in buildings shall be included in municipal action plans for renewable energy sources (Chapter X Art. 50 Law on Energy from Renewable Sources).
Addressees	Managers of public state and municipal buildings (Chapter X Art. 50 Law on Energy from Renewable Sources).
Competent authority	The government and its authorised institutions prepare and implement measures to enhance all forms of renewable energy use in buildings (Chapter X Art. 50 Law on Energy from Renewable Sources).
Further information	













#### **RES-H building obligations**

Abbreviated form of legal source(s)	Law on Energy from Renewable Sources
Sector	Heating & Cooling
Contact Authority	Ministry of Environment
Description	As of 31 December 2014, all new buildings and existing buildings subject to major renovation will have to meet the renewable energy requirements for buildings. Compliance with these requirements may also be achieved by using district heating and cooling energy which was largely generated from renewable energy sources. These requirements as well as a defined implementation process shall be met by the government and its authorised institutions. Measures for the increased use of renewable energy in buildings shall be included in municipal action plans for renewable energy sources (Chapter X Art. 50 Law on Energy from Renewable Sources).
Obligated entities	Property managers (Chapter X Art. 50 Law on Energy from Renewable Sources).
Competent authority	The government and its authorised institutions prepare and implement measures to enhance all forms of renewable energy use in buildings (Chapter X Art. 50 Law on Energy from Renewable Sources).
Further information	
Obligation on regional level	





