

# Research RES LEGAL – Support system

Country: Lithuania

## 1. Overview of support system

<b>Overview of support system</b>	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 are exempt from excise tax.
<b>Support schemes</b>	<ul style="list-style-type: none"> <li>• <b>Feed-in tariff.</b> In Lithuania, electricity from renewable sources is promoted mainly through a feed-in tariff. The operators of renewable energy systems are entitled against the grid operator to payment for all electricity fed into the grid. The total amount of electricity eligible for promotion through the feed-in tariff is limited by law and depends on the source of energy used.</li> <li>• <b>Subsidies.</b> In Lithuania, subsidies are granted by the Lithuanian Environmental Investment Fund (LEIF). LEIF subsidises only those projects that aim to reduce environmental damage in the long term. These projects include renewable electricity generation systems.</li> <li>• <b>Tax exemption.</b> In Lithuania, electricity from renewable sources is exempt from tax.</li> </ul>
<b>Promoted technologies</b>	Basically, all technologies used for the generation of electricity from renewable sources are eligible for at least one support scheme.
<b>Statutory provisions</b>	<ul style="list-style-type: none"> <li>• Law on Renewable Energy (Atsinaujinanciu istekliu energetikos istatymas);</li> <li>• Resolution No. 1474/2001 (Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos ištekliai, gamybos ir pirkimo skatinimo tvarkos aprašas – Procedure for the Promotion of the Generation and Purchase of Electricity from Renewable Sources)</li> <li>• Order No. D1-303 (Lietuvos aplinkos apsaugos investiciju fondo programos lešomis finansuojamu investiciniu projektu igyvendinimo ir priežiūros tvarkos aprašas – Description of the Procedure for Financing and Supervising Projects Funded by the Lithuanian Environmental Investment Fund)</li> <li>• Order No. 1-215/2009 (Viešuosius interesus atitinkanciu paslaugu teikimo tvarkos aprašas - Description of the Procedure for the Provision of Services of Public Interest)</li> <li>• Statutes of LEIF (Viesosios Istaigos Lietuvos Aplinkos Apsaugos Investiciju Fondas Istatai – Statutes of the Lithuanian Environmental Investment Fund)</li> <li>• Resolution No. 7/2002 (Nutarimas “Del viešuosius interesus atitinkanciu paslaugu elektros energetikos sektoriuje kainu” – Resolution on the Pricing of Public Service Obligations in the Electricity Sector)</li> <li>• Tax Law (Akcizu istatymas)</li> </ul>

	<ul style="list-style-type: none"> <li>Resolution No. O3-249 (Nutarimas Del fiksuoto tarifo didžiausio galimo dydžio nustatymo – Resolution on the Maximum Feed-in Tariff)</li> </ul>
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## 2. Basic information on legal sources

<b>Name of legal source (original language)</b>	Atsinaujinanciu istekliu energetikos istatymas	Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos istekliai, gamybos ir pirkimo skatinimo tvarkos aprasas	Nutarimas "Del viesuosius interesus atitinkanciu paslaugu elektros energetikos sektoriuje kainu"
<b>Full name</b>	Lietuvos Respublikos Atsinaujinanciu istekliu energetikos istatymas (Valstybes zinios, 2011, Nr. 62-2936)	Elektros energijos, kuriai gaminti naudojami atsinaujinantys energijos istekliai, gamybos ir pirkimo skatinimo tvarkos aprasas, patvirtintas Lietuvos Respublikos Vyriausybės 2001 m. gruodžio 5 d. nutarimu Nr. 1474 (Valstybes zinios, 2001, Nr. 104-3713; 2004, Nr. 9-228; 2005, Nr. 73-2651; 2006, Nr. 100-3862; 2009, Nr. 49-1958; 2010, Nr. 82-4329)	Valstybines kainu ir energetikos kontroles komisijos 2002 m. vasario 11 d. nutarimas Nr. 7 " Del viesuosius interesus atitinkanciu paslaugu elektros energetikos sektoriuje kainu" (Valstybes zinios, 2002, Nr. 16-648; 2007, Nr. 73-1041; 2008, Nr. 16-217; 2009, Nr. 77-1002; Nr. 108-4576)
<b>Name (English)</b>	Law of the Republic of Lithuania on Renewable Energy	Procedure for the Promotion of the Generation and Purchase of Electricity from Renewable Energy Sources approved by Resolution No. 1474 of the Government of the Republic of Lithuania of 5 December 2001	Resolution No. 7 of the National Control Commission for Prices and Energy of 11 February 2002 on the Pricing of Public Service Obligations in the Electricity Sector
<b>Abbreviated form</b>	Law on Renewable Energy	Resolution No. 1474/2001	Resolution No. 7/2002
<b>Entry into force</b>	24.05.2011	01.01.2002	16.02.2002
<b>Last amended on</b>		07.07.2010	04.09.2009
<b>Future amendments</b>	31.12.2011		
<b>Purpose</b>	Establishing a general legal framework for the promotion of RES.	Regulating the issue, change, suspension and revocation of permits for activities in the electricity sector.	In this resolution, the NCC sets the prices for services of public interest in the electricity sector.
<b>Relevance for Renewable Energy</b>	DApplies to renewable energy only.	Defines activities in the electricity sector that are subject to authorisation, including electricity generation and the expansion of electricity generating capacity. These are general conditions,	In this resolution, the NCC sets average buying prices for electricity produced from renewable sources and waste, as well as the conditions for their application.

		but they also apply to renewables.	
<b>Link to full text of legal source (original language)</b>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=398874&amp;p_query=&amp;p_tr2=">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=398874&amp;p_query=&amp;p_tr2=</a>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=378153">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=378153</a>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=160371&amp;p_query=&amp;p_tr2=">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=160371&amp;p_query=&amp;p_tr2=</a>
<b>Link to full text of legal source (English)</b>		<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=312291">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=312291</a>	

<b>Name of legal source (original language)</b>	Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas	Lietuvos aplinkos apsaugos investiciju fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas	Lietuvos aplinkos apsaugos investicijų fondo nuostatai
<b>Full name</b>	Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas, patvirtintas Lietuvos Respublikos energetikos ministro 2009 m. lapkričio 24 d. įsakymu Nr. 1-215 (Valstybės žinios, 2009, Nr. 140-6159; 2010, Nr. 73-3726, 122-6227; 2011, Nr. 14-647)	Lietuvos aplinkos apsaugos investicijų fondo programos lėšomis finansuojamų investicinių projektų įgyvendinimo ir priežiūros tvarkos aprašas, patvirtintas Lietuvos Respublikos aplinkos ministro 2011 m. balandžio 12 d. įsakymu Nr. D1-303 (Valstybės žinios, 2011, Nr. 46-2206)	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)
<b>Name (English)</b>	Description of the Procedure for the Provision of Services of Public Interest, approved by Order No. 1-215 of the Minister of Energy of the Republic of Lithuania of 24 November 2009	Description of the Procedure for Financing and Supervising Projects funded by the Lithuanian Environmental Investment Fund, approved by Order No. D1-303 of the Minister of Environment of the Republic of Lithuania of 12 April 2011	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
<b>Abbreviated form</b>	Order No. 1-215/2009	Order No. D1-303	Statutes of LEIF
<b>Entry into force</b>	27.11.2009	17.04.2011	15.10.2010
<b>Last amended on</b>	04.02.2011		17.12.2010
<b>Future amendments</b>			
<b>Purpose</b>	Setting general conditions for services related to energy production from renewable sources.	Establishing conditions for the financing of environmental investment projects by the Fund, as well as an enforcement mechanism for these conditions.	Defining the objectives and tasks of the Lithuanian Environmental Investment Fund.
<b>Relevance for Renewable Energy</b>	Sets general conditions for services related to energy production from renewable sources.	Establishes financing conditions for environmental investment projects, including projects related to renewable energy.	Establishes the promotion of renewable energy sources as one of the aims of the Lithuanian Environmental Investment Fund.

<b>Link to full text of legal source (original language)</b>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=359046&amp;p_query=&amp;p_tr2=">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=359046&amp;p_query=&amp;p_tr2=</a>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=396792">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=396792</a>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=383207&amp;p_query=&amp;p_tr2=">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=383207&amp;p_query=&amp;p_tr2=</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>		Akcizu istatymas	Nutarimas Del fiksuoto tarifo didziausio galimo dydzio nustatymo
<b>Full name</b>		Lietuvos Respublikos Akcizu istatymas (Valstybes zinios, 2001, Nr. 98-3482; 2010, Nr. 45-2174)	Nacionalines Valstybines Kainu ir Energetikos Kontroles Komisijos nutarimas Del fiksuoto tarifo didziausio galimo dydzio nustatymo (Valstybes zinios, 2011, Nr. 78-714)
<b>Name (English)</b>		Tax Act	Resolution on the Maximum Feed-in Tariff, approved by Resolution No. O3-249 of the National Control Commission for Prices and Energy of 26 September 2011
<b>Abbreviated form</b>		Tax Act	Resolution No. O3-249
<b>Entry into force</b>		01.07.2002	01.10.2011
<b>Last amended on</b>		18.12.2010	
<b>Future amendments</b>			
<b>Purpose</b>		This Law regulates the taxes on the trade and consumption of energy.	This resolution defines the payment periods of the feed-in tariffs.
<b>Relevance for Renewable Energy</b>		Electricity from renewable sources is exempt from tax.	This resolution defines the payment periods of the current feed-in tariffs for electricity from renewable sources.
<b>Link to full text of legal source (original language)</b>		<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=389323">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=389323</a>	<a href="http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=407450&amp;p_query=&amp;p_tr2=">http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=407450&amp;p_query=&amp;p_tr2=</a>
<b>Link to full text of legal source (English)</b>			

### 3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
<b>Valstybine kainu ir energetikos kontroles komisija (NCC) – National Control Commission for Prices and Energy</b>	<a href="http://www.regula.lt/en/about-us/">http://www.regula.lt/en/about-us/</a>	Darius Liutkevicius	+370 5 213 5241	darius.liutkevicius@regula.lt
<b>Lietuvos aplinkos apsaugos investiciju fondas (LAAIF) – Lithuanian Environmental Investment Fund (LEIF)</b>	<a href="http://www.laaif.lt/index.php?-1579478433">http://www.laaif.lt/index.php?-1579478433</a>		+370 5 2169599	laaif@laaif.lt
<b>Energetikos agentura (EA) – Energy Agency</b>	<a href="http://www.ena.lt/en/default.htm">http://www.ena.lt/en/default.htm</a>		+370 5 261 9225	eainfo@ena.lt
<b>Lietuvos vejo elektriniu asociacija (Lithuanian Wind Power Association)</b>	<a href="http://www.lvea.lt/index.php/en">http://www.lvea.lt/index.php/en</a>	Saulius Vytas Piksrys	+370 687 92486	saulius@atgaja.lt



## Support schemes

### 4.1. Feed-in tariff

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>• Law on Renewable Energy</li> <li>• Order No. 1/-215</li> <li>• Resolution No. 1474/2001</li> <li>• Resolution No. 7/2002</li> <li>• Resolution No. O3-249</li> </ul>	
<b>Country-specific support system</b>	<p>In Lithuania, renewable electricity generation is promoted through a feed-in tariff. According to the National Control Commission for Prices and Energy, the operators of renewable electricity generation systems are entitled against the grid operator to payment for electricity exported to the grid. All electricity produced by RES systems whose total installed capacity does not exceed 30 kW shall be purchased at the feed-in tariff set by the government. The operators of RES systems with a total installed capacity of more than 30 kW may acquire guaranteed feed-in tariffs and subsidies for a certain amount of their electricity in an auction.</p> <p>The maximum feed-in tariff for each calendar year shall be set by the National Control Commission for Prices and Energy.</p>	
<b>Promoted technologies</b>	<b>General information</b>	Except for electricity generated from geothermal power technologies, all renewable generation technologies are eligible for this support scheme (Chapter I Art. 2 Par. 2, Chapter III Art. 20 Par. 2, 3 Law on Renewable Energy).
	<b>Wind energy</b>	Eligible.
	<b>Solar energy</b>	Eligible.
	<b>Geothermal energy</b>	
	<b>Biogas</b>	Eligible.
	<b>Hydro-electricity</b>	Eligible.
	<b>Biomass</b>	Eligible.
<b>Amount</b>	<b>General information</b>	The guaranteed tariff for RES systems with a total generating capacity of more than 30 kW is set in auctions organised by the National Control Commission for Prices and Energy (Chapter III Art. 20 Par. 3 Law on Renewable Energy). Electricity generated by renewable energy systems whose installed capacity does not exceed 30 kW shall be purchased at a guaranteed price set by the Control Commission (Chapter III Art. 20 Par. 1 Law on Renewable Energy). The following tariffs apply to RES systems with a generating capacity of up to 30 kW up until 31 December 2011 (Item 4 Resolution No. 7/2002, Resolution No. O3-249):
	<b>Wind energy</b>	LTL 0.30 per kWh (Item 4.2. Resolution No. 7/2002)
	<b>Solar energy</b>	up to 100 kW: LTL 1.63 per kWh; above 100 kW and up to 1 MW: LTL 1.56 per kWh; above 1 MW: LTL 1.51 per kWh (Item 4.3. Resolution No. 7/2002)
	<b>Geothermal energy</b>	
	<b>Biogas</b>	LTL 0.30 per kWh (Item 4.3. Resolution No. 7/2002)

	<b>Hydro-electricity</b>	LTL 0.26 per kWh (Item 4.1. Resolution No. 7/2002)
	<b>Biomass</b>	LTL 0.30 per kWh (Item 4.3. Resolution No. 7/2002)
<b>Degression</b>	<b>General information</b>	
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Cap</b>		
<b>Eligibility period</b>	The feed-in tariffs shall be paid for 12 years from the issue of the generation licence (Chapter III Art. 20 Par. 8 Law on Renewable Energy).	
<b>Beneficiaries</b>	<b>Entitled party:</b> The persons entitled to the purchase of electricity exported to the grid are the operators of renewable electricity generation systems (Chapter I Item 2.1, Chapter II Item 9 in the fifth document of Resolution No. 1474/2001, in conjunction with Chapter II Item 6.1 Order No. 1-215).	
	<b>Obligated party:</b> The party obligated is the transmission grid operator (Chapter II Item 9 Order No. 1-215).	
<b>Procedure</b>	<b>Procedure</b>	<p>Different procedures are applicable according to the total installed capacity of an RES system:</p> <ul style="list-style-type: none"> <li>Electricity produced by RES systems whose total installed capacity does not exceed 30 kW shall be purchased at the guaranteed price set by the government (Chapter III Art. 20 Par. 1 Law on Renewable Energy).</li> <li>The operators of RES systems with a total installed capacity above 30 kW may acquire guaranteed tariffs and subsidies for a certain amount of their electricity in auctions (Chapter III Art. 20 Par. 3 Law on Renewable Energy).</li> </ul> <p>For each RES technology, separate auctions 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. 3 Law on Renewable Energy).</p> <p>The maximum feed-in tariff for each calendar year shall be determined by the National Control Commission for Prices and Energy. The winner of an auction 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 system with the highest total generating</p>

		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 Renewable Energy).
	<b>Competent authority</b>	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 Item 29 Order No. 1-215).
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	According to the National Control Commission for Prices and Energy, the electricity price consists of several elements. One of 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 6.1 Order No. 1-215).
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	<ul style="list-style-type: none"> <li>- <b>Grid operators – system operators.</b> The transmission and distribution grid operators purchase electricity from renewable sources from the system operators.</li> <li>- <b>Transmission grid operators – distribution grid operator.</b> Transmission grid operators purchasing electricity are obliged to reimburse the relevant distribution grid operator for the money he paid to the system operators (Chapter II Items 9, 13, 14 Order No. 1-215).</li> <li>- <b>Consumers – transmission grid operators.</b> 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 6.1 Order No. 1-215).</li> </ul>

#### 4.2. Tax regulation mechanisms

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>Tax Act</li> </ul>	
<b>Country-specific support system</b>	<p>In Lithuania, the obligation to pay tax on electricity arises where:</p> <ul style="list-style-type: none"> <li>it is sold or otherwise transmitted to a person who has no business licence,</li> <li>it is received by an unlicensed person from another EU member state,</li> <li>it is imported by an unlicensed person or</li> <li>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 Tax Law).</li> </ul> <p>Electricity from renewable sources is exempt from excise tax (Chapter IV Art. 48 Par. 1 Item 2 Tax Act).</p>	
<b>Promoted technologies</b>	<b>General information</b>	All renewable electricity generation technologies are exempt from excise tax (Chapter IV Art. 48 Par. 1 Item 2 Tax Act).
	<b>Wind energy</b>	Eligible.
	<b>Solar energy</b>	Eligible.
	<b>Geothermal energy</b>	Eligible.
	<b>Biogas</b>	Eligible.
	<b>Hydro-electricity</b>	Eligible.
	<b>Biomass</b>	Eligible.
<b>Amount</b>	<p>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. Generated electricity used for business purposes is subject to a tax of LTL 1.8 per MWh (Chapter IV Art. 47 Par. 1, 2 Tax Act).</p>	
<b>Beneficiaries</b>	<p><b>Entitled party:</b> System operators generating electricity from renewable sources (Chapter IV Art. 48 Par. 1 Item 2 Tax Act).</p>	
<b>Procedure</b>	<b>Procedure</b>	This scheme is based on obligations. There is no administrative procedure.
	<b>Competent authority</b>	The institution that implements the measures and is responsible for the monitoring of excise tax payment is the State Tax Inspectorate of the Ministry of Finance of the Republic of Lithuania (Chapter I Art. 21 Par. 1 Tax Act).
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	The costs of tax relief are borne by the state.
	<b>Consumers</b>	
	<b>Grid operator</b>	

	System operator	
	Distribution mechanism	