

Research RES LEGAL – Support system

Country: Lithuania

1. Overview of support system

Overview of support system	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.
Support schemes	<ul style="list-style-type: none"> • Feed-in tariff. 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. • Subsidies. 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. • Tax exemption. In Lithuania, electricity from renewable sources is exempt from tax.
Promoted technologies	Basically, all technologies used for the generation of electricity from renewable sources are eligible for at least one support scheme.
Statutory provisions	<ul style="list-style-type: none"> • Law on Renewable Energy (Atsinaujinanciu istekliu energetikos istatymas); • 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) • 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) • Order No. 1-215/2009 (Viešuosius interesus atitinkanciu paslaugu teikimo tvarkos aprašas - Description of the Procedure for the Provision of Services of Public Interest) • Statutes of LEIF (Viesosios Istaigos Lietuvos Aplinkos Apsaugos Investiciju Fondas Istatai – Statutes of the Lithuanian Environmental Investment Fund) • 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) • Tax Law (Akcizu istatymas)

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

Name of legal source (original language)	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"
Full name	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 Vyriausybes 2001 m. gruodzio 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)
Name (English)	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
Abbreviated form	Law on Renewable Energy	Resolution No. 1474/2001	Resolution No. 7/2002
Entry into force	24.05.2011	01.01.2002	16.02.2002
Last amended on		07.07.2010	04.09.2009
Future amendments	31.12.2011		
Purpose	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.
Relevance for Renewable Energy	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.	
Link to full text of legal source (original language)	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=398874&p_query=&p_tr2=	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=378153	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=160371&p_query=&p_tr2=
Link to full text of legal source (English)		http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=312291	

Name of legal source (original language)	Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas	Lietuvos aplinkos apsaugos investiciju fondo programos lésomis finansuojamų investiciniu projektų igyvandinimo ir priežiūros tvarkos aprasas	Lietuvos aplinkos apsaugos investiciju fondo nuostatai
Full name	Viesuosius interesus atitinkanciu paslaugu teikimo tvarkos aprasas, patvirtintas Lietuvos Respublikos energetikos ministro 2009 m. lapkricio 24 d. isakymu Nr. 1-215 (Valstybes ziniós, 2009, Nr. 140-6159; 2010, Nr. 73-3726, 122-6227; 2011, Nr. 14-647)	Lietuvos aplinkos apsaugos investiciju fondo programos lésomis finansuojamų investiciniu projektų igyvandinimo ir priežiūros tvarkos aprasas, patvirtintas Lietuvos Respublikos aplinkos ministro 2011 m. balandžio 12 d. isakymu Nr. D1-303 (Valstybės žinios, 2011, Nr. 46-2206)	Lietuvos aplinkos apsaugos investiciju fondo nuostatai, patvirtinti Lietuvos Respublikos aplinkos ministro 2010 m. spalio 12 d. isakymu Nr. D1-858 (Valstybės žinios, 2010, Nr. 122-6221, 147-7542)
Name (English)	Description of the Procedure for the Provision of Services of Public Interest, approved by Order No. 1-215 of the Minister of Energy of the Republic of Lithuania of 24 November 2009	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
Abbreviated form	Order No. 1-215/2009	Order No. D1-303	Statutes of LEIF
Entry into force	27.11.2009	17.04.2011	15.10.2010
Last amended on	04.02.2011		17.12.2010
Future amendments			
Purpose	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.
Relevance for Renewable Energy	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.

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

Name of legal source (original language)		Akcizu istatymas	Nutarimas Del fiksuoto tarifo didziausio galimo dydzio nustatymo
Full name		Lietuvos Respublikos Akcizu istatymas (Valstybes ziniuos, 2001, Nr. 98-3482; 2010, Nr. 45-2174)	Nacionalines Valstybines Kainu ir Energetikos Kontroles Komisijos nutarimas Del fiksuoto tarifo didziausio galimo dydzio nustatymo (Valstybes ziniuos, 2011, Nr. 78-714)
Name (English)		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
Abbreviated form		Tax Act	Resolution No. O3-249
Entry into force		01.07.2002	01.10.2011
Last amended on		18.12.2010	
Future amendments			
Purpose		This Law regulates the taxes on the trade and consumption of energy.	This resolution defines the payment periods of the feed-in tariffs.
Relevance for Renewable Energy		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.
Link to full text of legal source (original language)		http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=389323	http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=407450&p_query=&p_tr2=
Link to full text of legal source (English)			

3. Further information

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

Support schemes

4.1. Feed-in tariff

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • Law on Renewable Energy • Order No. 1/-215 • Resolution No. 1474/2001 • Resolution No. 7/2002 • Resolution No. O3-249 	
Country-specific support system	<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>	
Promoted technologies	General information	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).
	Wind energy	Eligible.
	Solar energy	Eligible.
	Geothermal energy	
	Biogas	Eligible.
	Hydro-electricity	Eligible.
Amount	General information	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):
	Wind energy	LTL 0.30 per kWh (Item 4.2. Resolution No. 7/2002)
	Solar energy	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)
	Geothermal energy	
	Biogas	LTL 0.30 per kWh (Item 4.3. Resolution No. 7/2002)

	Hydro-electricity	LTL 0.26 per kWh (Item 4.1. Resolution No. 7/2002)
	Biomass	LTL 0.30 per kWh (Item 4.3. Resolution No. 7/2002)
Degression	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
	Biomass	
Cap		
Eligibility period	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).	
Beneficiaries	Entitled party: 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).	
	Obligated party: The party obligated is the transmission grid operator (Chapter II Item 9 Order No. 1-215).	
Procedure	Procedure	Different procedures are applicable according to the total installed capacity of an RES system: <ul style="list-style-type: none"> • 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). • 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).
		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). 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

		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).
	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 Item 29 Order No. 1-215).
Flexibility Mechanism		
Funding	State	
	Consumers	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).
	Grid operator	
	System operator	
	Distribution mechanism	<ul style="list-style-type: none"> - Grid operators – system operators. The transmission and distribution grid operators purchase electricity from renewable sources from the system operators. - Transmission grid operators – distribution grid operator. 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). - Consumers – transmission grid operators. 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).

4.2. Tax regulation mechanisms

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> Tax Act 	
Country-specific support system	<p>In Lithuania, the obligation to pay tax on electricity arises where:</p> <ul style="list-style-type: none"> 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 Tax Law). <p>Electricity from renewable sources is exempt from excise tax (Chapter IV Art. 48 Par. 1 Item 2 Tax Act).</p>	
Promoted technologies	General information	All renewable electricity generation technologies are exempt from excise tax (Chapter IV Art. 48 Par. 1 Item 2 Tax Act).
	Wind energy	Eligible.
	Solar energy	Eligible.
	Geothermal energy	Eligible.
	Biogas	Eligible.
	Hydro-electricity	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. 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).	
Beneficiaries	Entitled party: System operators generating electricity from renewable sources (Chapter IV Art. 48 Par. 1 Item 2 Tax Act).	
Procedure	Procedure	This scheme is based on obligations. There is no administrative procedure.
	Competent authority	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).
Flexibility Mechanism		
Funding	State	The costs of tax relief are borne by the state.
	Consumers	
	Grid operator	

	System operator	
	Distribution mechanism	