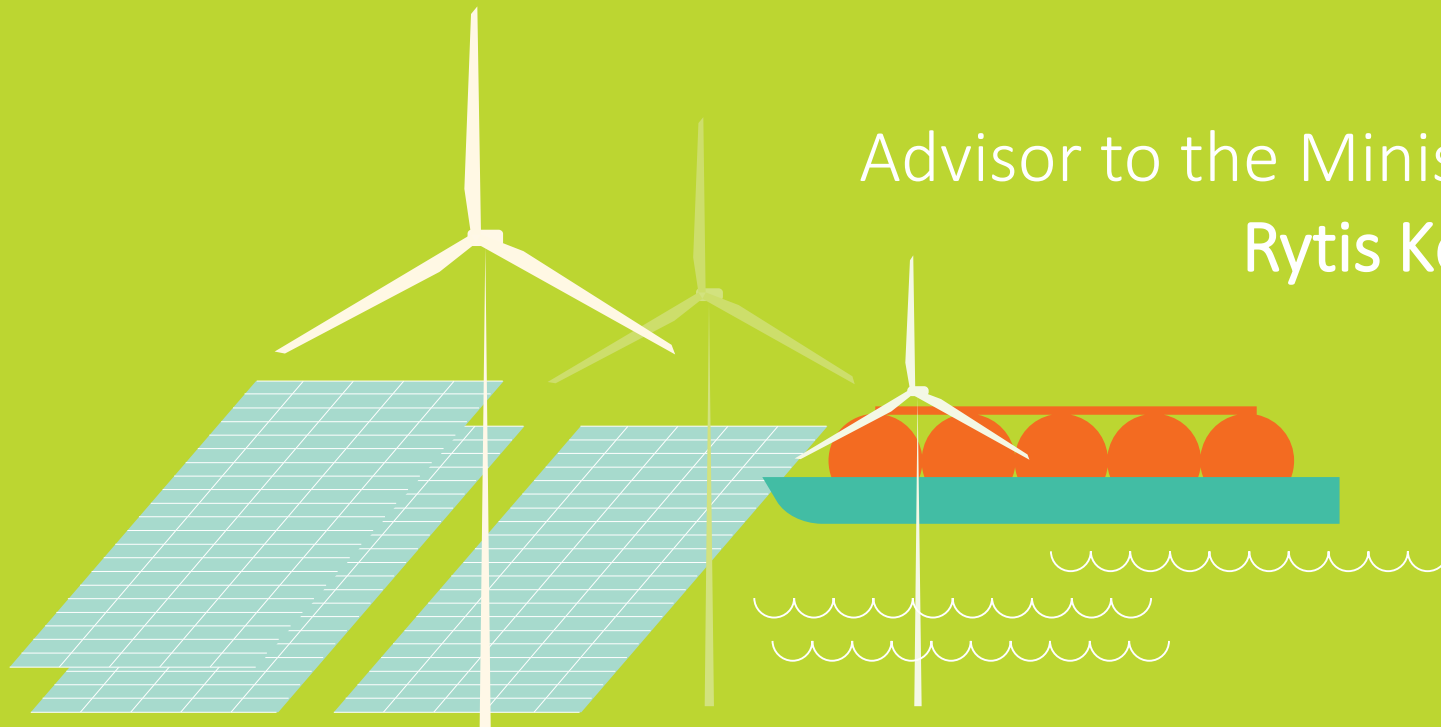


Wind energy market in Lithuania

Advisor to the Minister of Energy
Rytis Kėvelaitis, PMP



Lithuania – facts & figures

Population¹

**2.8
million**

1st

**In EU for GDP
per capita
growth since
2000³**

GDP growth in
2017¹

3.9%

2nd

**Most business
friendly
country in CRE⁴**

To register a
business²

1 day

13th

**Freest
economy in
the world⁵**

Source 1: Statistics Lithuania, 2018

Source 2: Center of Registers, 2018

Source 3: Eurostat, 2018

Source 4: Ease of Doing Business, World Bank, 2018

Source 5: Economic Freedom of the World. Fraser Institute, 2017

Lithuania – facts & figures

1990

Restoration of independence



2004

Part of the EU and NATO



2015

Part of the Eurozone



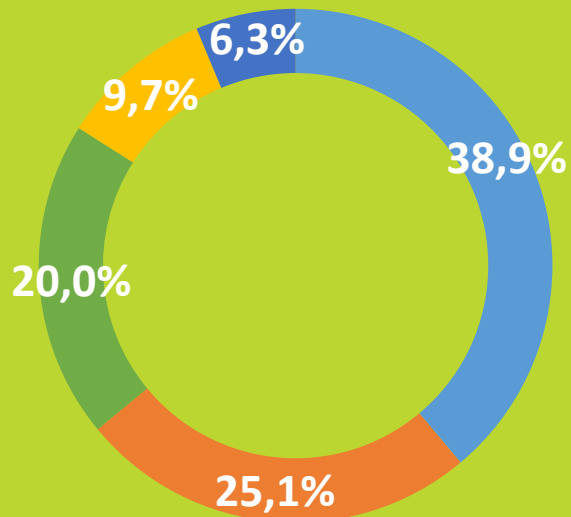
2018

Part of the OECD



Energy sector in Lithuania

Gross inland energy consumption mix¹



- Crude oil and petroleum
- Natural gas
- Renewable energy
- Electricity
- Coal, peat and other

Key data - electricity²

Consumption

10,76
TWh

Production

3,87
TWh

Share of imports

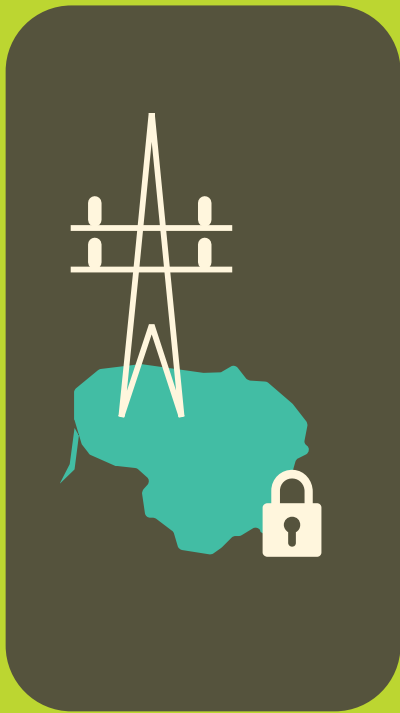
74%

Market price

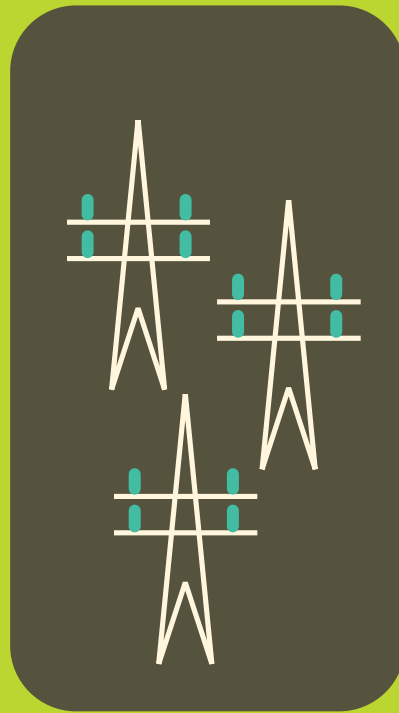
35,1
EUR/
MWh

Key developments in the last decade

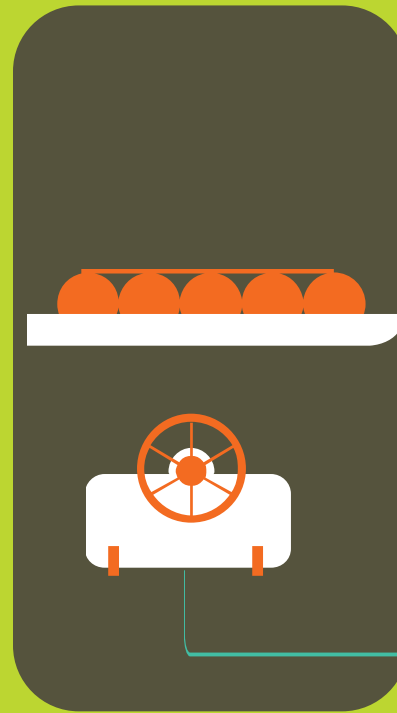
Decommissioning
Ignalina NPP



New
interconnectors



LNG terminal



Gas to
biomass



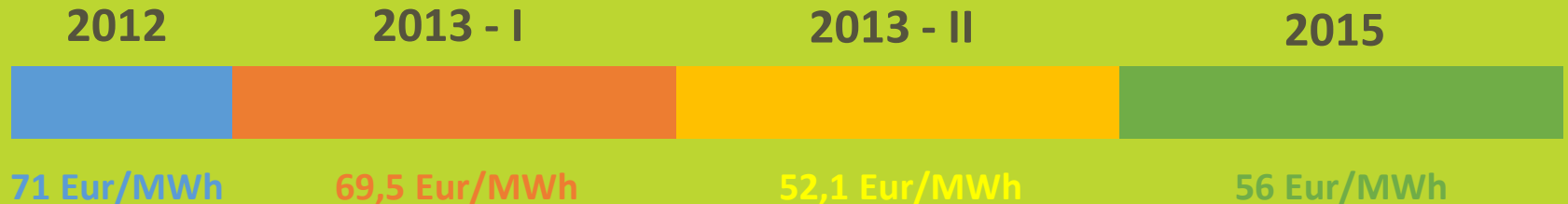
History of wind energy in Lithuania

2002

First 160KW windmill installation in Lithuania

2012

First auctions for wind energy in Lithuania¹

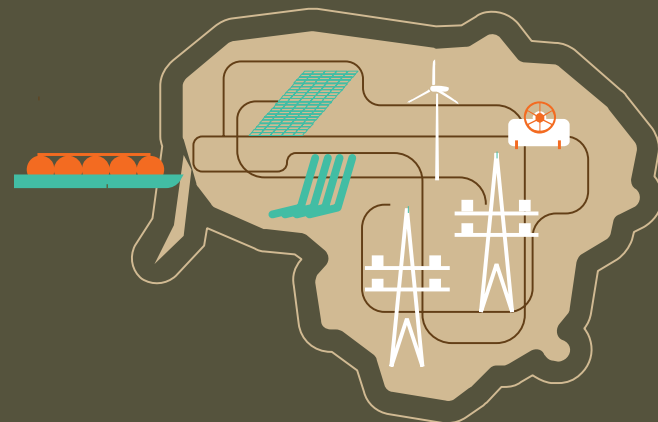


2016

Lithuania is 1st in the EU with most installations relative to its power consumption²

Status quo of wind energy

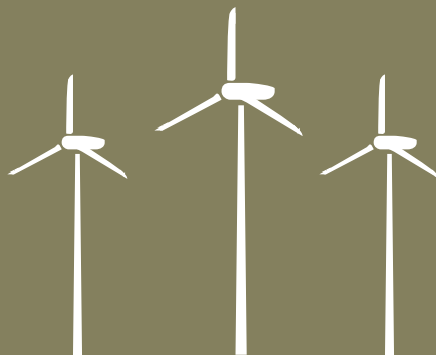
Total capacity¹:
517 MW
168 units
21 wind farm



Key facts about wind energy²

Produced 1,36 KWh of
wind energy in 2017

+20% increase from 2016



Wind energy is the largest
domestic production source

12,64% of electricity demand
is covered by wind energy

Renewable energy in Lithuania today

Surpassed 2020 EU targets in 2016¹

Achievement in 2016

25%

Target for 2020

23%

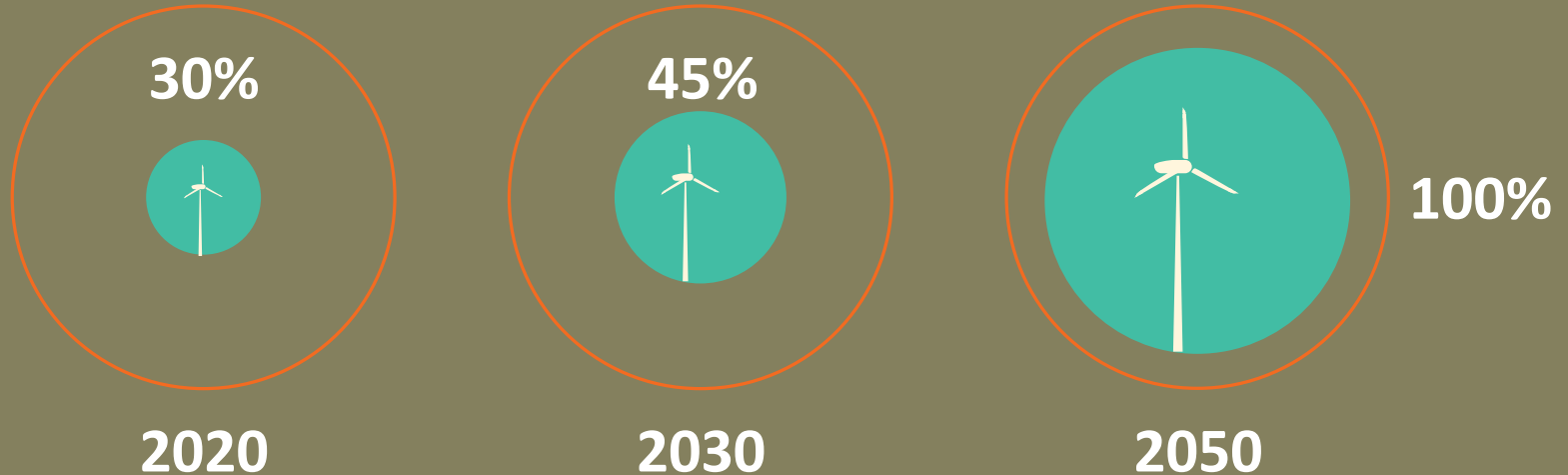
First in the EU to sell the surplus of renewable energy



Next steps for renewable energy

National Energy Independence Strategy is in the final steps of adoption in the Parliament

Goals for renewable energy share in energy mix¹

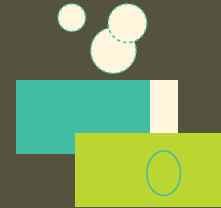


Short term onshore wind development



2019 Q2

Auctions will
take place



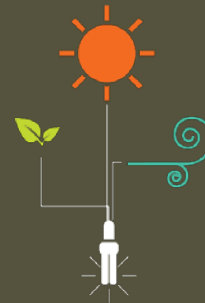
12 year

Support period



2.5TWh

Electricity to be
produced



**Technology
neutral**



Sliding premium

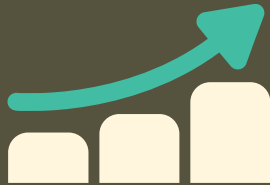
Support
mechanism

Medium term offshore wind development



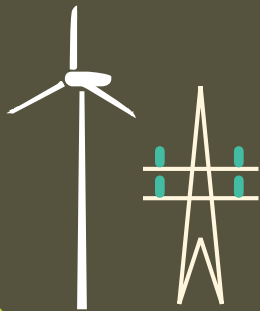
From 2017

Holland/Denmark
model of
development



3 years

To complete
assessments



3 areas

Grid, market,
environment



2020 Q4

Decision by the
Cabinet for
organizing auctions



2021-2022

Earliest dates for
auctions

Market opportunities for Netherlands industry

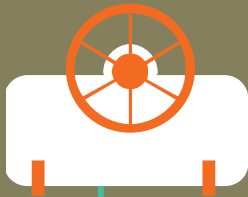
PERFECT TIME TO ENTER THE MARKET

Pipeline of auctions

Stable regulatory framework

Opportunities for supply chain

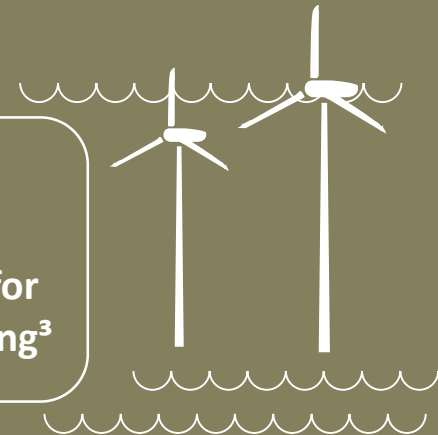
SUPPLY CHAIN OPPORTUNITIES



7 Free Economic Zones¹

Largest port in the Baltic States²

2nd best business conditions for manufacturing³

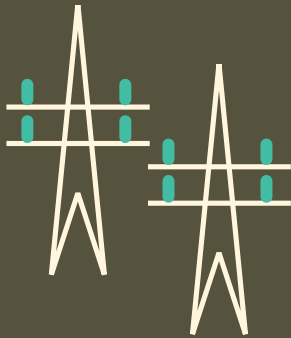
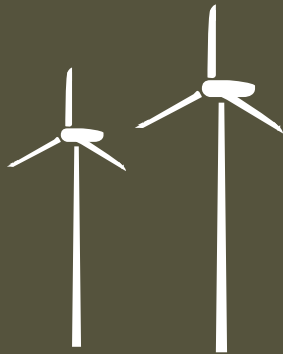


Source 1: Invest Lithuania, 2018

Source 2: Port of Klaipėda, 2018

Source 3: Manufacturing Risk Index, Cushman & Wakefield, 2018

Wind energy regulatory framework goals

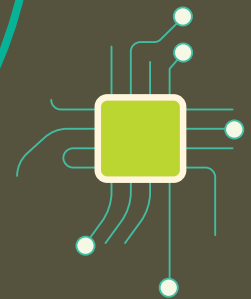
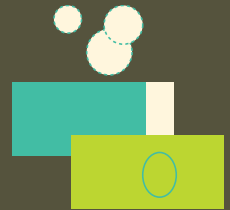


Providing visibility for investors by **ambitious goals** and **roadmaps**

Removing **administrative** and **technical barriers**

Investing in **grid modernisation** and **interconnectors**

Engaging in dialogue with **local communities**



Thank you!

Rytis Kėvelaitis, PMP

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