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**REPUBLIC OF LITHUANIA
LAW ON
ENERGY FROM RENEWABLE SOURCES**

2011 May 12 No XI-1375
Vilnius

**CHAPTER ONE
GENERAL PROVISIONS**

Article 1. Purpose, Aim and Tasks of the Law

1. This Law shall establish the legal basis for state administration, regulation, supervision and control of the renewable energy sector of the Republic of Lithuania and organisation of activities in the renewable energy sector, also stipulate the state regulation and supervision of operations of energy grid operators, producers of energy from renewable sources and their relations with controlling authorities.

2. The purpose of this Law shall be to ensure sustainable development of the use of renewable energy sources, promote further development and introduction of innovative technologies and consumption of generated energy, taking particular account of the international commitments of the Republic of Lithuania, the objectives of environmental protection, sparing use of fossil energy sources, reduction of dependence on fossil energy sources and energy import and other objectives of the state energy policy, subject to evaluation of the requirements of security and reliability of energy supply, also taking account of the principles of ensuring of the protection of consumer rights to and legitimate interests in the availability, suitability and adequacy of renewable energy resources.

3. This Law shall establish a common system of promotion of the consumption of energy from renewable sources in the Republic of Lithuania.

4. The main task of this Law shall be to ensure that in 2020 the share of energy from renewable sources accounts for at least 23 per cent as compared with the country's gross final energy consumption level and that this share is further increased by employing, to this end, the latest and most efficient technologies of use of renewable energy resources and promoting the efficient consumption of energy.

5. The tasks of this Law in the specific energy sectors in 2020 shall be:

1) to increase the share of energy from renewable sources in all modes of transport at least up to 10 per cent as compared with the final energy consumption in the transport sector;

2) to increase the share of electricity generated from renewable sources not less than up to 20 per cent as compared with the country's gross final consumption of energy;

3) to increase the share of district heat produced from renewable energy sources in the heat balance at least up to 60 per cent, and to increase the share of renewable energy sources in households in the balance of energy sources used for heating at least up to 80 per cent.

6. The provisions of this Law shall implement the legal acts of the European Union listed in the Annex to this Law.

Article 2. Definitions

1. **Aerothermal energy** means energy stored in the form of heat in the air.

2. **Energy from renewable sources** means energy from renewable non-fossil sources: wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, biogases, including landfill gas and sewage treatment plant gas, also other renewable non-fossil sources whose use is technologically feasible currently or will be feasible in the future.

3. **Renewable energy installation** (hereinafter referred to as the '**installation**') means an installation producing electricity and/or heat and/or cooling energy from renewable energy sources.

4. **Guarantee of origin of renewable energy resources** (hereinafter referred to as the '**guarantee of origin**') means an electronic document which has the sole function of providing proof to a final customer that a given share or quantity of energy was produced from renewable sources.

5. **Pilot project of the use of renewable energy sources** (hereinafter referred to as the '**pilot project**') means a project of the use of renewable energy sources prepared in accordance with the procedure and under the terms and conditions specified by the Government of the Republic of Lithuania and including studies of applicability of new technologies or pilot installations, also enhancement or major improvement of the operational efficiency of the existing technologies.

6. **Support measure for the use of renewable sources to produce energy** (hereinafter referred to as the '**support measure**') means a measure or method specified in this Law and other legal acts promoting the use of renewable sources for the production of energy.

7. **Gross final consumption of energy** means consumption of energy products supplied to industry, transport, households, the services sector (including public services), agriculture, forestry and fisheries for the purpose of production of energy, including consumption of electricity and heat consumed by the energy sector for the production of electricity and heat and electricity and heat losses in the course of distribution and transmission.

8. **Biofuels for transport** means liquid or gaseous fuel for transport produced from biomass.

9. **Biogas** means gas produced from biomass.

10. **Biofuels** means gaseous, liquid and solid flammable products for energy purposes, produced from biomass.

11. **Biomass** means the biodegradable fraction of products, waste and residues (including vegetal and animal substances) from biological origin from agriculture, forestry and related industries, including fisheries and aquaculture, as well as the biodegradable fraction of industrial and municipal waste.

12. **Bio lubricants and bio oils** means the lubricants and oils produced from vegetable or animal fats.

13. **Supply of district heating or district cooling** means the delivery and sales to consumers of thermal energy in the form of steam, hot water or chilled liquids, from a central source of production.

14. **Power plant** means a facility controlled by an electricity producer by the right of ownership or another right, consisting of one or more technologically interconnected installations and their technological appurtenances for the generation of electricity or co-generation of electricity and heat energy.

15. **Installed capacity of a power plant** means the aggregate of all active energy generating capacities of a power plant.

16. **Preliminary design conditions for connection of a power plant to energy grids** (hereinafter referred to as the '**preliminary design conditions**') means the technical specifications setting forth the mandatory requirements for the construction, reconstruction and/or development of energy grids when connecting a power plant to the grids controlled by an energy grid operator or providing other services specified in legal acts.

17. **Design conditions for connection of a power plant to energy grids** (hereinafter referred to as the '**connection conditions**') means technical specifications specifying the

mandatory requirements for the construction, reconstruction and/or development of energy grids when connecting a power plant of the producer of energy from renewable sources to the grids controlled by the energy grid operator or providing other services specified in legal acts.

18. **Electromobile** means a vehicle wherein energy for mechanical movement is supplied solely from an electric storage battery.

19. **Letter of intent regarding connection of electricity installations to electricity grids** (hereinafter referred to as the ‘**letter of intent**’) means an agreement between the electrical grid operator and the person planning to construct or install a power plant whereby, inter alia, the person undertakes to prepare its electricity installations for connection to electricity grids within the specified time limit, and the electrical grid operator – to connect the electricity installations of the person to its electricity grids within the specified time limit.

20. **Point of connection of electricity facilities to electricity grids** (hereinafter referred to as the ‘**connection point**’) means a point precisely indicated within electricity grids at which the installations of the user of electricity grids are connected to the electricity transmission and/or distribution grid infrastructures. The location of the connection point shall be specified in a statement of ownership boundaries and, unless stipulated otherwise, shall coincide with the boundary between the property of the electrical grid operator and the user thereof as specified in this statement. The electrical grid installations located at the connection point shall be controlled by the right of ownership or on other lawful grounds by the electrical grid operator.

21. **Energy networks** means all interconnected installations used for transmission and distribution of energy and/or energy sources: electricity transmission and/or distribution grid infrastructures, heating or cooling transmission networks, gas transmission and/or distribution systems.

22. **Energy grid operator** means the operator of electricity transmission systems and/or electricity distribution grids, heating or cooling transmission grids, gas transmission and/or distribution systems.

23. **Low-energy building** means a building whose energy performance as specified under normative technical construction documents is very high. Energy from renewable sources, including energy produced from renewable sources on the spot or nearby, must account for the major share of required energy whose consumption is close to zero or is very low.

24. **Capacity of energy installations** means the capability of electricity, heating or cooling installations to achieve a certain power under normal operating conditions, irrespective of time limitations or short-term deviations.

25. **Producer of energy from renewable sources** (hereinafter referred to as the ‘**producer**’) means a person operating an installation for the generation of energy from renewable sources, producing electrical, heat and/or cooling energy in this installation and holding (if required according to the law) an appropriate authorisation, licence or certificate permitting to engage in this activity.

26. **Expenses of connection of installations for the generation of energy from renewable sources to energy networks** (hereinafter referred to as the ‘**connection expenses**’) means funds required for the connection of installations for the generation of energy from renewable sources to the networks controlled by the energy network operator.

27. **Fixed rate of electricity from renewable sources** (hereinafter referred to as the ‘**fixed rate**’) means the income guaranteed for the producer of energy from renewable sources, in accordance with the procedure and under the terms and conditions laid down by this Law, for a unit of electricity from renewable sources generated and supplied to electrical grids.

28. **Geothermal energy** means energy stored in the form of heat beneath the surface of solid earth.

29. **Hybrid vehicle** means a vehicle wherein energy for mechanical movement is supplied from two or more sources of accumulated energy located in the vehicle: consumed fuel and electricity storage unit (battery, condenser).

30. **Hydro power** means energy of standing and/or flowing water used for generation of electricity.

31. **Hydro thermal energy** means energy stored in the form of heat in surface water.

32. **Integrated solar light power plant** means a power plant the electricity generating equipment of which (solar light energy modules or a special coating) has been integrated into a wall or a roof of the building (or a part of the wall/roof), ensuring protection of the building against atmospheric effects (rain, snow, wind). Removal of such equipment from the wall or roof of the building (or any part thereof) would substantially damage the building's protection against atmospheric effects.

Paragraph added:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

33. **Residual energy** means energy released in the course of a technological process and not used in this process.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

34. **Maximum permitted capacity of generating sources to be connected** means the largest power plant capacity that the transmission system operator and/or the distribution network operator may connect to the system/network.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

35. **Mineral fuels** means liquid or gaseous fuels for transport produced from natural fossil raw materials or mineral waste.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

35. **National targets** means national overall or interim targets calculated in accordance with the procedure laid down by this Law and indicating the share of energy from renewable sources as compared with gross final consumption of energy over the specified period.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

37. **Statement of ownership boundary** means a statement signed by the user of an energy network and the operator of the network setting the ownership boundary between the network of the user and the network controlled by the energy network operator.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

38. **Support scheme** means the body of support measures that promotes the use of energy from renewable sources by reducing the costs of using renewable energy sources, increasing the price at which energy from renewable sources can be sold, imposing the obligation to use renewable energy sources or consume energy from renewable sources, also other instruments promoting the use of renewable energy sources for production of energy and/or consumption of energy from these sources.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

39. **Surplus electricity** means electricity which is produced by power plants within the electrical grid of electricity consumers using renewable energy sources for electricity generation, is supplied to electricity grids and is left after consumption of electricity for own needs and the needs of the economy.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

40. Security of discharge of obligations means a financial guarantee or a financial assurance as specified in the Law of the Republic of Lithuania on Financial Institutions.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

41. Solar heat energy means solar radiation energy transformed into heat in solar collectors.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

42. Solar light energy means electricity directly generated from solar light.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

43. Bioliquids means liquid fuel for energy purposes other than for transport, including electricity and heating and/or cooling, produced from biomass.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

44. Statistical transfer of energy means a transfer of an amount of energy from renewable sources calculated according to official national statistics to another Member State or receipt of the specified amount of energy from another Member State.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

45. Heat pump means an installation transforming aerothermal, geothermal or hydrothermal energy into heat used for building heating and/or preparation of hot water.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

46. Foreign state means a non-Member State of the European Union or a state not belonging to the European Economic Area.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

47. Member State means a Member State of the European Union and/or a state of the European Economic Area.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

48. Wind power means air movement energy used for generation of energy.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

49. Public interest services means the binding commitments assigned to enterprises in the cases specified by law with a view to implementing the strategic goals of state energy, economic and/or environment protection policy in the renewable energy sector and defending the legitimate public interest.

Amendments to the numbering of paragraphs: No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

50. Other terms used in this Law shall be interpreted as they are defined in the Republic of Lithuania Law on Documents and Archives, the Law on Energy, the Law on Electricity, the Law on Natural Gas, the Law on Heat Sector, the Law on Construction, the Law on Water and

the Law on Land.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

Amendments to the Article:

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

Article 3. Promotion of Development of the Use of Renewable Energy Sources

1. The use of renewable energy sources shall be promoted in accordance with the procedure and under the terms and conditions specified by this Law and other legal acts.

2. The use of renewable energy sources shall be promoted by applying the specified support scheme consisting of one or several support measures. The following shall be considered as support measures:

- 1) fixed rate;
- 2) purchase of energy from renewable sources;
- 3) reimbursement of the costs of connection of renewable energy installations to energy grids or systems;
- 4) reservation of the capacity and transfer capability or other relevant technical parameters of energy grids or systems for connection of renewable energy installations;
- 5) priority of transmission of energy from renewable sources;
- 6) release of electricity producers from responsibility for the balancing of generated electricity and/or reservation of electricity generating capacities during the support period. This support measure shall not apply to those producers of electricity from renewable sources that operate power plants of 500 kW or higher installed electric power, or pilot wind farm projects with the installed electric power of 3 MW or more, or a power plant consists of 3 or more installations generating electricity;
- 7) support for production and processing of agricultural commodities, namely, raw materials for the production of biofuels, biofuels for transport, bio lubricants and bio oils;
- 8) the requirements in relation to mandatory use of renewable energy sources for energy production and/or mandatory consumption of energy from renewable sources, also the requirements for the use of biofuels for transport;
- 9) support of investments in renewable energy technologies;
- 10) other preferences established by laws.

2¹. The support measures provided in subparagraphs 2 through 6 in paragraph 2 of this Article shall apply to persons only in cases where they have acquired and hold, according to a procedure prescribed by this Law and its implementing legal acts, the right to the support measure referred to in subparagraph 1 of paragraph 2 of this Article.

3. A decision on release of electricity producers from responsibility for balancing of generated electricity and/or reservation of electricity generating capacities after the promotion period shall be taken by the Government of the Republic of Lithuania (hereinafter: 'Government') using the available infrastructure and installations for this purpose in relation to all producers.

4. The procedure for and the conditions of application of support measures shall be established by the Government in compliance with the requirements of this Law to the extent that they are not regulated by this Law and/or other laws.

5. The Government may, under its resolution, grant the status of a pilot project to development of environment-friendly technologies using renewable energy sources for production of energy.

CHAPTER TWO

MANAGEMENT OF ACTIVITIES IN THE SECTOR OF ENERGY FROM RENEWABLE SOURCES

Article 4. Institutions within the Sphere of Management of the Renewable Energy Sector

The sector of energy from renewable sources shall, in accordance with the procedure prescribed by this Law, be subject to regulation and control of compliance with this Law and implementing legislation by:

- 1) The Government or an institution authorised by it;
- 2) the Ministry of Energy;
- 3) the Ministry of Environment;
- 4) the Ministry of Transport and Communications;
- 5) the Ministry of Education and Science;
- 6) the Ministry of Economy;
- 7) the Ministry of Agriculture;
- 8) the National Commission for Energy Control and Prices;
- 9) the State Energy Inspectorate under the Ministry of Energy;

Paragraph added:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

- 10) municipalities.

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

Article 5. Remit of the Government

1. The Government shall:
 - 1) ensure implementation of the tasks set out in Article 1(4) and (5) of this Law;
 - 2) approve, in compliance with this Law and other legal acts, the National Programme for the Development of the Use of Renewable Energy Sources;
 - 3) *Invalidated;*
 - 4) *Invalidated;*
 - 5) approve the procedure for developing power plants, transmission and distribution grids, smart grids and electricity storage infrastructure provided for in Article 13(4) of this Law;
 - 6) establish the procedure for controlling compliance of biofuels for transport and bioliquids with sustainability criteria, also the procedure for certifying biofuels for transport and bioliquids fulfilling sustainability criteria;
 - 7) establish and approve the supported capacities meeting the requirements indicated in Article 13(3) of this Law and the auction regions referred to in Article 20(3);
 - 7) establish the procedure for concluding agreements on statistical energy transfers between the Republic of Lithuania and other Member States as well as the procedure for implementing joint projects between the Republic of Lithuania, the Member States and foreign countries;
 - 9) perform other functions set out in this Law.
2. The Government or an institution authorised by the Government shall:
 - 1) *Invalidated;*
 - 2) *Invalidated;*
 - 3) establish for municipalities the minimum mandatory targets for the use of energy from renewable sources and co-ordinate draft action plans of municipalities for the development of the use of energy from renewable sources;
 - 4) establish the procedure for providing the public interest services;
 - 5) draft and adopt a procedure for issuing authorisations for the use of the territorial sea of the Republic of Lithuania, the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and the coastal strip for construction and operation of power plants taking account of the general requirements for promotion of the electricity generation from renewable sources and acting in compliance with objective and non-discriminatory principles;
 - 6) establish the procedure for issuing, transferring and cancelling guarantees of origin;

7) approve the National Special Plan for the Use of the Biodegradable Fraction of Industrial and Municipal Waste Suitable for Energy Production;

8) establish a procedure for using natural gas transmission and distribution systems when transmitting and distributing gas produced from renewable energy sources;

9) determine the allowable or mandatory share of biofuels for transport blended in fuels for transport produced from mineral fuels for transport;

10) establish the procedure for using confiscated alcohol products for production of biofuels for transport;

11) establish mandatory environmental criteria for the vehicles purchased by state institutions, agencies and enterprises;

12) prepare the measures promoting the use of energy from all types of renewable sources in buildings and energy efficiency relating to gross production of energy and/or low-energy buildings, also co-ordinate and supervise implementation of these measures;

13) establish the procedure for implementing the requirements for using renewable energy sources in buildings and implementing these requirements;

14) approve a list of positions and occupations of the workers referred to in Article 45(1) of this Law, determine the qualification requirements for these workers, approve a list of the workers constructing and operating renewable energy facilities and installations who are subject to certification and establish the procedure for certifying them;

15) establish the procedure for certifying the fitters of installations for production of energy from renewable sources;

16) establish the procedure for collecting information on the use of biofuels and submitting it to the European Commission;

17) perform other functions set out in this Law.

Amendments to the Article::

No XII-494, 2013-07-02, *Official Gazette*, 2013, No 78-3939 (2013-07-20)

Article 6. Remit of the Ministry of Energy

The Ministry of Energy shall:

1) in accordance with the procedure and under the conditions established by legal acts and within its remit, co-ordinate the implementation of measures developing and promoting the production and use of flammable gaseous products (biogas), forest and timber waste, straws, other types of combustibles of biological origin (agricultural waste and plants used for energy production), also the use of aerothermal, geothermal, hydrothermal energy, hydropower, solar heat energy and solar light energy, wind power for energy production, conduct monitoring of implementation thereof and ensure state supervision and control;

2) draft a procedure for development of power plants, transmission and distribution grids, smart grids and electricity storage infrastructure provided for in Article 13(4) of this Law;

3) draft the National Action Plan for the Development of the Use of Energy from Renewable Sources;

4) *Invalidated from 1 July 2015*

Deleted subparagraph:

No XII-1666, 2015-05-07, published in *TAR (Register of Legal Acts)* on 2015-05-20, ID 2015-07658

5) issue certificates for capacities of production of electricity, heat and/or cooling, gas from renewable energy sources, also for operation of renewable energy installations in the transport sector;

6) draft and approve technical rules establishing the basic requirements for technical construction and operation to be applicable when connecting electricity from renewable energy sources to electricity grids;

7) draft and approve the technical rules establishing the basic requirements for technical construction and operation to be applicable when connecting gas from renewable energy sources to natural gas networks;

- 8) establish the procedure for calculating national targets;
- 9) approve rules for trade in biofuels, biofuels for transport, biogas, bio lubricants and bio oils;
- 10) determine, in co-operation with the Ministry of Environment and the Ministry of Transport and Communications, the binding quality requirements for biofuels for transport;
- 11) organise exchange of practices in the field of use of renewable energy sources between state and municipal institutions, agencies, enterprises, organisations, private entities and make best practices public;
- 12) *Invalidated from 1 July 2015*

Deleted subparagraph:

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

- 13) set, jointly with the Ministry of Environment, requirements for the installation of integrated solar light power plants and procedures for the assessment of integration of such plants;

Paragraph added:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

- 14) perform other functions established by this Law and other laws or assigned by the Government;

Amendments to the numbering of paragraphs:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

Amendments to the Article:

No XI-2025, 2012-05-22, Official Gazette, 2012, No 63-3166 (2012-06-05)

- 3. approve the National Action Plan on the Development of the Use of Energy from Renewable Sources.

Article 7. Remit of the Ministry of Environment

The Ministry of Environment shall:

- 1) establish normative standards of pollution for installations using biofuels or biofuels for transport;
- 2) develop and approve the methods of estimation of the amount of methane emissions to the atmosphere;
- 3) determine the environmental conditions of use of biofuels for transport and bioliquids;
- 4) establish the rules for calculating the effect of greenhouse gas emitted in the process of production and use of biofuels for transport, bioliquids and their fossil fuel comparators;
- 5) assess the potential of use of the biodegradable part of forest and municipal waste which may be used to produce biofuels;
- 6) in accordance with the procedure and under the conditions laid down by legal acts and within its remit, co-ordinate together with the Ministry of Energy the implementation of measures promoting the use of sustainable hydro power for energy production, conduct monitoring of implementation thereof and ensure state supervision and control;
- 7) develop and approve the methods of separation of the biodegradable fraction of industrial and municipal waste taking account of the renewable share of energy produced from industrial and municipal waste;
- 8) develop and publish, in co-operation with the Ministry of Energy, recommendations for designers, architects and other professionals concerning integration of renewable energy technologies, high energy-efficiency technologies and district heating and/or cooling supply systems when planning, designing, building and renovating (modernising) public, industrial or residential areas;
- 9) perform other functions established by this Law and other laws or assigned by the Government.

Article 8. Remit of the Ministry of Transport and Communications

The Ministry of Transport and Communications shall:

- 1) co-ordinate, in accordance with the procedure and under the conditions laid down by legal acts and within its remit, the implementation of the measures of development and promotion of the use of biofuels in transport, also the initiatives of the use of vehicles powered by renewable energy sources, electromobility and hybrid vehicles, conduct monitoring of implementation thereof and ensure state supervision and control;
- 2) establish a list of products to be considered as biofuels for transport;
- 3) develop and approve the methods of estimation of the impact of the period of vehicles' operation on the energy sector and the environment;
- 4) perform other functions established by this Law and other laws or assigned by the Government.

Article 9. Remit of the Ministry of Economy

The Ministry of Economy shall:

- 1) estimate the potential of generation of waste and products in production activities and other economic activities except for agriculture and industries related to the processing of agricultural products as well as waste from which biofuels are produced;
- 2) perform other functions established by this Law and other laws or assigned by the Government.

Article 10. Remit of the Ministry of Agriculture

Remit of the Ministry of Agriculture

- 1) co-ordinate, in accordance with the procedure and under the conditions laid down by legal acts and within its remit, the implementation of measures of development and promotion of the production of combustible liquid and gaseous products from biomass, conduct monitoring of implementation thereof and ensure state supervision and control;
- 2) co-ordinate, in accordance with the procedure and under the conditions laid down by legal acts and within its remit, the implementation of measures of promotion of the growth of plants intended for production of biofuels, biofuels for transport, bio lubricants and bio oils, conduct monitoring of implementation thereof and ensure state supervision and control;
- 3) develop programmes for support of producers of agricultural products used for energy production and submit them for approval to the Government;
- 4) estimate the potential of agricultural branches and industries related to processing of agricultural products and waste from which biofuels are produced;
- 5) perform other functions established by this Law and other laws or assigned by the Government.

Article 11. Remit of the National Commission for Energy Control and Prices

The National Commission for Energy Control and Prices shall:

- 1) approve the methodology for setting the maximum possible fixed rates;
- 2) approve the maximum permitted fixed rates, determine the differentiated amounts thereof and control application thereof;
- 3) establish preferential rates for electricity used for the operation of heat pumps (with accounting of electricity supplied to the compressor);
- 4) approve the costs of optimisation, development and reconstruction of energy grids and the additional costs of the operator of energy grids related to development of the use of renewable energy sources;
- 5) coordinate the Procedure for Using Electricity Grids indicated in Article 14(7) of this Law;
- 6) consider complaints indicated in Article 64(1) of this Law;

7) *Invalidated from 1 March 2016*

Deleted subparagraph:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

- 8) approve the model form of a letter of intent;
- 9) establish a procedure for and conditions of purchase of heating from independent producers of heating;
- 10) set the feed-in price for gas from renewable energy sources to the natural gas system;
- 11) supervise and control authorisation of biogas producers for connection of their installations to the natural gas system, application of connection premiums and transparency of feeding-in of biogas;
- 12) prepare and approve the regulations of total supported capacities distribution auctions;
- 13) declare and organise total supported capacities distribution auctions;
- 14) perform other functions set out in this Law.

Amendments to the Article:

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

Article 11¹. Remit of the State Energy Inspectorate under the Ministry of Energy

The State Energy Inspectorate under the Ministry of Energy shall determine the technological type of integrated solar light power plants and perform other functions set out in this Law and other laws in the sector of energy from renewable sources.

Article added:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

Article 12. Remit of Municipalities

Municipalities shall:

- 1) prepare and, subject to co-ordination with the Government or an institution authorised by it, approve and implement action plans for the development of the use of energy from renewable sources;
- 2) aim at the use of renewable energy sources for production of heat energy when organising provision of heat energy within the territory of a municipality;
- 3) aim at the use, in public transport, of the vehicles powered by energy from renewable sources, electromobility and hybrid vehicles;
- 4) create the infrastructure required for development of the use of the vehicles powered by energy from renewable sources and electricity;
- 5) develop and implement information and awareness raising measures, provide consultations and prepare training programmes concerning the practical possibilities and benefit of the development and use of renewable energy sources;
- 5) perform other functions set out in this Law.

CHAPTER THREE

PROMOTION, PLANNING AND DEVELOPMENT OF PRODUCTION OF ELECTRICITY FROM RENEWABLE ENERGY SOURCES. CONNECTION OF POWER PLANTS TO ELECTRICITY GRIDS

Article 13. Development of the Use of Renewable Energy Sources for Electricity Production

1. 1. Development of the use of renewable energy sources for electricity production shall be among the strategic goals of state energy policy.

2. The use of renewable energy sources for electricity production shall be promoted in accordance with the procedure and under the terms and conditions specified by this Law and other legal acts.

3. This Law shall set the following targets for the electricity sector until 2020:

1) to increase the total installed capacity of wind power plants that are connected to electrical grids and to which support measures are applied, according to the procedure laid down in Article 20 of this Law, for the generation of electricity from renewable sources, up to 500 MW. ~~Upon reaching the installed capacity of 500 MW for the wind power plants, the Government shall draw up and approve a procedure for further development of wind power plants, transmission and distribution grid infrastructures, smart grids and electricity storage infrastructure taking account of commitments of the Republic of Lithuania regarding environmental pollution reduction, ensuring of secure and reliable energy supply and protection of consumer rights and legitimate interests;~~

2) to increase the total installed capacity of solar light energy plants that are connected to electrical grids up to 10 MW, excluding small power plants with the installed capacity does not exceed 30 kW and which have been issued authorisations for the development of electricity generating capacities under applications filed until 31 December 2012. ~~Upon reaching the installed capacity of 10 MW for the solar light energy plants, the Government shall draw up and approve a procedure for further development of solar light energy plants taking account of commitments of the Republic of Lithuania regarding environmental pollution reduction, ensuring of secure and reliable energy supply and protection of consumer rights and legitimate interests;~~

3) to increase the total installed capacity of the hydro power plants connected to electrical grids up to 141 MW;

4) to increase the total installed capacity of biofuel power plants connected to electricity grids to which measures to promote the use of renewable energy sources are applied as stated in Article 20 of this Law up to 105 MW and to increase the total installed capacity of biofuel power plants connected to electricity grids to the installation of which is promoted (co-financed) from the funds of the National Programme for the Development of Renewable Energy Sources including the European Union Assistance Funds, however, excluding public interest service funds, and to which support measures stated in Article 20 of this Law do not apply, up to the optimal biofuel power plants' capacity specified in the National Programme on the Development of Heat Facilities.

4. When the total installed power of the power plants reaches, in terms of at least one type of power plants, the values of installed capacities specified in paragraph 3 of this Article, the allocation of support capacities that has been started, by the methods set in this Law and the implementing legal acts, shall be terminated for the power plants of that type. The Ministry of Energy shall notify this to the Government no later than within one month, making proposals having regard to the provisions of the National Energy Independence Strategy, for further use of the renewable sources of the relevant type for the generation of electricity.

5. The total installed capacity of power plants, except for customer power plants generating electricity, shall be determined as the sum of installed capacities assigned to the power plants which are, in accordance with the procedure and under the terms specified in Article 20 of this Law, subject to measures promoting the use of renewable energy sources for electricity generation, with such installed capacities specified in the valid authorisations for the development of electricity generation from renewable sources, issued prior to after the entry into force of this Law according to a procedure prescribed by this Law and the Law on Electricity. The State Energy Inspectorate under the Ministry of Energy shall publish and regularly update information on the assigned total installed capacities and the available total supported capacities on its website.

Amendments to the paragraph:

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

6. The total installed capacity of solar light power plants operated by producing customers shall be determined as the sum of installed capacities of the solar light power plants stated in the authorisations to develop electricity generating capacities issued to persons who have stated in their applications for the issue of such authorisations that they seek to become electricity-producing customers, and in authorisations to generate electricity subsequently issued to such persons according to a procedure prescribed by the Law on Electricity. The State Energy Inspectorate under the Ministry of Energy shall publish and regularly update information on the total installed capacities of power plants of electricity-producing customers on its website.

Paragraph added:

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

Amendments to the Article:

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

Article 14. Connection of Power Plants to Electrical Grids

1. An electrical grid operator shall, no later than within 22 months or within a term during which the person planning to construct or install a power plant undertakes to construct the power plant if the term exceeds 22 months, connect, by the right of priority, the person's power plant to the electrical grid controlled by the electrical grid operator at the connection point conforming to the required voltage level and is located within the shortest distance from the power plant under construction, unless other electrical grids are more suitable for such connection from technological and economic points of view. Such right of priority in connecting the person's power plant to electrical grids shall mean the priority over the connection to electrical grids of electrical installations of other persons using non-renewable energy sources. The period of connection to electrical grids shall be counted from the signature of a service contract for the connection of a power plant to electrical grids between the person planning to construct or install the power plant and the electrical grid operator. The moment of connection of the power plant to electrical grids shall be connection of the power plant for the carrying out of technological tests within the electricity grids (for starting-up and adjustment works). The electrical grid operator shall, acting in compliance with regulatory requirements, draw up and publish the standard terms and conditions of a service contract for the connection of a power plant to electrical grids, which shall be non-discriminatory with respect to all persons planning to construct or install a power plant, having regard to specific requirements for different groups of such persons.

2. The electrical grid operator shall connect the power plant under construction to electrical grids also in cases where such connection is possible only upon upgrading, optimising or expanding the electricity grids, or upon increasing the capacity of the electricity grids, or reconstructing them otherwise. In this case, the power plant shall be connected to the electrical grids within a reasonable time limit agreed upon by the parties upon assessment of the need for the grid upgrading or development, to the extent that this is reasonably necessary for connection of the power plant.

3. The time limits for the connection of a power plant to electrical grids as referred to in paragraphs 1 and 2 of this Article may be extended in the cases when the electrical grid operator is unable, within the specified time limit, to connect the power plant for technological tests within the electricity grids due to the delay in works in the part of the electrical grid of the person constructing or installing the power plant, or for other reasons beyond control of the electrical grid operator. In each specific case, the time limit for the connection of the power plant to electrical grids may not be extended for a period longer than 6 months. The term of connection of the power plant to electrical grids shall be extended subject to agreement between the electrical grid operator and the person planning to construct or install the power plant according

to a procedure stipulated in the service contract for the connection of the power plant to electrical grids.

4. The power plant connection point shall be selected and specified in the connection conditions by the electrical grid operator to whose electricity grids the power plant is to be connected, based on an application submitted by the person planning to construct or install the power plant and upon assessing the technological and economic criteria for the selection of the connection point according to the Procedure for Using Electricity Grids referred to in paragraph 7 of this Article.

5. The person planning to construct or install the power plant shall have the right to select another connection point for the power plant, suitable from the technological and economic point of view, taking into account the electrical grid's capacity and the power plant's installed capacity as indicated by the electrical grid operator. Conformity of the selected connection point with the specified technological and economic criteria in each case shall be assessed by the electrical grid operator. If connection of the power plant at the proposed connection point results in increase of connection costs, the increased connection costs shall be covered in accordance with the procedure laid down by Article 21(6) of this Law.

6. The electrical grid operator shall have the right to assign, at its own discretion, another connection point for the power plant disregarding the connection point selected by the producer, as indicated in paragraph 5 of this Article. The additional costs incurred as a result of such assignment shall be covered in accordance with the procedure laid down in Article 21(7) of this Law.

7. The electrical grid operator shall draft, under the terms and conditions specified by the National Commission for Energy Control and Prices, and, upon co-ordination with the said Commission, publish the Procedure for Using Electrical Grids. The procedure for using electrical grids shall be based on objective, transparent and non-discriminatory principles and due account should be taken of all benefits and costs related to connection of power plants to electrical grids.

8. The electrical grid operator shall, no later than within 30 calendar days from the date of an application for the issue of the preliminary design conditions submitted by the person planning to construct or install the power plant, furnish him with full information about actions that the person must take in relation to the connection of the power plant to electrical grids and about the estimated time limits for the completion of the electrical grid expansion works, and, where necessary, take actions referred to in Article 18 of this Law prior to the connection of the power plant. At the request of the person planning to construct or install the power plant, the electrical grid operator shall present a detailed estimate of costs related to the connection of the power plant to electrical grids, a reasonable and precise schedule for the submission and consideration of requests for connection of the power plant to electricity grids, and a reasonable indicative schedule for the proposed connection of the power plant to the electrical grids. In all cases, the electrical grid operator and the person planning to construct or install the power plant shall exchange full technical information and other information required for the connection of the power plant to electrical grids. The preliminary connection conditions shall conform to the Procedure for Using Electrical Grids referred to in paragraph 7 of this Article. The preliminary connection conditions may not include requirements other than those required to ensure the reliability, safety and quality of operation of the electrical installation and the electric power system. The preliminary connection conditions shall be published on the website of the electrical grid operator.

9. A person planning to construct or install the power plant shall be entitled to file a complaint to the National Commission on Energy Control and Prices, according to a procedure laid down by Article 64 of this Law, over the preliminary connection conditions issued by the electrical grid operator according to paragraph 8 of this Article. Should the National Commission on Energy Control and Prices establish, based on the conclusions of the State Energy Inspectorate under the Ministry of Energy, that the preliminary connection conditions do not conform to the Procedure for Using Electrical Grids referred to in paragraph 7 of this Article, the

electrical grid operator shall submit, within 30 calendar days, new preliminary connection conditions.

10. A person planning to construct or install a power plant with the installed capacity of over 10 kW and to take part in an auction for the allocation of support capacities, shall prepare, upon receipt of the preliminary connection conditions, a request to conclude a letter of intent and shall submit such letter of intent to the electrical grid operator.

11. The electrical grid operator shall, within 30 calendar days from the submission of a request referred in paragraph 10 of this Article, conclude a letter of intent with the person planning to construct or install a power plant and to take part in an auction for the allocation of support capacities. The letter of intent shall:

1) indicate the capacity of the power plant planned to be constructed and the type of the renewable sources of energy used;

2) specify the time limit within which the person referred to in paragraph 10 of this Article undertakes to construct the power plant, complete the related works in its part of the electrical grid and submit the required documents for the issuance of a statement (certificate) on verification of the technical condition of electrical installations (for starting-up and adjustment works) by the State Energy Inspectorate under the Ministry of Energy;

3) include the undertaking of the person referred to in paragraph 10 of this Article to draw up, within the time limit proposed by it, starting from the date of signature of the letter of intent, and to submit to the electrical grid operator for agreement a technical design on the fitting out and connection of the power plant to existing electricity grids (hereinafter referred to as the 'technical design'), if mandatory;

4) include the undertaking of the electrical grid operator to draft a service contract for the connection of the power plant to electrical grids within a term not exceeding 4 months from the submission of the technical design, to which the electrical grid operator has agreed, or within a term not exceeding 2 months from the signature of the letter of intent if the technical design is not mandatory for the planned power plant;

5) include the undertaking of the person referred to in paragraph 10 of this Article to sign the contract, within one month from the date of submission, by the electrical grid operator, of the draft service contract for the connection of the power plant to electrical grids in line with the agreed technical design, or the connection conditions issued by the electrical grid operator if the technical design is not mandatory for the planned power plant;

6) include the undertaking of the person planning to construct or install a power plant to pay, within one month from the completion of the service contract for the power plant's connection to electrical grids, the costs of the power plant's connection in the amount specified in Article 21(3) of this Law;

7) include the undertaking of the electrical grid operator to connect the power plant to electrical grids and ensure reliable transmission and distribution of electricity produced at the plant within a time limit which may not exceed the time limits stated in paragraphs 1 and 2 of this Article;

8) indicate the amount of security for discharge of the obligations of the person referred to in paragraph 10 of this Article and the procedure for the provision and use of such security;

9) contain a confirmation by the administration of a municipality in which the power plant is to be constructed or installed, that the installation or construction of a power plant of the specified capacity and type is permissible under the current territorial planning documents.

12. A model form of a letter of intent shall be approved by the National Commission for Energy Control and Prices.

13. Upon signing the letter of intent, the person planning to construct or install a power plant shall submit, no later than 15 calendar days prior to the auction indicated in Article 20(3) of this Law, to the electrical grid operator a security for the discharge of the person's obligations in the amount specified in Article 15(1) of this Law that guarantees to the grid operator the discharge of the person's obligations concerning the installation of new or the development of

existing capacities of electricity generation from renewable energy sources.

14. The time limit specified in subparagraph 2 of paragraph 11 of this Article shall be extended in the following cases:

1) due to actions of the State, third party actions or force majeure - at the request of the person referred to in paragraph 10 of this Article;

2) at the request of the producer, upon presentation of the additional security for charge of its obligations referred to in Article 15(1) of this Law;

3) in the cases specified in the service contract for the connection of the power plant to electricity grids and in other cases prescribed by legal acts.

15. The electrical grid operator shall sign the service contract for the connection of the power plant to electrical grids after the person referred to in paragraph 10 of this Article signs the letter of intent and submits, according to the procedure specified therein, a security for the discharge of the person's obligations, a permission to develop the energy generating capacities, and the agreed technical design, if mandatory.

16. Invalidated from 1 February 2013.

17. The electrical grid operator shall submit, on a quarterly basis, to the State Energy Inspectorate under the Ministry of Energy and the National Commission for Energy Control and Prices, information on the progress of implementation of power plant construction projects and compliance with the terms and conditions of letters of intent.

Amendments to the paragraph:

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

18. The procedure for and terms and conditions of connection of the power plants using renewable energy sources to electricity grids shall be governed, to the extent that it is not governed by this Law, by the legal acts implementing this Law.

Amendments to the Article:

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

Article 15. Obligations of the Person Planning to Construct or Install a Power Plant

1. Upon signature of the letter of intent referred to in Article 14(10) of this Law, the person shall submit to the electrical grid operator a security for the discharge of its obligations to develop the capacities of electricity generation from renewable energy sources. The amount of such security shall be calculated by multiplying the power plant's capacities to be installed (in kW) by EUR 14.48 per kW. In order to extend the period of validity of an authorisation to develop the capacities of electricity generation from renewable energy sources as stated in the Law on Electricity, the amount of the security shall be increased by the amount calculated by multiplying the power plant's capacities to be installed (in kW) by EUR 14.48 per kW and the length of the period for which the validity of the authorisation is to be extended, expressed in years.

Amendments to the paragraph:

No XII-1173, 2014-09-25, published in TAR (Register of Legal Acts) on 2014-10-03, ID 2014-13575

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

2. In case if the person referred to in paragraph 1 of this Article does not win the auction referred to in Article 20(3) of this Law, or refuses to take part in the auction referred to in Article 20(3) of this Law or, in the event of winning such auction, completes the construction of the power plant indicated in the letter of intent according to the procedure prescribed by the Republic of Lithuania Law on Construction and is issued, according to the procedure prescribed by the Law on Electricity, with the authorisation to generate electricity, the electrical grid operator shall waive its rights under the security for discharge of the persons obligations and shall release it to the person or the issuer of the security. Provisions of this paragraph on the

release of the security shall also apply in the case if the auction referred to in Article 20(3) of this Law is terminated on the grounds stated in Article 13(4) of this Law.

3. In case if the person referred to in paragraph 1 of this Article fails to discharge its obligation to construct or install a power plant with the installed electrical generating capacity specified in the letter of intent, the electrical grid operator shall have the right to use the security for discharge of the person's obligations in full, with the exception of the cases when such obligations are not discharged due to circumstances beyond control of the person, which the person could not reasonably foresee at the moment of conclusion of the letter of intent and/or the service contract for the power plant's connection to electrical grids, and could not prevent the occurrence of such circumstances or consequences thereof, also due to other circumstances specified by legal acts in the absence of the producer's fault. The person referred to in paragraph 1 of this Article shall submit to the grid operator documents proving that the existence of the above circumstances, and the grid operator shall assess the documents and take a decision on the release of the security.

4. Should the person referred to in paragraph 1 of this Article construct or install, during the term of validity of the authorisation to develop electricity generating capacities including any extensions thereof, a power plant of smaller capacity compared to the person's obligations under the letter of intent, the electrical grid operator shall be entitled to use the security for discharge of the person's obligations to an extent proportionate to the outstanding obligations.

5. Funds received by the electrical grid operator under the security for discharge of the obligations of the person referred to in paragraph 1 of this Article may be used solely for the development of electrical grids necessary to connect the installations generating energy from renewable sources.

Article 16. Issuance of Authorisations for Development of Capacities of Electricity Production from Renewable Energy Sources

1. Existing capacities of electricity production from renewable energy sources may be developed and new capacities of electricity production from renewable energy sources at a new facility may be installed only upon obtaining of an authorisation for development of capacities of electricity production from renewable energy sources according to the procedure prescribed by the Law on Electricity, except for cases where such authorisation is not required as stated in the Law on Electricity.

2. Authorisations for development of capacities of electricity production from renewable energy sources and authorisations to produce electricity from renewable energy sources shall be issued by the State Energy Inspectorate under the Ministry of Energy in accordance with the procedure prescribed by legal acts. The procedure for the issue of such authorisations, the terms of validity thereof and the procedure for their renewal are prescribed by the Law on Electricity.

3. Authorisations for development of electricity production from solar light energy in the Curonian Spit and wind energy in the territorial sea of the Republic of Lithuania and the exclusive economic zone of the Republic of Lithuania in the Baltic Sea shall be issued on tender basis in accordance with the procedure laid down by the Government or an institution authorised by it having regard to general requirements for promotion of electricity production from renewable energy sources and following the principles of objectivity and non-discrimination.

Amendments to the Article:

No XI-2096, 2012-06-21, *Official Gazette*, 2012, No 76-3939 (2012-06-30)

No XII-169, 2013-01-17, *Official Gazette*, 2013, No 12-560 (2013-02-01)

Amendments to the Article:

No XII-1666, 2015-05-07, published in *TAR (Register of Legal Acts)* on 2015-05-20, ID 2015-07658

Article 17. Access to the Grid and Transmission of Electricity by Electricity Grids

1. The electrical grid operator shall accept, transmit and/or distribute, on priority basis, the whole amount of electricity generated from renewable energy sources and offered by an

electricity producer meeting the requirements of Article 3(2¹) of this Law, at transparent and non-discriminatory rates. Such right of priority in terms of acceptance, transmission and/or distribution of electricity shall mean the priority over the electricity generated by all other electricity producers.

2. Where the electrical grid operator ensuring access to the grid is not a transmission system operator, the obligation to ensure priority access to the grid and transmission by transmission grids of the electricity indicated in paragraph 1 of this Article shall apply also to the transmission system operator.

3. When the transfer capability of the electricity grids is restricted on non-discriminatory grounds, transmission of the electricity produced from renewable energy sources by electricity grids in accordance with the procedure laid down by legal acts may be restricted or suspended in the event of an emergency in the energy system or for other technical reasons. The losses incurred by the producer as a result of such restriction shall not be compensated, except for the cases when the circumstances causing appropriate restrictions arise through the fault of the electrical grid operator or the right to compensation of the losses arises on other grounds specified by law.

4. Where, in the cases indicated in paragraph 3 of this Article, the electrical grid operator undertakes the measures restricting the use of renewable energy sources with a view to ensuring the safe operation of the national grid and reliable supply of electricity, the electric grid operator shall forthwith inform the competent authority of the relevant measures, the scope and grounds for application thereof and indicate the remedies to be taken in order to prevent inadequate restrictions.

Article 18. Increase of the Capacity of Electrical Grids

1. After the person constructing or installing a power plant and the electrical grid operator conclude a service contract for the connection of the power plant to electrical grids, the electrical grid operator shall immediately, having regard to the current technical condition of the electrical grids, take all reasonably necessary measures to optimise, expand and/or reconstruct the grids controlled by the electrical grid operator, including electrical installations and facilities necessary for the operation of the grids, and increase the capacity of the electrical grids in order to ensure the safe and reliable acceptance, transmission and distribution of electricity produced from renewable energy sources.

2. In case if there is information available that supporting the assumption that the electrical grid operator fails to fulfil its obligations under the provisions of this Section, the person constructing or installing the power plant shall have the right to require that the electrical grid operator provides information about the reasons for the failure and the extent to which the electrical grid operator has defaulted on its obligation to optimise and expand its electrical grid system and to increase the capacity of the grids.

Article 19. Regulation of Connection of Power Plants

1. Works of connection of a power plant in the part of the electricity grids controlled by the electrical grid operator, including installation of electricity metering equipment, shall be carried out by the electrical grid operator or, on its instruction, another entity selected in accordance with the procedure laid down by law.

2. The electrical installations connected to electrical grids, the connection works carried out and the installations necessary to ensure the safety of electrical grids shall meet the requirements of technical normative documentation and other legal acts.

3. At the request of the electrical grid operator, the person constructing or installing a power plant shall provide the wind power plants with the installed capacity exceeding 350 kW and hydro power plants with the installed capacity exceeding 5 MW, with the technical and operational means enabling the reduction of the generated capacity or the increase in the generation of electricity to electrical grids at any time using remote means to which the electrical

grid operator has access. Such means shall be deemed to be an integral part of technology of the power plant. The person constructing or installing a power plant shall procure and install them in compliance with the requirements of technical normative documentation and/or the requirements specified by the electrical grid operator.

4. Without prejudice to the obligation specified in Article 17 of this Law, the electrical grid operator shall have the right to regulate the amount of electricity generated and supplied to electricity grids by a wind power plant, where its installed capacity exceeds 350 kW, and a hydro power plant, where its installed capacity exceeds 5 MW, to be connected to its electricity grids, or to suspend connection of such a power plant:

1) where, if no such action was taken, it would result in congestion in respect of electricity grids receiving the electricity generated by the power plant;

2) in the cases of *force majeure*;

3) in the cases when aiming at preventing an accident in electricity grids or an electricity system or responding to an accident in electricity grids or an electricity system;

4) in other cases specified by the law.

5. Where it is established that the electrical grid operator to the electricity grids managed whereby a power plant is to be connected inappropriately operated, maintained, managed and developed electricity grids (that is, in the presence of the fault of the electrical grid operator) and this results in the necessity to apply the power plant connection regulation specified in paragraph 4 of this Article, the electrical grid operator shall compensate, in accordance with the procedure laid down by law, for direct losses incurred and profits lost by producers who were unable to generate and/or supply electricity to electricity grids.

Article 20. Promoting the Use of Renewable Energy Sources for Electricity Production

1. Production of electricity from renewable energy sources and the balancing of and central trade in such electricity, conducted according to a procedure prescribed by the Government or an institution authorised by it shall be a public interest service. The procedure for and the conditions of payment of fixed rates applied in accordance with the procedure prescribed by this Law and the Government shall be established by the Government by approving the Procedure for the Provision of Public Interest Services, the Procedure for the Administration of Public Interest Service Funds, and the Procedure for Promoting the Use of Renewable Energy Sources for Energy Production.

2. Production of electricity from renewable energy sources shall be promoted by paying, in accordance with the Procedure for the Provision of Public Interest Services established by the Government, the difference between the fixed rate set for this producer and the price of electricity sold by this producer in accordance with the procedure established by the Government, which must be at least the average electricity market price for the current calendar year calculated in accordance with the procedure established by the National Commission for Energy Control and Prices.

Amendments to the paragraph:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

3. The fixed rates shall be set and the supported capacities for power plants with the installed capacity exceeding 10 kW and achieving the targets set in Article 13(3) of this Law shall be allocated by auction. The supported capacities and the auction regions, also the procedure for allocating the supported capacities for power plants with the installed capacity not larger than 10 kW shall be set and approved by the Government. Auctions shall be organised in the regions of connection of power plants to electrical grids within the time limits set for each group of persons intending to construct or install power plants by the National Commission for Energy Control and Prices, but no later than within 180 calendar days from the submission of the person's request to hold an auction for a specific group of such persons in the region specified in

the request. Any person that has signed a letter of intent referred to in Article 14(11) of this Law and has provided a security of discharge of obligations referred to in Article 14(13) shall be entitled to participate in the auction. The maximum permitted fixed rate shall be set by the National Commission for Energy Control and Prices for a six-month period. The participant in the auction that has quoted the lowest desired fixed rate shall be recognised as the winner of the auction taking account of the fact that the maximum installed capacity of power plants in any auction region may not exceed 40% of the maximum capacity of the electricity generating sources allowed to be connected in the region. If two or more participants submit identical offers for the desired fixed rate, the participant that has offered to construct a power plant facility of a larger capacity shall be recognised as the winner. Where the offers are identical also in terms of the capacity of the power plants, total supported capacities shall be allocated, at the relevant connection point, to such participants in proportion to the capacity indicated in their offers. The auction winner shall, no later than within 3 months from the announcement of the winning, shall approach, according to the procedure prescribed by this Law and the Law on Electricity, the State Energy Inspectorate under the Ministry of Energy for the issue of an authorisation to develop electricity generating capacities, and obtain such authorisation. Should the auction winner fail to apply for the authorisation to develop electricity generating capacities, or the authorisation is not issued, is invalidated or revoked on the grounds laid down this Law and the Law on Electricity, the auction winner shall be deleted from the list of auction winners within 1 month from the date when at least one of the said circumstances came to light. The free support capacities shall be allocated by holding a new auction according to the provisions of this paragraph.

Amendments to the paragraph:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

4. The National Commission for Energy Control and Prices shall approve the methods of determination of the maximum permitted fixed rates and shall determine these rates for each group of the producers. To this end, in addition to other indicators specified by the National Commission for Energy Control and Prices, the following must be compulsorily assessed:

- 1) average relative investment in equipment of power plants and their connection to electricity grids;
- 2) average relative annual quantity of electricity produced at power plants and submitted to electricity grids per one unit of the installed capacity of a power plant;
- 3) the useful life of power plants;
- 4) the period of commissioning of power plants and allocation of investment during this period;
- 5) the forecasted variable costs of operation of power plants, their variation over the useful life of the power plants;
- 6) the period of application of fixed rates specified by this Law;
- 7) annual average capital costs per one unit of the installed capacity of a power plant, calculated on the basis of the necessary investment per one unit of the installed capacity of the power plant;
- 8) the discount rate;
- 9) the ratio of a project's own funds to borrowed funds;
- 10) return on investment of the producer's own funds;
- 11) the interest on loans to be imposed by banks;
- 12) other expected income over the useful life of power plants, directly related to the operation of a power plant;
- 13) as regards the power plants using solid biofuels and biogas – the ratio of the installed capacity of a power plant to heat capacity;
- 14) the costs of balancing the production of electricity, if such costs are provided for.

5. Fixed rates shall be established according to different technologies of production of electricity from renewable energy sources and the installed capacities of power plants in compliance with transparent and non-discriminatory principles.

6. The National Commission for Energy Control and Prices shall, not more frequently than on a six-month basis, assess the development of generation of electricity from various renewable energy sources having regard to the actual amount of electricity generated over the previous calendar year, the total installed capacity of power plants in operation, and the total estimated capacity of the power plants under construction. The maximum permitted fixed rates shall be revised having regard to the changed fixed tariff-setting indicators specified in Article 20(4) of this Law, the development of generation of electricity from renewable energy sources and compliance of this development with the objectives and targets set in the National Action Plan for the Development of the Use of Energy from Renewable Sources. The revised maximum permitted fixed rates shall apply only to the producers whose power plants have been issued an authorisation for electricity production after the entry into force of the rates.

Amendments to the paragraph:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

7. The fixed support measures as provided for in this Article shall apply during a period of 12 years from the issuance of an authorisation for production of electricity.

8. Where a person has been issued, according to a procedure prescribed by law, an authorisation to develop electricity generating capacities from renewable energy sources on a tender basis prior to the effective date of this Law, or, at the moment of issue of the authorisations, authorisations to power plants of that type were issued on a basis other than tender basis, or the authorisation was issued prior to the effective date of this Law, provisions of paragraph 3 of this Article shall not apply to such persons and the fixed maximum rate set by the National Commission on Energy Control and Prices for the year of coming into force of this Law shall apply during a period of 12 years.

9. Paragraph 8 of this Article shall not apply to producers holding an authorisation to develop electricity generating capacities from renewable energy sources by constructing solar light power plants and having received an authorisation to produce electricity based on an application filed after 1 July 2013, and the maximum permitted fixed rate valid in the year of the entry into force of this Law as specified by the National Commission for Energy Control and Prices shall apply during the period of 12 years.

10. A fixed rate shall apply to electricity from renewable energy sources, where it has been issued a guarantee of origin in accordance with the procedure laid down by legal acts.

11. Power plants which run on renewable energy sources and which do not benefit from support measures provided for this Article may be constructed in compliance with general requirements of legal acts. The installed capacity amounts specified in Article 13(3) of this Law and/or the largest total supported capacity of electricity production determined by the Government shall not limit the construction and/or operation of such power plants. Electricity produced by the power plants to which no support measures apply shall be traded in accordance with the procedure and in the manner specified by the Rules for Trading in Electricity.

Amendments to the paragraph:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

12. Accounting for the amounts of electricity generated at solar light power plants with the installed capacity not exceeding 10 kW and not exceeding the capacity permitted for such facilities, operated by natural persons – customers generating electricity from renewable energy sources as defined in Article 2(9) of this Law (the ‘producing customers’) and for the amounts of electricity generated at solar light power plants with the installed capacity not exceeding 50 kW and not exceeding the capacity permitted for such facilities upon entering into an electricity sale and purchase contract with an independent supplier, operated by legal persons shall be kept

based on readings of metering equipment recording the electricity consumption and generation. The following shall be determined based on such readings:

1) the quantity of electricity supplied to the electrical grid by the producing customer and the quantity of electricity consumed from the electrical grid, during a calendar month;

2) the ratio between the quantity of electricity supplied to the electrical grid by the producing customer and the quantity of electricity consumed from the electrical grid during the period from 1 April of current year and 31 March of next year (the 'accumulation period'): if the producing customer supplies, during a calendar month, more electricity compared to the quantity consumed, then the difference between the supplied quantity and consumed quantity is brought forward to next calendar month as the quantity of electricity supplied by the producing customer that is accumulated during the accumulation period; if the producing customer supplies, during a calendar month, less electricity compared to the quantity consumed, then the difference between the supplied quantity and consumed quantity is deducted from the quantity of supplied electricity accumulated by the producing customer during the accumulation period; if, upon end of a calendar year, the quantity of electricity consumed by the producing customer is larger than the quantity supplied by such customer to the electrical grid, then the producing customer shall pay for such difference at a rate set in the contract for the sale and purchase of electricity concluded by and between the customer and the electricity supplier; the quantity of electricity supplied to the grid that exceed the quantity consumed by the producing customer during the accumulation period shall not be brought forward to another accumulation period and the producing customer shall not be paid for this quantity.

TAR Note. *The period for the determination of the quantity of electricity supplied by producing customers to the electrical grid, the quantity of electricity consumed from electrical grids, and the ratio between these two values for 2015 has been extended to 31 March 2016.*

Amendments to the paragraph:

No XII-2185, 2015-12-15, published in TAR (Register of Legal Acts) on 2015-12-21, ID 2015-20142

Amendments to the paragraph:

No XII-2185, 2015-12-15, published in TAR (Register of Legal Acts) on 2015-12-21, ID 2015-20142

13. Producing customer shall not pay, with respect to the quantity of electricity that was supplied to the electrical grid and then used for own needs and economic purposes, for the public interest services and the services provided by network operators, except for the price for the use of electrical grids set for producing customers by the National Commission for Energy Control Prices according to the provisions of the Law on Electricity.

TAR Note. *The period for the determination of the quantity of electricity supplied by producing customers to the electrical grid, the quantity of electricity consumed from electrical grids, and the ratio between these two values for 2015 has been extended to 31 March 2016.*

Paragraph added:

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

Amendments to the paragraph:

No XII-2185, 2015-12-15, published in TAR (Register of Legal Acts) on 2015-12-21, ID 2015-20142

14. Any surplus electricity generated at power plants with the installed capacity not exceeding 10 kW shall be bought, on a mandatory basis according to a procedure prescribed by the Government, at a fixed rate, if the targets set in Article 13 of this Law have not been reached. Not more than 50 % of electricity generated, during a calendar year, by the power plants installed in the customer's grid and using renewable energy sources shall be recognised as surplus electricity. Surplus electricity shall be bought at fixed rates set by the National Commission on Energy Control and Prices during a period of 12 years after the date of issue of the authorisation to generate electricity.

Amendments to the numbering of paragraphs:

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

15. The procedure for the use of support measures and sources for the generation of electricity from renewable energy sources shall be established by the Government.

Amendments to the numbering of paragraphs:

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

16. In order to account for all the energy from renewable resources generated and consumed in the country, an electrical grid operator shall keep accounting for the electricity generated by all producers including accounting for electricity generated and used by producers for their own needs and economic needs.

Amendments to the numbering of paragraphs:

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

17. Provisions of this Article shall not apply to persons that have used the sources of funding indicated in Article 41 of this Law for the acquisition of installations after the entry into force of this Law.

Amendments to the numbering of paragraphs:

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

18. The total installed capacity of solar light power plants referred to in paragraph 12 of this Article shall not exceed 10 MW. This capacity shall not be included in the total capacity referred to in subparagraph 2, paragraph 3 of Article 13 of this Law. Upon reaching the 10 MW total installed capacity of solar light power plants, the Government shall prepare and approve a document on the further development of solar light power plants having regard to obligations of the Republic of Lithuania in the areas of environmental pollution control, security and reliability of energy supply, and protection of consumer rights and legitimate interests.

Paragraph added:

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

Amendments to the Article:

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

No XII-351, 2013-05-30, Official Gazette, 2013, No 64-3175 (2013-06-18)

Article 21. Distribution of Costs of Connection of Power Plants to Electrical Grids

1. Connection of power plants to electricity grids shall be a public interest service.
2. Costs related to the connection of power plants to electrical grids shall be distributed between the person meeting the provisions of Article 3(2¹) of this Law and the electrical grid operator having regard to the grids' ownership boundaries.
3. The person that has constructed or installed a power plant shall, in accordance with the procedure laid down by the Government or an institution authorised by it, pay the actual costs of connection of the power plants to electrical grids as referred to in Article 21(4) of this Law:
 - 1) 40 per cent of the costs of connection to electricity grids of the power plants whose installed capacity exceeds 350 kW;
 - 2) 20 per cent of the costs of connection to electricity grids of the power plants whose installed capacity does not exceed 350 kW.
4. The price of connection of a power plant to electricity grids shall be equal to the price of the works carried out by the contractor who has won a public tender announced by the electrical grid operator for connection of the power plant of the producer to the electricity grids.
5. Provisions of paragraph 3 of this Article shall not apply where the person that plans to construct or install a power plant carries out the works of connection of the power plant to electrical grids himself according to a procedure prescribed by law.
6. Where, according to Article 14(5) of this Law, the person that plans to construct or install a power plant selects another connection point for the power plant that is suitable from technological and economic point of view, which results in the increase of the costs of connection of the power plant to electrical grids, such increased reasonable costs shall be borne by the person constructing or installing the power plant.
7. Where the electrical grid operator assigns at its own discretion, as indicated in Article 14(6) of this Law, from several technologically equal alternatives, an economically less suitable

point of connection of the power plant to electrical grids, the electrical grid operator must pay all reasonable additional costs incurred due to this by the person constructing or installing the power plant.

~~8. Invalidated. The producer shall compensate to the electrical grid operator for not more than 10 per cent of the costs of optimisation, development and/or reconstruction of electricity grids, including the costs of acquisition of installations and facilities necessary for operation, as incurred by the latter with a view to ensuring a safe and reliable reception, transmission and distribution of electricity produced from renewable energy sources as specified in Article 18 of this Law. Compensation and sharing of the costs indicated in this Article shall be stipulated by the electrical grid operator upon co-ordination with the National Commission for Energy Control and Prices in the publicly available Procedure for Using Electricity Grids as indicated in Article 14(7) of this Law. The limitation on the costs incurred by the producer as specified in this paragraph shall not apply in the event of connection to electricity grids of the power plants not subject to a support scheme or individual support measures thereof in accordance with this Law and other legal acts.~~

9. The additional costs of the electrical grid operator referred to in paragraph 7 of this Article shall be considered to be a public interest service to the extent to which it was necessary for ensuring the development of renewable energy sources and which is approved by the National Commission for Energy Control and Prices according to a procedure prescribed by law.

Amendments to the Article:

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

Article 22. Production of Electricity from Renewable Energy Sources in the Territorial Sea of the Republic of Lithuania, the Exclusive Economic Zone of the Republic of Lithuania in the Baltic Sea and the Coastal Strip

1. The Government or an institution authorised by it shall approve the relevant legal acts regulating construction of power plants and operation thereof in the territorial sea of the Republic of Lithuania, the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and the coastal strip.

2. The territorial sea of the Republic of Lithuania, the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and/or the Coastal Strip shall be used for construction of power plants and operation thereof solely under an authorisation of the Government or an institution authorised by it.

3. An authorisation to use the territorial sea of the Republic of Lithuania, the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and/or the Coastal Strip for construction of power plants and operation thereof shall be issued by way of tender. The tender may be initiated by any person meeting the qualification requirements set forth by the Government or an institution authorised by it subject to submission of an application to the institution issuing authorisations. The Government or an institution authorised by it must hold the tender within three months.

4. The tender indicated in paragraph 3 of this Article shall be held in respect of the water area for which a scheme of construction of power plants in the territorial sea of the Republic of Lithuania, the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and/or the coastal strip has been prepared and a strategy assessment of effects of the water area scheme on the environment has been performed and/or the water area in the parts whereof infrastructure development is provided for by territorial planning documents and an environmental impact assessment of power plants has been performed.

5. The scheme referred to in paragraph 4 of this Article shall be prepared and approved by 1 January 2013 by the Government or an institution authorised by it. The strategic assessment of effects of the scheme on the environment shall be carried out in accordance with the procedure established by the Government.

6. The regulations of the tender referred to in paragraph 3 of this Article shall be drawn up and the tender shall be organised by the Government or the institutions authorised by it. The winner of the tender shall be determined in accordance with objective, transparent and non-discriminatory principles having regard to the producer's reliability, preparedness for implementation of a project and the commitments assumed.

7. Upon obtaining an authorisation to use the territorial sea of the Republic of Lithuania and the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and/or the coastal strip for construction of power plants and operation thereof, the producer shall acquire the exclusive right to conduct in the specified territory over a period not exceeding four years the research required for adoption of a decision on construction of the power plants. Where the producer fails to obtain an authorisation for construction within the time limit laid down by legal acts or where the Ministry of Energy notifies of the refusal to construct a power plant, the authorisation to use the territorial sea of the Republic of Lithuania, the exclusive economic zone of the Republic of Lithuania in the Baltic Sea and/or the coastal strip for construction of power plants and operation thereof may be revoked. The person shall publish the entire data of completed research.

Amendments to the paragraph:

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

CHAPTER FOUR

PROMOTION, PLANNING, DEVELOPMENT OF PRODUCTION OF HEATING AND COOLING FROM RENEWABLE ENERGY SOURCES AND USE THEREOF

Article 23. Planning of Development of Capacities of Heating and Cooling Production from Renewable Energy Sources

1. Development of capacities of heating and cooling production from renewable energy sources shall be one of the strategic goals of the State. Development of heating and cooling production from renewable energy sources shall be promoted and supported in accordance with the procedure specified by this Law and other legal acts.

2. Heating shall be provided in accordance with special plans of the heating sector, which shall be prepared having regard to the national interim targets indicated in Article 55(2) of this Law as well as preconditions for development of capacities of heating and cooling production from renewable energy sources. Decisions on development of capacities of heating and cooling production from renewable energy sources shall be adopted by a municipal council in compliance with provisions of a special plan of the heating sector.

3. When planning the development of the infrastructure of cities and/or districts, renovation of buildings, supply of heating and/or cooling to public and private facilities, municipalities shall have regard to the possibilities of production of heating and cooling from renewable energy sources.

Article 24. Connection of Renewable Energy Installations

1. The heat supplier must connect renewable energy installations of all independent producers of heating who have requested so to heat transmission grids when the heat produced by connected installations replaces the heat produced by the heat supplier from fossil fuels. An independent producer of heating must ensure that the heat supplied by this producer conform to the requirements for quality, reliability of supply and environmental protection as set forth by legal acts. The procedure for and terms and conditions of connection of renewable energy installations of independent producers of heating shall be established by an institution authorised by the Government.

2. Renewable energy installations shall be connected to heat transmission grids at the connection point which is technically suitable and is located within the shortest distance from the

installation to be connected, unless other connection points are technologically and economically more suitable. The connection point for the installations shall be selected by the heat supplier under an application of an independent producer of heating having regard to technological and economic and non-discriminatory principles of selection of the connection point.

Article 25. Purchase of Heating Produced from Renewable Energy Sources

1. Heat suppliers shall, by ensuring the priority of access and acting in accordance with the procedure laid down by the Law of the Republic of Lithuania on Heat Sector, purchase the heating produced from renewable energy sources from independent producers of heating.

2. The heat supplier must purchase from independent producers of heating whose heat producing installations are connected to heat transmission grids the entire heat produced more cheaply than the heat produced by the supplier from renewable energy sources, with the exception of the cases when the amount of heat produced by independent producers of heating from renewable energy sources exceeds the heat amount needed by costumers of heat supply.

3. Where, in the case indicated in paragraph 2 of this Article, heat produced from renewable energy sources or residual energy is produced by several independent producers of heating, priority shall be given to a producer selling heat at a lower price.

4. Heat produced from renewable energy sources shall be purchased from independent producers of heating whose heat installations are connected to heat transmission grids in a centralised manner and sold to all heat consumers by the heat supplier.

5. Complaints between the heat supplier and an independent producer of heating from renewable energy sources over the application of provisions of this Article and Article 24 shall be examined by the National Commission for Energy Control and Prices in preliminary extrajudicial procedure.

Article 26. Promotion of the Use of Heat Pumps

Investments in the heat pumps meeting the requirements set forth in Article 47(3) of this Law and the investments necessary for installation of the pumps shall be promoted in accordance with the procedure laid down in Chapter Two of this Law. Where this form of support is used, the support measure indicated in Article 11(3) of this Law may not be used.

Article 27. Use of Industrial and Municipal Waste Suitable for Energy Production

1. Technical, environmental requirements for and quality standards of use of the biodegradable fraction of industrial and/or municipal waste suitable for energy production shall be specified by the Government or an institution authorised by it.

2. The procedure for planning energy facilities using the biodegradable fraction of industrial and/or municipal waste suitable for production of energy, issuing authorisations to engage in such activities, constructing and operating them shall be specified by the Government or an institution authorised by it within its remit acting in compliance with the general requirements for the issuance of authorisations for activities in the energy sector, design and construction, territorial planning, environmental impact assessment of economic activities, environmental protection and other related requirements established in laws and other legal acts.

CHAPTER FIVE

GUARANTEES OF ORIGIN OF RENEWABLE ENERGY SOURCES

Article 28. Purpose of the Guarantee of Origin of Energy from Renewable Energy Sources

1. With a view to providing proof to final consumers about the share of energy, as supplied by the energy supplier, or the amount which is produced from energy from renewable sources, a unit of electricity produced from renewable energy sources and supplied to electricity

grids and heat produced from renewable energy sources and supplied to the heat supply system shall be issued a guarantee of origin.

2. The energy supplier shall, in accordance with the procedure laid down by legal acts and within its remit, provide information to its final consumers about the share of energy, as supplied by the energy supplier, or the amount which is produced from renewable energy sources. The share of energy supplied or the amount shall be calculated according to the amount of energy produced from renewable energy sources which has been issued a guarantee of origin.

Article 29. Issuance, Transfer and Use of Guarantees of Origin

1. Guarantees of origin shall be issued, transferred and cancelled in accordance with the procedure and under the conditions specified by the Government or an institution authorised by it, in accordance with objective, transparent and non-discriminatory principles.

2. The Government or an institution authorised by it shall designate a competent body (bodies) responsible for the issuance, transfer and cancellation of guarantees of origin and supervision and control of the use of the guarantees of origin. The designated competent bodies shall have non-overlapping geographical responsibilities and be independent of production, supply and/or trade activities.

3. Guarantees of origin shall be issued in response to a request of producers of electricity, heating or cooling from renewable energy sources, which shall be submitted to the competent body referred to in paragraph 2 of this Article in accordance with the procedure laid down by the Government or an institution authorised by it.

4. Guarantees of origin shall be issued, transferred and cancelled electronically. Guarantees of origin must be accurate, reliable and fraud-resistant. The model form of a guarantee of origin shall be established by the Government or an institution authorised by it.

5. A guarantee of origin shall be issued to one unit of energy – one MWh. Each unit of energy produced from renewable sources may be issued not more than one guarantee of origin taking account of the same unit of energy only once.

6. The use of a guarantee of origin must take place within 12 months of production of the corresponding unit of energy. A guarantee of origin not used within the specified period shall be cancelled.

7. A guarantee of origin shall specify, *inter alia*:

- 1) energy type: electricity, heating or cooling;
- 2) the energy source from which the energy was produced and the start and end dates of production;
- 3) the identity, location, type and capacity of the installation where the energy was produced;
- 4) whether and to what extent the installation has benefited from investment support, whether and to what extent the unit of energy has benefited in any other way from a national support scheme, and the type of support scheme and/or support measure;
- 5) the date on which the installation became operational;
- 6) the date and country of issue and a unique identification number.

8. No support shall be granted to a producer when that producer receives a guarantee of origin for the same production of energy from renewable sources.

9. A guarantee of origin shall have no function in terms of compliance with national interim targets specified in Article 55(2) of this Law.

10. Transfers of guarantees of origin, separately or together with the physical transfer of energy, shall have no effect on the decision to use statistical transfers, joint projects or joint support schemes, as specified in Chapter Twelve of this Law, for national interim target compliance or on the calculation of the gross final consumption of energy from renewable sources.

11. The Republic of Lithuania shall recognise guarantees of origin issued by other Member States exclusively as proof of the elements referred to in Article 28(1) and in paragraph

7 of this Article of this Law. The Republic of Lithuania may refuse to recognise a guarantee of origin only when it has well-founded doubts about its accuracy, reliability or veracity. A decision on a guarantee of origin issued by another Member State shall be adopted by an institution referred to in paragraph 2 of this Article by the Government or an institution authorised by it. The Government or an institution authorised by it shall notify the European Commission of a refusal to recognise the guarantee of origin issued by another Member State and its justification.

CHAPTER SIX

USE OF RENEWABLE ENERGY SOURCES FOR GAS PRODUCTION

Article 30. Promotion of Biogas Production

1. Biogas production shall be a public interest service.
2. The Government or an institution authorised by it shall lay down the procedure for and conditions of feeding-in of biogas into natural gas transmission and/or distribution systems (hereinafter: 'gas systems') and shall approve the Procedure for Providing Services Meeting Public Interests.
3. The National Commission for Energy Control and Prices shall establish biogas feed-in tariffs.
4. When establishing natural gas transmission and distribution tariffs, application of these tariffs must be non-discriminatory in respect of biogas.

Article 31. Requirements for Biogas Installations

The Ministry of Energy shall develop and approve technical rules establishing mandatory design and operational requirements for biogas installations, including gas quality, gas odour neutralisation and gas pressure requirements applicable to connection of biogas installations to gas systems. Those technical rules shall be established in compliance with objective and non-discriminatory principles.

Article 32. Connection of Biogas Installations to Gas Systems

1. Gas systems operators must create conditions for supply of biogas to gas systems. Biogas installations must be connected to gas systems provided that producers of biogas comply with all technical, quality and other requirements set forth in Article 31 of this Law.
2. The gas system operator shall, within 30 calendar days from lodging a request for connection of biogas installations to gas systems, provide any new producer of biogas wishing to connect the biogas installations to the gas systems with the comprehensive and necessary information, including:
 - 1) connection technical specifications;
 - 2) a detailed estimate of the costs associated with the connection;
 - 3) a reasonable and precise timetable for receiving and processing the requests for connection to the gas systems;
 - 4) a reasonable indicative timetable for the proposed connection to the gas systems.
3. Connection of biogas installations to gas systems shall be a service meeting public interest.
4. Biogas installations shall be connected to gas systems in accordance with the procedure laid down by legal acts. Connection tariffs for biogas installations shall be equal to the price of works performed by the contractor winning a tender announced by a gas system operator for connection of the installations to the gas systems, subject to a connection rate discount in the amount of 40 per cent applied in accordance with the procedure laid down by the Government or an institution authorised by it.
5. The expenses relating to connection of biogas installations to gas systems shall be shared by the gas system operator and the producer. The gas system operator shall reimburse to the producer the connection rate discount in the amount referred to in paragraph 4 of this Article.

The rest of the expenses associated with connection to gas systems shall be borne by the producer.

Invalidated Article 33. Transfer of Biogas

~~The Government or an institution authorised by it shall lay down a procedure for using biogas transferred by gas systems.~~

Article 34. Consumption of Biogas

In respect of consumers who conclude gas purchase contracts with the biogas supplier, consumption of biogas shall be taken into account, having regard to pollution caused by it, energy production, consumption of natural gas and other statistical and settlement data.

Article 35. Supervision and Control of Biogas-Related Activities

1. The National Commission for Energy Control and Prices shall supervise and control authorisation of biogas producers for connection of their installations to gas systems, application of connection premiums and transparency of feeding-in of biogas into the gas systems.

2. The State Energy Inspectorate under the Ministry of Energy shall control compliance of biogas producers supplying biogas to gas systems with the requirements set forth in the rules referred to in Article 31 of this Law.

3. If requested, biogas producers shall provide information related to biogas production activities pursued by them to gas system operators, the National Commission for Energy Control and Prices, the Ministry of Energy and the State Energy Inspectorate under the Ministry of Energy.

CHAPTER SEVEN

DEVELOPMENT OF PRODUCTION AND USE OF ENERGY FROM RENEWABLE SOURCES IN TRANSPORT

Article 36. Promoting the Use of Energy from Renewable Sources in Transport

1. The use of biofuels for transport, biogas, electricity, hydrogen and other alternative fuels shall be promoted in the transport sector.

2. Support for the production and use of energy from renewable sources in transport shall be provided for in programmes for funding the development of the use of renewable energy sources and in other applicable support schemes.

3. In conducting public procurement procedures, state institutions, agencies, enterprises shall consider the possibilities of procuring the vehicles driven by energy from renewable sources, hydrogen, electromobiles and hybrid vehicles.

4. Mandatory environmental criteria for purchased vehicles shall be established by the Government, the Ministry of Transport and Communications shall approve the methods of estimation of the impact of the period of vehicles' operational lifetime on the energy sector and the environment, including consumption and emission of carbon dioxide and other pollutants.

5. Municipalities shall promote the use, in public transport and in protected areas, of the vehicles driven by energy from renewable sources, hydrogen, electromobiles and hybrid vehicles.

6. Municipalities shall create the infrastructure required for the development of the use of the vehicles powered by energy from renewable sources, hydrogen and electricity acting in compliance with action plans for the development of the use of energy from renewable sources of the appropriate municipality.

7. The Government or an institution authorised by it shall determine the allowable or mandatory share of biofuels for transport blended in fuels produced from mineral fuels. The mandatory blending of biofuels for transport in fuels produced from mineral fuels shall be a service meeting public interest.

8. The Ministry of Energy shall, in co-operation with the Ministry of Environment and the Ministry of Transport and Communications, determine binding quality requirements for biofuels for transport.

9. Biofuels for transport may also be produced from confiscated alcohol products. The Government or institutions authorised by it shall establish the procedure for using confiscated alcohol products for production of biofuels for transport.

Amendments to the Article:

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

Article 37. Sustainability System for Biofuels for Transport and Bioliquids

1. Biofuels for transport and bioliquids must fulfil the sustainability criteria established in Article 38 of this Law, irrespective of the country where the raw materials used for their production were cultivated (obtained):

- 1) measuring compliance with the requirements of Article 55 of this Law concerning national targets;
- 2) measuring compliance of energy producers with renewable energy obligations;
- 3) eligibility for financial support for the consumption of biofuels for transport and bioliquids.

2. As regards other sustainability objectives, account must be taken of biofuels and bioliquids obtained in compliance with the sustainability criteria stipulated in Article 38 of this Law for the purposes referred to in paragraph 1 of this Article.

3. Where biofuels for transport and bioliquids are to be taken into account for the purposes referred to in paragraph 1 of this Article, an institution authorised by the Government shall require economic operators to show that the sustainability criteria set out in Article 38(2), (3), (4), (6) and (7) of this Law have been fulfilled. For that purpose they shall require economic operators to use a mass balance system which:

- 1) allows consignments of raw material and biofuel with differing sustainability characteristics to be mixed;
- 2) requires information about the sustainability characteristics and sizes of the consignments referred to in subparagraph 1 of this paragraph to remain assigned to the mixture;
- 3) provides for the sum of all consignments withdrawn from the mixture to be described as having the same sustainability characteristics, in the same quantities, as the sum of all consignments added to the mixture.

4. An institution authorised by the Government shall take measures to ensure that economic operators submit reliable information and the data that were used to develop the information on compliance with the sustainability criteria specified in Article 38(2), (3), (4), (6) and (7) of this Law, appropriate and relevant information on measures taken for soil, water and air protection, the restoration of degraded land, the avoidance of excessive water consumption in areas where fresh water is scarce, also another information under the list of appropriate and relevant information compiled by the European Commission.

5. Economic operators shall arrange for an adequate standard of independent auditing of the information submitted and provide evidence to an institution authorised by the Government that this has been done. The institution authorised by the Government shall, in accordance with the procedure laid down by the Government, carry out audit, which shall verify that the systems used by the economic operators are accurate, reliable and protected against fraud. The audit shall evaluate the frequency and methodology of sampling and the robustness of the data.

6. Where the operator submits evidence or data received under bilateral or multilateral agreements concluded by the European Union with foreign countries and containing provisions on sustainability criteria and where the European Commission decides that those agreements demonstrate that biofuels for transport and bioliquids produced from raw materials cultivated (obtained) in those countries comply with the sustainability criteria in question, to the extent covered by that decision of the European Commission, an institution authorised by the

Government shall not require the operator to provide further evidence of compliance with the sustainability criteria set out in Article 38(2), (3), (4), (6) and (7) of this Law nor information on measures referred to in paragraph 4 of this Article.

7. An institution authorised by the Government shall, in accordance with the procedure and within the time limits laid down by the Government, submit to the European Commission, in aggregated form, the information referred to in paragraph 3 of this Article.

8. The Government shall, in compliance with the requirements set forth by this Article, establish the procedure for controlling compliance of biofuels for transport and bioliquids with sustainability criteria, also the procedure for certifying biofuels for transport and bioliquids fulfilling sustainability criteria.

9. The greenhouse gas impact of biofuels for transport, bioliquids and their fossil fuel comparators specified in Article 38(2) of this Law shall be calculated in compliance with the rules approved by the Ministry of Environment.

10. However, biofuels for transport and bioliquids produced from waste and residues, other than agricultural, aquaculture, fisheries and forestry residues, need only fulfil the sustainability criteria set out in Article 38(2) of this Law in order to be taken into account for the purposes referred to in paragraph 1 of this Article.

Article 38. Sustainability Criteria for Biofuels for Transport and Bioliquids

1. Biofuels for transport and bioliquids must, for the purposes referred to in Article 37(1) of this Law, fulfil the sustainability criteria established in paragraphs 2, 3, 4, 6 and 7 of this Article, irrespective of the country where the raw materials used for their production were cultivated (obtained).

2. The greenhouse gas emission saving from the use of biofuels for transport and bioliquids, compared against the amount of emissions from the use of fossil fuels, must be reduced:

1) by at least 35 per cent, and in the case of biofuels for transport and bioliquids produced by installations that were in operation on 23 January 2008, this requirement shall apply from 1 April 2013;

2) by at least 50 per cent from 1 January 2017;

3) by at least 60 per cent from 1 January 2018 for biofuels for transport and bioliquids produced in installations in which production started on or after 1 January 2017.

3. Biofuels for transport and bioliquids shall not be made from raw material obtained from land with high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:

1) primary forest and other wooded land (jungle, taiga, etc.), namely, forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed;

2) areas designated by legal acts of a specific state or by the relevant competent authority for nature protection purposes, or for the protection of rare, threatened or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes;

3) highly biodiverse natural grassland, namely, grassland which would remain grassland in the absence of human intervention and which maintains the natural species composition and ecological characteristics and processes;

4) highly biodiverse non-natural grassland, namely, grassland that would cease to be grassland in the absence of human intervention and which is species-rich and not degraded, unless evidence is provided that the harvesting of the raw material is necessary to preserve its grassland status.

4. Biofuels and bioliquids shall not be made from raw material obtained from land with high carbon stock, namely, land that had one of the following statuses in January 2008 and no longer has that status:

1) wetlands, namely land that is covered with or saturated by water permanently or for a significant part of the year;

2) continuously forested areas, namely, land spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30 per cent, or trees able to reach those thresholds *in situ*;

3) land spanning more than one hectare with trees higher than five metres and a canopy cover of between 10 per cent and 30 per cent, or trees able to reach those thresholds *in situ*, unless evidence is provided that the carbon stock of the area before and after conversion is such that, when the methodology laid down in Article 37(9) is applied, the conditions laid down in paragraph 2 of this Article would be fulfilled.

5. The provisions of paragraph 4 of this Article shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008.

6. Biofuels for transport and bioliquids shall not be made from raw material obtained from land that was peatland in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil.

7. Agricultural raw materials cultivated in the European Union and used for the production of biofuels for transport and bioliquids shall be obtained in accordance with the requirements and standards under the provisions referred to under the heading "Environment" in part A and in point 9 of Annex II to Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003 (OJ 2009 L 30, p. 16), and in accordance with the minimum requirements for good agricultural and environmental condition defined pursuant to Article 6(1) of that Regulation.

Article 39. Blending of Biofuels for Transport in Fuels Produced from Mineral Fuels

1. Fuel sales outlets shall commence trading in petrol conforming to the standards of the Republic of Lithuania or the European Union and containing from 5 to 10 per cent of biofuels for transport, and in diesel containing at least 7 per cent of biofuels for transport.

2. Fuel sales outlets may trade in biofuels for transport and mixed fuels in which the share of biofuels for transport blended in mineral oil products exceeding the percentage indicated in paragraph 1 of this Article and which meet the requirements set in the Lithuanian, European or company standards.

3. The procedure for and the terms of implementing the requirements of paragraphs 1 and 2 of this Article shall be established by the Ministry of Transport and Communications in co-operation with the Ministry of Environment and the Ministry of Energy.

4. The Lithuanian Standards Board under the Ministry of Environment of the Republic of Lithuania shall draw up national standards for biofuels for transport and mixed fuels with the share of biofuels blended in mineral fuels exceeding the percentage indicated in paragraph 1 of this Article.

5. Fuel sales outlets shall indicate the percentage of biofuels for transport blended in mineral oil products when such percentage exceeds 10 per cent of volume of these products in petrol and 7 per cent of volume of these products in diesel.

Amendments to the Article:

No XII-1327, 2014-11-13, published in TAR (Register of Legal Acts) on 2014-11-18, ID 2014-17046

CHAPTER EIGHT

NATIONAL PROGRAMME FOR THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ITS FINANCING SOURCES

Article 40. National Programme for the Development of Renewable Energy Sources

1. The National Programme for the Development of Renewable Energy Sources shall set the lines of state energy policy in the sector of energy from renewable sources.

2. The National Programme for the Development of Renewable Energy Sources shall pursue the aim of establishing national targets for the share of energy from renewable sources consumed in electricity, heating and transport and the appropriate measures for reaching such targets. The national targets shall be set for 2011-2012, 2013-2014, 2015-2016, 2017-2018 and 2019-2020.

3. The National Programme for the Development of Renewable Energy Sources shall be approved by the Government.

~~4. Invalidated. The provisions of the National Programme for the Development of the Use of Renewable Energy Sources shall be implemented through the implementation of the Inter-institutional Action Plan of the National Programme for the Development of the Use of Renewable Energy Sources, which shall be drawn up and amended by an institution authorised by the Government in accordance with the periodicity and under the terms and conditions specified by the Government.~~

5. The National Programme for the Development of Renewable Energy Sources shall be implemented by state and/or municipal institutions, agencies and/or other persons concerned within their remit.

6. Implementation of the National Programme for the Development of Renewable Energy Sources shall be co-ordinated, and monitoring of implementation thereof shall be carried out by an institution authorised by the Government.

7. Implementation of the National Programme for the Development of Renewable Energy Sources shall be funded by the financing sources referred to in Article 41 of this Law.

Amendments to the Article:

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

Article 41. Sources of Funding of the National Programme for the Development of Renewable Energy Sources

The National Programme for the Development of Renewable Energy Sources shall be financed from the following sources:

- 1) state budget appropriations;
- 2) funds from the Special Programme on Climate Change as stated in the Republic of Lithuania Law on Management of Climate Change Instruments;
- 3) European Union assistance funds;
- 4) funds paid voluntarily by natural and legal persons and foreign states for the purposes of development of the use of energy from renewable sources;
- 5) income received from the implementation of agreements on statistical energy transfers between the Republic of Lithuania and other Member States or joint projects implemented by the Republic of Lithuania, Member States and foreign states;
- 6) other funds obtained according to a procedure prescribed by Lithuanian law.

Amendments to the Article:

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

Article 42. Implementation of the National Programme for the Development of Renewable Energy Sources

1. Funds allotted for the National Programme for the development of the Renewable Energy Sources shall be used in accordance with the procedure laid down by the Government.

2. The National Programme for the development of the Renewable Energy Sources may provide for the following implementation measures:

1) projects on the use of biofuels for the generation of electricity in co-generation plants producing electrical and heat energy where such plants supply heat to district heating systems and the savings of primary energy are such that the co-generation of electrical and heat energy can be considered cost effective;

2) projects on the use of solid biofuels for the production of electric, heat and/or cooling energy supplied to systems for the provision of heat/cooling or used at industrial enterprises, agricultural and commercial facilities;

3) projects on the use of biogas for the production of electric, heat and/or cooling energy supplied to systems for the provision of heat/cooling or used at industrial enterprises, agricultural and commercial facilities;

4) projects on the use of other renewable energy sources for the production of electric, heat and/or cooling energy supplied to systems for the provision of heat/cooling or used at industrial enterprises, agricultural and commercial facilities

5) projects on the production, extraction, purification and cleaning of biogas as well as its preparation for further direct use by supplying biogas to natural gas networks and/or transportation to the final point of consumption;

6) support of purchase of electromobiles, hydrogen powered and hybrid vehicles and adaptation of vehicles for the use of energy from renewable sources;

7) projects of the use of geothermal energy for energy production;

8) development and manufacture of technologies using renewable energy sources;

9) support of production of biofuels;

10) research in the area of renewable energy sources and pilot projects for the use of such sources;

11) support for the purchase of equipment increasing the use of renewable energy sources for own needs in both residential and public sectors, with the compensation for a fixed amount of funds per unit of installed capacity, according to a procedure approved by a municipality;

12) development of infrastructure for the use of renewable energy sources in the transport sector;

13) development of infrastructure for the production of renewable energy sources used in the transport sector;

14) projects on the creation and development of infrastructure for a network of charging points for the charging of batteries for electromobiles and vehicles powered by hydrogen, as well as other requisite infrastructure;

15) demonstration projects related to the wider use of hybrid vehicles, hydrogen-powered vehicles or electromobiles and/or implementation of the infrastructure required for the operation of these vehicles;

16) public awareness and education, consulting and training on the matters related to the employment of technologies for the use of renewable energy sources.

3. Funding allotted to the implementation of the National Programme for the Development of Renewable Energy Sources may not be used for the financing of the costs of preparation and implementation of projects on the construction and installation of power plants of persons who have acquired and hold, under this Law and legal acts implementing this Law, the right to the support measures referred to in subparagraphs 1 through 6 of paragraph 2 of Article 3 of this Law.

Amendments to the Article:

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

Article 43. Provision of Information

National programmes for funding the development of the use of renewable energy sources and the persons implementing projects under municipal programmes for funding the development of the use of renewable energy sources, also state institutions and agencies

performing the functions of state regulation and supervision within their remit shall, in accordance with the procedure laid down by the Government, provide the entire required information on the activities pursued to the institutions exercising supervision of implementation of the programmes and managing the use of funds of the programmes.

CHAPTER NINE

REQUIREMENTS FOR PRODUCERS OF ENERGY FROM RENEWABLE SOURCES

Article 44. Licences, Authorisations and Certificates

1. Licences, authorisations or certificates for pursuit of activities in the field of renewable energy sources shall be established by this Law, the Law on Energy, the Law on Electricity, the Law on Heat Sector, the Law on Natural Gas and other laws regulating the energy sector. The types of licensed activities, issuance, suspension, lifting of suspension and withdrawal of licences, authorisations or certificates shall be specified by the Law on Energy, the Law on Electricity, the Law on Heat Sector, the Law on Natural Gas and other laws regulating the energy sector and other laws. The persons wishing to obtain a licence, authorisation or certificate established by the Law on Energy, the Law on Electricity, the Law on Heat Sector, the Law on Natural Gas and/or other laws regulating the energy sector may be subject to requirements for a legal form and/or other requirements restricting the freedom of establishment, provided that such requirements are based on overriding public interest and conform to the principles of necessity and proportionality. Issued licences, authorisations or certificates may be replaced at the initiative of the issuing institution upon changing the terms of licensed activities as specified by the Law on Energy, the Law on Electricity, the Law on Heat Sector, the Law on Natural Gas and/or other legal acts.

2. Carrying out of activities in the field of renewable energy sources without a licence, authorisation or certificate, where such have been prescribed, shall be prohibited. Pursuit of licensed activities in the event of suspension of a licence, authorisation or certificate shall be prohibited.

Article 45. Qualifications and Performance Appraisal of Fitters of Installations for Production of Energy from Renewable Sources

1. Fitters of installations for production of energy from renewable sources must have appropriate qualifications and be duly prepared to perform the tasks assigned to them. A procedure for training and appraising the performance of fitters of installations for production of energy from renewable sources shall be approved by the Government or an institution authorised by it in compliance with the general requirements set forth in this Article.

2. A procedure for training and appraising the performance of fitters of installations for production of energy from renewable sources must be laid down in compliance with transparent, proportionate and non-discriminatory principles.

3. Vocational training or qualification improvement programmes for fitters of renewable energy installations must contain the issues of technological and economic benefits of renewable energy sources and their use.

4. Performance of fitters of the following renewable energy installations must be appraised in accordance with the established procedure:

- 1) biomass boilers and non-masonry furnaces;
- 2) solar light energy and solar heat energy installations;
- 3) geothermal systems and heat pumps.

5. Information on training and certification procedures applicable to fitters of renewable energy installations and a list of certified fitters shall be publicly available.

6. Certificates issued to the fitters referred to in paragraph 4 of this Article by another Member State and conforming to the criteria specified in the procedure indicated in paragraph 1 of this Article shall be recognised in the Republic of Lithuania.

Article 46. Requirements for Installations Using Energy from Renewable Sources and Benefiting from Support Schemes

1. Installations using energy from renewable sources and benefiting from a support scheme must conform to the technical requirements established for these installations and approved by the Ministry of Energy or another institution authorised by the Government.

2. Where installations using energy from renewable sources benefit from a support scheme, the terms of granting support shall contain technical specifications prescribing technical requirements for installations using renewable energy sources.

3. Where European standards exist, including eco-labels, energy labels and other technical reference systems established by the European standardisation bodies, the technical specifications referred to in paragraph 2 of this Article shall be expressed in terms of those standards. The technical specifications shall not prescribe where the installations are to be certified.

4. A producer using or intending to use a support scheme where renewable energy sources and fossil fuels are used for the generation of electricity at a power plant operated by the producer shall install, in each electricity-generating installation, separate electricity meters recording the quantities of electricity generated. Where both renewable energy sources and fossil fuels are used in the same electricity-generating installation for the generation of electricity, the quantities of electricity generated using renewable energy resources and using fossil fuel shall be calculated based on the fuel consumption balance, which shall be determined and verified, by the State Energy Inspectorate under the Ministry of Energy, according to the monthly readings of metering equipment compliant with the requirements of the Republic of Lithuania Law on Metrology and implementing legal acts, such readings clearly distinguishing between the amounts of energy supplied to the electricity-generating installation from the facilities incinerating renewable energy sources and fossil fuels.

***TAR Note.** Provisions of Article 46(4) apply to persons who have acquired the right to the support measures referred to in subparagraphs 1 and 6 of paragraph 2 of Article 3 of the Republic of Lithuania Law on Energy from Renewable Sources.*

Persons in whose power plants the metering equipment referred to in Article 46(4) have not been installed must install such equipment within 6 months from the effective date of the Law No XII-2231 (1 March 2016).

Paragraph added:

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

Article 47. Requirements for Individual Installations

1. The support schemes specified by this Law and other legal acts shall aim at promoting the use of heating and cooling installations using energy from renewable sources and substantially reducing consumption of energy. Such installations shall be granted eco-labels or other relevant certificates or standards specified at national or EU level, provided that they have been specified.

2. Support schemes shall apply to biomass conversion technologies for heating and cooling where:

1) the conversion efficiency of biomass conversion technologies for heating and cooling, where these technologies are used for household and commercial needs, is at least 85 per cent;

2) the conversion efficiency of biomass conversion technologies for heating and cooling, where these technologies are used for industrial needs, is at least 70 per cent.

3. Support schemes shall apply to heat pumps and their installation provided that the heat pumps meet the criteria specified by Commission Decision 2007/742/EC of 9 November 2007 establishing the ecological criteria for the award of the Community eco-label to electrically driven, gas driven or gas absorption heat pumps (OJ 2007 L 301, p.14).

4. Support schemes shall apply to solar heat installations provided that they have been certified in compliance with EU standards, if such have been specified, including eco-labels,

energy labels and other technical reference systems established by the European standardisation bodies.

5. In evaluating, under paragraphs 1 through 4 of this Article, the conversion efficiency of installations and the cost-production relationship, EU procedures or, in the absence of such procedures, international procedures, provided that such procedures have been established.

6. Closed-loop geothermal systems whose installed capacity is less than 30 kW and which are intended for households shall be registered without an authorisation for operation.

CHAPTER TEN TERRITORIAL PLANNING AND CONSTRUCTION

Article 48. Territorial Planning Requirements

1. When planning public, industrial or residential areas, designing, building, reconstructing and/or renovating (modernising) public, industrial or residential buildings, account must be taken of the possibilities to use installations and systems intended for the use of electricity, heating and cooling from renewable energy sources, also for district heating and cooling supply. Planning of city infrastructure must, taking into account public interests, provide for the use of heating from renewable energy sources.

2. The Ministry of Environment shall, in co-operation with the Ministry of Energy, develop and publish recommendations for designers, architects and other professionals concerning integration of renewable energy technologies, high energy-efficiency technologies and district heating and/or cooling supply systems when planning, designing, building and renovating (modernising) public, industrial or residential areas.

Article 49. Requirements for Design and Construction of Electricity Installations Using Energy from Renewable Sources

1. Renewable energy installations and facilities shall be designed and construction work shall be carried out according to the procedure and requirements stipulated by the Republic of Lithuania Law on Environmental Protection, Law on Environmental Impact Assessment of the Proposed Economic Activity, Law on Territorial Planning, Law on Construction and other legal acts.

2. The Government or institutions authorised by it shall ensure that any descriptions and rules regulating authorisation, certification and licensing procedures and applicable to installations producing electricity, heating and cooling from renewable energy sources, associated transmission and distribution grid infrastructures and the processes of transformation of biomass into biofuels or other energy products are objective, transparent, proportionate and necessary, do not discriminate between applicants and take full account of the particularities of individual renewable energy technologies.

3. Taking into account the limited size and potential impact of small installed capacity power plants (not exceeding 350 kW) and in order to avoid a disproportionate financial and administrative burden, competent authorities shall ensure that simplified requirements are applied to design and building of the small installed capacity power plants, with the exception of reservoir-type hydropower plants, not requiring preparation of detailed plans and changing of the main purpose of land use, unless this contradicts local territorial management and use regulations.

4. The following requirements shall be set for hydropower plants to be built:

1) priority must be given, in accordance with the procedure laid down by the Government, to building of hydropower plants other than reservoir-type hydropower plants;

2) where a hydropower plant's pool floods an area, compensation shall be paid in accordance with the procedure laid down by legal acts to the owner or manager of the area or land shall be bought out under a mutual agreement;

3) hydropower plants must be equipped with fish-ladders and provide for a possibility to periodically remove silt accumulated in pools of the hydropower plant and in dammed lakes;

4) other environmental protection requirements for the hydropower plants to be built shall be set forth in accordance with the procedure laid down by legal acts.

5. As regards building of individual wind power plants and/or solar light energy plants with the installed capacity not exceeding 350 kW in rural areas, it shall not be required to change the purpose of land use, prepare detailed plans and change solutions of a general plan, unless this contradicts territorial planning and use regulations.

6. The following simplified requirements shall apply to wind power plants whose installed capacity is smaller than 30 kW, solar light power plants, solar heat collectors and heat pumps:

1) solar light power plants, solar heat collectors and heat pumps shall not be subject to requirements for compliance with the purpose of land use, the procedure of environmental impact assessment, a permit to build and a public health impact assessment;

2) the arrangement of wind power plants in a land plot must be such as to ensure that the shortest distance from the boundary of the plot exceeds the length, width or height of the installation, depending on which of the three measurements is the largest. These installations shall be installed in compliance with the installation and operation rules drawn up by the producer of the installations concerned. They shall not be subject to requirements for compliance with the purpose of land use, the procedure of environmental impact assessment, a permit to build and a public health impact assessment. The noise level of wind power plants in adjacent residential areas must comply with the noise limit values specified by the Minister of Health;

3) the installations may be moved to another location in accordance with the procedure laid down by legal acts. In this case, documentation on monitoring of variation of efficiency and environmental parameters of the installations must be drawn up.

7. Solar light power plants constructed on buildings or integrated solar light plants, solar heat collectors, wind power plants whose installed capacity does not exceed 30 kW, where they comply with the noise level requirements specified by legal acts, shall be installed without an authorisation for construction.

8. Locations for the construction of wind power plants in the areas that are subject to certain restrictions in relation to national security shall be agreed in advance, in the course of territorial planning, with the Lithuanian Armed Forces and other institutions according to a procedure prescribed by law. A location for the construction of a wind power plant is not approved if disturbances to be caused by the planned wind power plant cannot be avoided through the use of additional measures. Should it be determined that disturbances to be caused by the planned wind power plant can be avoided through the use of additional measures, the location shall be approved on condition that the person planning to construct or install the power plant will submit to the institution specified in the conclusion on the agreement to the issue of the building permit, no later than prior to the issue of the building permit, an approved construction project, will enter into agreement with the said institution on a payment of compensation for part of the investments and other costs incurred in securing the national security functions, and will provide a security of discharge of the said obligation. The size of the compensation shall be determined by multiplying the power plant capacity (kW) stated in the authorisation to develop electricity generating capacities by EUR 18 per kW. The procedure for the payment of the compensation shall be established by the Government. The compensations shall be used according to a procedure prescribed by law as other funds of institutions financed from the state budget that have not been received as state budget appropriations.

Amendments to the paragraph:

No XII-1173, 2014-09-25, published in TAR (Register of Legal Acts) on 2014-10-03, ID 2014-13575

9. Where biogas production facilities of 1 MW or small installed capacity are constructed within the land lots where buildings use for other purposes (farms) exist, the main land use shall

not be changed and construction of such renewable energy facilities shall not be provided in the territorial planning documents.

Amendments to the Article:

No XII-847, 2014-04-24, published in TAR (Register of Legal Acts) on 2014-05-02, ID 2014-05001

No XII-1020, 2014-07-10, published in TAR (Register of Legal Acts) on 2014-07-22, ID 2014-10427

Article 50. Use of Energy from Renewable Sources in Buildings

1. The Government or institutions authorised by it shall prepare and implement the measures promoting the use of energy from all types of renewable sources in buildings, substantially increasing energy efficiency and relating to gross production of energy and low-energy buildings.

2. From 31 December 2014, new buildings and existing buildings that are subject to major renovation must comply with requirements for using energy from renewable sources. Compliance with these requirements may be ensured also through district heating and cooling produced using a significant proportion of renewable energy sources.

3. From 1 January 2012, new buildings and existing buildings that are subject to major renovation and are used by state and municipal institutions, agencies and enterprises, must comply with requirements for using energy from renewable sources.

4. The Government or an institution authorised by it shall set forth the requirements referred to in paragraphs 2 and 3 of this Article and lay down a procedure for controlling implementation thereof.

5. The Government or an institution authorised by it shall develop and approve financial support schemes to support construction of low-energy buildings.

6. Municipalities shall include measures for increased use of renewable energy sources in buildings in their action plans for the promotion of the use of energy from renewable sources.

7. The Government or an institution authorised by it shall develop and approve a programme for the use of roofs for energy generation from solar heat energy and solar light energy.

8. The requirements of this Article shall apply to the Lithuanian Armed Forces to the extent that the application of the requirements does not harm the nature and primary aim of the activities of the Lithuanian Armed Forces and shall not apply to materials used exclusively for military purposes.

CHAPTER ELEVEN

PROVISION OF INFORMATION, EDUCATION, RESEARCH AND TRAINING

Article 51. Provision of Information

1. State and municipal institutions, agencies and enterprises shall, within their remit, prepare, provide and publish information on the procedure for issuing authorisations, licences or certificates, the procedure for processing certification applications relating to renewable energy installations and on the assistance provided to the applicants.

2. State and municipal institutions, agencies and enterprises shall, within their remit, prepare, provide and publish information on support schemes applicable to the use and production of renewable energy sources.

3. The Ministry of Environment, the Ministry of Energy, the Ministry of Transport and Communications, the Ministry of Education and Science, the Ministry of Agriculture, the state enterprise Energy Agency and municipal institutions shall, co-ordinating their activities and within their remit, develop and implement suitable information, awareness-raising measures, provide advice and develop education programmes in order to inform about the practicalities and benefits of developing and using renewable energy sources, including the availability and environmental benefits of all different renewable energy sources for transport.

4. The Ministry of Energy shall organise exchange of practices in the field of use of renewable energy sources among state and municipal institutions, agencies, enterprises, organisations and private entities and make best practices public.

5. The Lithuanian Armed Forces shall, in accordance with the procedure laid down by the Government, provide information on the territories of the Republic of Lithuania where, taking into consideration national security requirements, certain restrictions may apply to designing and construction of wind power plants.

6. The state enterprise Energy Agency shall prepare, provide and publish information on systems and installations using renewable energy sources, their benefits, costs and consumption efficiency.

7. State institutions and agencies shall have the right, for the purpose of performance of functions assigned to them, to obtain from municipalities, agencies and enterprises the required information on the areas designated for the building of renewable energy installations and the use of renewable energy sources. Enterprises shall provide information on the use of renewable energy sources to state and municipal institutions and agencies for the purpose of performance of the functions assigned to them. Information shall be provided in accordance with the procedure established by the Government or an institution authorised by it.

Amendments to the Article:

No XII-847, 2014-04-24, published in TAR (Register of Legal Acts) on 2014-05-02, ID 2014-05001

Article 52. Education and Research

1. The Ministry of Education and Science shall incorporate knowledge and capacities in the field of possibilities, benefits and technological solutions of the use of renewable energy sources into reviewed general programmes of formal education.

2. The Government shall promote research, education of the public, training of civil servants and vocational training in the field of renewable energy sources in accordance with the procedure laid down by legal acts.

3. The Government shall support the implementation of pilot projects in the field of the use of renewable energy sources in accordance with the procedure laid down by legal acts.

4. The Ministry of Energy shall, jointly with the Ministry of Environment, the Ministry of Education and Science and the Ministry of Agriculture, develop educational and research programmes for the production and use of renewable energy sources.

Article 53. Reporting to the European Commission

1. The Government or an institution authorised by it shall lay down a procedure for draft and submitting reports to the European Commission on progress in the promotion and use of energy from renewable sources.

2. The Ministry of Energy shall, in accordance with the procedure laid down in paragraph 1 of this Article, submit a report to the European Commission on progress in the promotion and use of energy from renewable sources not later than by 31 December 2011, and every two years thereafter. The sixth report, to be submitted by 31 December 2021, shall be the last report required.

3. The Government or an institution authorised by it shall establish a procedure for collecting information on the use of biofuels and submitting it to the European Commission.

CHAPTER TWELVE

ACTION PLANS FOR THE DEVELOPMENT OF THE USE OF ENERGY FROM RENEWABLE SOURCES

Article 54. National Action Plan for the Development of the Use of Energy from Renewable Sources

1. The National Action Plan for the Development of the Use of Energy from Renewable Sources shall be approved by the Government or an institution authorised by it acting in compliance with the National Programme for the Development of Renewable Energy Sources as referred to in Article 40 of this Law and approved by the Government.

2. The National Action Plan for the Development of the Use of Energy from Renewable Sources must indicate:

1) the estimated gross final consumption of energy in electricity, heating and transport in 2020, taking into account the effects of policy measures relating to energy efficiency on consumption of energy;

2) national targets for the share of energy from renewable sources consumed in electricity, heating and transport in 2011-2020, taking into account the effects of other policy measures relating to energy efficiency on final consumption of energy;

3) relevant measures to be taken to achieve the national overall targets, including cooperation between state and municipal institutions, planned statistical transfers or joint projects, national policies to develop existing biomass resources and mobilise new biomass resources for different uses;

4) the measures relating to simplification of administrative procedures, provisions of regulations and other legal acts relating to promotion of the use of renewable energy sources, information and training in the field of renewable energy sources, guarantees of origin for electricity, heating and cooling produced from renewable energy sources, access to energy grids or systems and facilitation of their operation for producers, implementation of a system of sustainability criteria for biofuels for transport and bioliquids;

5) assessment of the contribution which specific renewable energy technologies and energy efficiency and energy saving measures can make to achieving national targets for the share of energy from renewable sources in electricity, heating and transport in 2020;

6) Assessment of the necessity to build new infrastructure for district heating and cooling produced from renewable energy sources in order to achieve the 2020 national targets. Subject to that assessment, the Republic of Lithuania shall, where relevant, take steps with a view to developing a district heating infrastructure to accommodate the development of heating and cooling production from large biomass, solar and geothermal power plants.

3. The quantities of energy planned to be produced from renewable energy sources, as specified in the National Action Plan for the Promotion of the Use of Energy from Renewable Sources, must comply with the aims and tasks stipulated in Article 1 of this Law.

Article 55. National Targets

1. National overall targets must, by 2020, comply with the aims and tasks stipulated in Article 1 of this Law.

2. Interim national targets shall be as follows:

1) in 2011-2012, the average share of energy from renewable sources must account for at least 16.6 per cent of the gross final consumption of energy;

2) in 2013-2014, the average share of energy from renewable sources must account for at least 17.4 per cent of the gross final consumption of energy;

3) in 2015-2016, the average share of energy from renewable sources must account for at least 18.6 per cent of the gross final consumption of energy;

4) in 2017-2018, the average share of energy from renewable sources must account for at least 20.2 per cent of the gross final consumption of energy.

3. National overall targets and national interim targets shall be calculated in accordance with the procedure laid down by the Ministry of Energy.

4. The Lithuanian Department of Statistics shall ensure collection of statistical data on energy from renewable sources produced and/or consumed in the country and/or energy produced from renewable energy sources. The data must also include aerothermal energy,

geothermal energy, hydrothermal energy, solar heat energy and solar light energy consumed in the sectors of final consumption of energy.

Article 56. Implementation of the National Action Plan for the Development of the Use of Energy from Renewable Sources

1. The National Action Plan for the Development of the Use of Energy from Renewable Sources shall be implemented by state and municipal institutions, agencies, enterprises, organisations and private entities within their remit.

2. In case if the share of energy from renewable sources falls, during the past two years, below the values of the national interim targets specified in Article 55 of this Law, the Ministry of Energy shall, no later than within 18 months from the end of the period concerned, approve the amended National Action Plan for the Development of the Use of Energy from Renewable Sources setting out adequate and proportionate measures to ensure that the share of energy from renewable sources meets, within a reasonable term, the national targets specified in Article 55 of this Law and shall ensure the submission of the amended National Action Plan for the Development of the Use of Energy from Renewable Sources to the European Commission.

3. Should the Ministry of Energy consider that, due to force majeure, the national target specified in Article 1(4) of this Law will not be achieved, the Ministry of Energy shall notify the European Commission without delay.

Article 57. Municipal Action Plans for the Development of the Use of Energy from Renewable Sources

1. Municipal action plans for the promotion of the use of energy from renewable sources shall pursue the aim of establishing the measures to be implemented by municipalities with a view to achieving the national targets specified in Article 55 of this Law.

2. The Government or an institution authorised by it shall establish to each municipality minimum mandatory targets for the use of energy from renewable sources, which must be achieved by 2020. The municipalities shall include the targets and measures to achieve them in municipal action plans for the promotion of the use of energy from renewable sources. The municipalities shall set interim targets for the use of energy from renewable sources for 2011-2012, 2013-2014, 2015-2016 and 2017-2018.

3. Municipalities shall approve and publish action plans for the development of the use of energy from renewable sources for 2011-2020 assessing the current situation and establishing the goals of the use of renewable energy sources and the measures to attain these goals.

4. Municipalities shall co-ordinate draft municipal action plans for the development of the use of energy from renewable sources with an institution authorised by the Government.

5. No later than by 31 August 2012, and subsequently on an annual basis, municipalities shall draft and publish reports on the implementation of action plans for the development of the use of energy from renewable sources.

6. Where over the past two years a municipality's share of energy from renewable sources has fallen below the interim targets for the use of energy from renewable sources specified in the municipal action plan for the development of the use of energy from renewable sources, the municipality shall, not later than within 18 months from the end of the projected period, approve the amended action plan for the development of the use of energy from renewable sources setting out adequate and proportionate measures to ensure that the share of energy from renewable sources complies, within a reasonable timetable, with the established national targets.

7. Municipalities shall, within their remit, submit proposals for the purpose of drafting and amending the National Action Plan for the Development of the Use of Energy from Renewable Sources.

8. The implementation of municipal action plans for the development of the use of energy from renewable sources shall be financed from the general appropriations approved by municipal

budgets, municipal programmes for funding the development of the use of renewable energy sources and other sources of funding and funds.

9. Municipal action plans for the development of the use of energy from renewable sources must ensure that conditions inhibiting the development of the use of renewable energy sources are not created in territories of municipalities.

Amendments to the Article:

No XII-494, 2013-07-02, *Official Gazette*, 2013, No 78-3939 (2013-07-20)

CHAPTER THIRTEEN

INTERNATIONAL CO-OPERATION IN THE RENEWABLE ENERGY SECTOR

Article 58. Statistical Transfers between the Republic of Lithuania and Other Member States

1. The Government or an institution authorised by it may make arrangements for the statistical transfer of a specified amount of energy from renewable sources from the Republic of Lithuania to another Member State or from another Member State to the Republic of Lithuania.

2. Arrangements on statistical transfers shall be made in accordance with the procedure laid down by the Government.

3. The Republic of Lithuania may execute a statistical transfer of a specified amount of energy from renewable sources to another Member State, where the amount of energy produced by the Republic of Lithuania from renewable sources exceeds the national interim targets specified in Article 55(2) of this Law.

4. If the projected amount of energy from renewable sources to be consumed in the Republic of Lithuania is smaller than the national interim targets specified in Article 55(2) of this Law, and it is not possible to achieve these targets otherwise, the Seimas of the Republic of Lithuania may adopt a resolution permitting the Government to accept a statistical transfer of the amount of energy from renewable sources from another Member State.

5. The transferred quantity of renewable energy sources shall be:

1) deducted from the amount of energy from renewable energy sources that is taken into account in measuring compliance by the Republic of Lithuania with the national interim targets specified in Article 55(2) of this Law, when making statistical transfers of energy from the Republic of Lithuania to another Member State;

2) added to the amount of energy from renewable energy sources that is taken into account in measuring compliance by the Republic of Lithuania with the national interim targets specified in Article 55(2) of this Law, when making statistical transfers of energy from another Member State to the Republic of Lithuania.

6. The statistical transfers of energy made by the Republic of Lithuania may not affect to the detriment the achievement of the national interim targets specified in Article 55(2) of this Law.

7. The arrangements referred to in paragraph 1 of this Article may have a duration of one or more years. The effected arrangements shall be notified to the European Commission in accordance with the procedure established by the Government no later than three months after the end of each year in which they have effect. The information sent to the European Commission shall include, *inter alia*, the quantity and price of the energy transferred.

8. Statistical transfers of energy shall become effective only after all Member States involved in the transfer have notified the transfer to the European Commission.

9. Income received under arrangements on statistical transfers of energy shall be transferred to the state budget and accumulated in a separate Treasury account. The funds received shall be used, according to a procedure prescribed by the government, for the purposes stipulated in the arrangements on statistical transfers of energy related to the development of renewable energy sources and increasing of energy efficiency as well as for research in the sector

of energy from renewable sources, The funds shall be managed by an institution authorised by the Government according to a procedure prescribed by the Government.

10. A transfer of the amount of energy from renewable sources by the Republic of Lithuania from another Member State under arrangements for statistical transfers of energy shall be funded from the state budget.

Amendments to the Article:

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

Article 59. Joint Projects with Other Member States

1. The Government or an institution authorised by it may initiate, implement and/or participate in the implementation of all types of joint projects between the Republic of Lithuania and another Member State (or other Member States) regarding the production of electricity or heating or cooling from renewable energy sources. Such joint projects with other Members States may involve private operators.

2. Agreements on joint projects with other Member States shall be concluded in accordance with the procedure laid down by the Government.

3. An institution authorised by the Government shall, in accordance with the procedure laid down by the Government, send a notification to the European Commission informing about the proportion or amount of electricity, heating or cooling from renewable energy sources produced by any joint project in the territory of the Republic of Lithuania, that became operational after 25 June 2009, or by the increased capacity of an installation that was refurbished after that date, which is to be regarded as counting towards the national overall target of another Member State. The units of energy from renewable energy sources produced by the increased capacity of the installation shall be considered as having been produced by a separate installation which became operational with the increase of the capacities of the installation.

4. The notification to the European Commission referred to in paragraph 3 of this Article shall:

- 1) describe the proposed installation or identify the refurbished installation;
- 2) specify the proportion or amount of electricity or heating or cooling produced from the installation which is to be regarded as counting towards the national overall target of another Member State;
- 3) identify the Member State for the benefit of which the notification is being made;
- 4) specify the period, in whole calendar years, during which the electricity or heating or cooling produced from the installation is to be regarded as counting towards the national overall target of another Member State. This period may not extend beyond 2020.

5. The notification sent under paragraph 4 of this Article may not be varied or withdrawn in the absence of the agreement between the Republic of Lithuania and the Member State referred to in subparagraph 3, paragraph 4 of this Article.

6. The duration of a joint project between the Republic of Lithuania and another Member State (or other Member States) may extend beyond 2020.

7. The joint projects of the Republic of Lithuania with other Member States shall not negatively affect the achievement of the national interim targets specified in Article 55(2) of this Law.

Article 60. Results of Joint Projects with Other Member States

1. Within three months after the end of each year falling within the period specified under subparagraph 3, paragraph 4 of Article 59 of this Law, an institution authorised by the Government shall, in accordance with the procedure laid down by the Government, issue a statement specifying:

- 1) the total amount of electricity or heating or cooling produced during the year from renewable energy sources by the installation which was the subject of the notification issued to the European Commission for the purposes of a joint project;

2) the amount of electricity or heating or cooling produced during the year from renewable energy sources by that installation which is to count towards the national overall target of another Member State in accordance with the terms of the notification.

2. An institution authorised by the Government shall send the statement referred to in paragraph 1 of this Article to the Member State for the benefit of which it was made and to the European Commission.

3. The amount of electricity or heating or cooling notified for the purposes of joint projects between the Republic of Lithuania and another Member State (or other Member States) in accordance with the procedure laid down by this Article shall be:

1) deducted from the amount of energy from renewable energy sources that is taken into account, in measuring compliance by the Republic of Lithuania with the national interim targets specified in Article 55(2) of this Law, where the specified amount of electricity or heating or cooling is produced in the Republic of Lithuania for the benefit of another Member State;

2) added to the amount of energy from renewable energy sources that is taken into account, in measuring compliance by the Republic of Lithuania with the national interim targets specified in Article 55(2) of this Law, where the specified amount of electricity or heating or cooling is produced in another Member State for the benefit of the Republic of Lithuania.

Article 61. Joint Projects with Foreign Countries

1. The Government or an institution authorised by it may initiate, implement and/or participate in the implementation of all types of joint projects between the Republic of Lithuania and a foreign country/countries) regarding the production of electricity from renewable energy sources. Such projects may involve also other Member States. Such joint projects with foreign countries may involve private operators.

2. Agreements on joint projects with foreign countries shall be concluded in accordance with the procedure laid down by the Government.

3. Electricity from renewable energy sources produced in a foreign country in the course of implementation of joint projects shall be counted towards the national overall target of the Republic of Lithuania provided that the following conditions are met:

1) the electricity is consumed in the European Union;

2) the electricity is produced by a newly constructed installation that became operational after 25 June 2009 or by the increased capacity of an installation that was refurbished after that date, under a joint project as referred to in paragraph 1 of this Article. The units of electricity from renewable energy sources produced by the increased capacity of the installation shall be considered as having been produced by a separate installation which became operational with the increase of the capacities of the installation;

3) the amount of electricity produced and exported has not received support from a support scheme of a foreign country other than investment aid granted to the installation

4. The requirement set forth in subparagraph 1 of paragraph 3 of this Article shall be deemed to be met if:

1) an equivalent amount of electricity to the electricity accounted for has been firmly nominated to the allocated interconnection capacity by all responsible transmission system operators in the country of origin, the country of destination and, if relevant, each foreign country of transit;

2) an equivalent amount of electricity to the electricity accounted for has been firmly registered in the schedule of balance by the responsible transmission system operator on the European Union side of an interconnector;

3) the nominated capacity and the production of electricity from renewable energy sources by the installation referred to in subparagraph 2 of paragraph 3 of this Article refer to the same period of time.

5. The Government or an institution authorised by it may apply to the European Commission, for the purposes of estimating compliance with the national overall targets of the

Republic of Lithuania when calculating the share of renewable energy sources, for account to be taken of electricity from renewable energy sources produced and consumed in a foreign country, in the context of the construction of an interconnector with a very long lead-time between the Republic of Lithuania and a foreign country if the following conditions are met:

- 1) construction of the interconnector must be started by 31 December 2016;
- 2) it is not possible for the interconnector to become operational by 31 December 2020;
- 3) it is possible for the interconnector to become operational by 31 December 2022;
- 4) after putting the interconnector into operation, it will be used for the export to the European Union, in accordance with paragraph 4 of this Article, of electricity generated from renewable energy sources;
- 5) the application relates to a joint project that fulfils the criteria in subparagraphs 2 and 3 of paragraph 3 of this Article and that will use the interconnector after it becomes operational, and to a quantity of electricity that is no greater than the quantity that will be exported to the European Union after the interconnector becomes operational.

6. The proportion or amount of electricity produced by any installation in the territory of a foreign country, which is to be regarded as counting towards the national overall target of the Republic of Lithuania and possibly another Member State (or other Member States), shall be notified to the European Commission by an institution authorised by the Government in accordance with the procedure laid down by the Government. When more than one Member State is concerned, the distribution between Member States of this proportion or amount shall be notified to the European Commission. This proportion or amount shall not exceed the proportion or amount actually exported to, and consumed in, the European Union, corresponding to the amount referred to in subparagraphs 1 and 2 of paragraph 4 and meeting the conditions as set out in paragraph 4 of this Article.

7. The notification to the European Commission referred to in paragraph 6 of this Article shall:

- 1) describe the proposed installation or identify the refurbished installation;
- 2) specify the proportion or amount of electricity produced from the installation which is to be regarded as counting towards the national target of the Republic of Lithuania as well as, subject to confidentiality requirements, the corresponding financial arrangements;
- 3) specify the period, in whole calendar years, during which the electricity produced from the installation is to be regarded as counting towards the national overall target of Republic of Lithuania. This period may not extend beyond 2020;
- 4) include a written acknowledgement of paragraph 4(2) and (3) by the foreign country in whose territory the installation is to become operational and the proportion or amount of electricity produced by the installation which will be used domestically by that foreign country.

8. A notification made under paragraph 7 of this Article may not be varied or withdrawn in the absence of an agreement between the Republic of Lithuania and the foreign country that has acknowledged the joint project in accordance with subparagraph 4 of paragraph 7 of this Article.

9. The duration of a joint project between the Republic of Lithuania and foreign countries may extend beyond 2020.

10. The joint projects of the Republic of Lithuania with foreign countries shall not negatively affect the achievement of the national interim targets specified in Article 55(2) of this Law.

Article 62. Results of Joint Projects with Third Countries

1. Within three months after the end of each year falling within the period specified under Article 61(7)(3) of this Law, an institution authorised by the Government shall, in accordance with the procedure laid down by the Government, issue a statement specifying:

1) the total amount of electricity produced during the year from renewable energy sources by the installation which was the subject of the notification issued to the European Commission for the purposes of a joint project;

2) the amount of electricity produced during the year from renewable energy sources by that installation which is to count towards the national overall target of the Republic of Lithuania in accordance with the terms of the notification;

3) proof of compliance with the conditions set out in Article 61(3) of this Law.

2. An institution authorised by the Government shall send the statement referred to in paragraph 1 of this Article to the foreign country which has acknowledged the joint project in accordance with Article 61(7)(4) of this Law and to the European Commission.

3. For the purposes of measuring compliance of the national interim target with the requirements of Article 55(2) of this Law, the amount of electricity produced from renewable energy sources notified in accordance with subparagraph 2 of paragraph 1 of this Article shall be added to the amount of energy from renewable sources that is taken into account, in measuring compliance by the Member State issuing the statement.

Article 63. Joint Support Schemes with Other Member States

1. The Government or an institution authorised by it may, in co-operation with competent authorities of another Member State/Member States, take decisions on joining of a national support scheme of the Republic of Lithuania with a support scheme of another Member State (or other Member States) or on partial co-ordination of operation of these schemes.

2. In cases specified in paragraph 1 of this Article, a certain amount of renewable energy produced in the territory of a Member State participating a support scheme may count towards the national overall target of another participating Member State, if the Member States concerned had:

1) made a statistical transfer of specified amounts of energy from renewable sources from one Member State to another Member State in accordance with Article 58 of this Law; or

2) set a distribution rule agreed by participating Member States that allocates amounts of energy from renewable sources between the participating Member States. Such a rule shall be notified to the European Commission by an institution authorised by the Government in accordance with the procedure laid down by the Government no later than 3 months after the end of the first year in which it takes effect.

3. Where a notification under subparagraph 2 of paragraph 2 of this Article is made on behalf of the Republic of Lithuania, an institution authorised by the Government shall, within 3 months of the end of each year and in accordance with the procedure laid down by the Government, issue a letter of notification stating the total amount of electricity or heating or cooling from renewable energy sources produced during the year which is to be the subject of the distribution rule.

4. The amount of electricity or heating or cooling from renewable energy sources notified in accordance with paragraph 2 of this Article shall be reallocated in accordance with the rule referred to in paragraph 2.

5. Joint support schemes with other Member States shall not negatively affect the achievement of the national interim targets specified in Article 55(2) of this Law.

CHAPTER FOURTEEN LIABILITY AND CONSIDERATION OF COMPLAINTS

Article 64. Consideration of Complaints

1. The National Commission for Energy Control and Prices shall, in accordance with the non-mandatory preliminary out-of-court procedure, consider complaints of the parties concerned over acts or omissions of electrical grid operators, heat suppliers and gas system operators when applying for connection of installations of these parties to respective grids or systems,

connecting the installations, receiving produced energy to energy grids or systems and/or performing other duties specified by this Law and related to the use of renewable energy sources for production of energy.

2. The complaints lodged with the National Commission for Energy Control and Prices shall be considered according to the procedure and under the conditions specified by the Law on Energy.

CHAPTER FIFTEEN FINAL PROVISIONS

Article 65. Scope of the Law

1. Persons engaged in economic and business activities in the sector of renewable energy sources shall, to the extent that this Law does not stipulate otherwise, be subject to requirements for activities in the electricity, heat or gas sectors as stipulated by the Law on Energy, the Law on Electricity, the Law on Natural Gas, the Law on Heat Sector and implementing legal acts.

2. ~~Invalidated. The provisions of Article 14(16) of this Law shall apply also to the producers which will not conclude a services contract on a power plant's connection to electricity grids with the electrical grid operator under the authorisations issued for development of capacities of electricity production from renewable energy sources until the entry of this Law into force, but are eligible for support under the support schemes specified in Article 20 of this Law.~~

3. Biofuels, biofuels for transport, biogas, bio lubricants and bio oils shall be traded under bilateral purchase and sale contracts and in other ways specified by legal acts. The procedure for trading in biofuels, biofuels for transport, biogas, bio lubricants and bio oils shall be established by the Rules for Trade in Biofuels, Biofuels for Transport, Biogas, Bio Lubricants and Bio Oils approved by the Ministry of Energy, having regard to requirements for buying-up of biogas specified in this Law and implementing legislation. Central trade in biofuels shall be organised in accordance with the procedure and under the terms and conditions specified by the Law of the Republic of Lithuania on Market in Energy Sources.

Amendments to the Article:

No XI-2025, 2012-05-22, *Official Gazette*, 2012, No 63-3166 (2012-06-05)

Article 66. Implementation of the Law

1. The Government shall prepare and submit, by 1 July 2011, the draft amendments to the laws required for implementation of this Law to the Seimas.

2. The Government or institutions authorised by it, municipalities, other persons referred to in this Law shall, no later than by 1 July 2011, draft and approve the legal acts implementing this Law, with the exception of Article 45 and Articles 58 through 62, and co-ordinate other related legal acts.

3. The legal acts required for implementation of provisions of Article 45 and Articles 58 through 62 of this Law shall be drafted and approved, and other related legal acts shall be agreed by 31 December 2012.

4. The Government or an institution authorised by it shall, no later than by 1 July 2011, draft the Law Amending the Law on Pollution Tax regarding methane pollution.

Article 67. Entry into Force of the Law

1. This Law, with the exception of Articles 3, 16, 17, 19, 23, 24, 25, 32, 36, 39, 41, 44, 45, 48, 49 and 50, shall enter into force upon publication in the official gazette *Valstybės Žinios*.

2. Articles 3, 16, 17, 19, 23, 24, 25, 32, 36, 39, 41, 44, 48, 49 and 50 of this Law shall enter into force on 31 December 2011.

3. Article 45 of this Law shall enter into force on 31 December 2012.

I promulgate this Law passed by the Seimas of the Republic of Lithuania.

PRESIDENT OF THE REPUBLIC

DALIA GRYBAUSKAITĖ

Annex to

the Republic of Lithuania
Law on Energy
from Renewable Sources

LEGAL ACTS OF THE EUROPEAN UNION IMPLEMENTED BY THIS LAW

1. Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ 2009 L 140, p.16).

2. Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC (OJ 2009 L 211, p. 55).

3. Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ 2009 L 211, p. 94).

Amendments:

1.

Seimas of the Republic of Lithuania, Law

No XI-2025, 2012-05-22, Official Gazette, 2012, No 63-3166 (2012-06-05)

LAW AMENDING AND SUPPLEMENTING ARTICLES 6 AND 65 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES

2.

Seimas of the Republic of Lithuania, Law

No XI-2096, 2012-06-21, Official Gazette, 2012, No 76-3939 (2012-06-30)

LAW AMENDING ARTICLE 16 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES

This Law takes effect on 2012-07-01.

3.

Seimas of the Republic of Lithuania, Law

No XII-169, 2013-01-17, Official Gazette, 2013, No 12-560 (2013-02-01)

LAW AMENDING AND SUPPLEMENTING ARTICLES 2, 11, 13, 14, 16, 20 AND 21 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES

Article 5(2) of this Law takes effect on 1 March 2013.

4.

Seimas of the Republic of Lithuania, Law

No XII-351, 2013-05-30, Official Gazette, 2013, No 64-3175 (2013-06-18)

LAW AMENDING AND SUPPLEMENTING ARTICLE 20 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES

This Law, except for paragraph 2 of this Article, takes effect on 1 July 2013.

5.

Seimas of the Republic of Lithuania, Law

No XII-494, 2013-07-02, Official Gazette, 2013, No 78-3939 (2013-07-20)

LAW AMENDING ARTICLES 5, 12, 13, 36, 40, 41, 42, 57 AND 58 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES

Article 6 of this Law takes effect on 1 January 2014.

6.

Seimas of the Republic of Lithuania, Law

No XII-847, 2014-04-24, published in the Register of Legal Acts on 2014-05-02, ID 2014-05001

LAW AMENDING AND SUPPLEMENTING ARTICLES 49 AND 51 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES No XI-1375

This Law, except for paragraph 2 of this Article, takes effect on 1 July 2014.

7.

Seimas of the Republic of Lithuania, Law

No XII-1020, 2014-07-10, published in TAR (Register of Legal Acts) on 2014-07-22, ID 2014-10427

LAW AMENDING ARTICLE 49 OF THE LAW ON ENERGY FROM RENEWABLE SOURCES No XI-1375

Amendments:

1.

Seimas of the Republic of Lithuania, Law

No XII-1173, 2014-09-25, published in TAR (Register of Legal Acts) on 2014-10-03, ID 2014-13575

Law Amending Articles 15 and 49 of the Law on Energy from Renewable Sources No XI-1375

2.

Seimas of the Republic of Lithuania, Law

No XII-1327, 2014-11-13, published in TAR (Register of Legal Acts) on 2014-11-18, ID 2014-17046

Law Amending Article 39 of the Law on Energy from Renewable Sources No XI-1375

3.

Seimas of the Republic of Lithuania, Law

No XII-1389, 2014-12-09, published in TAR (Register of Legal Acts) on 2014-12-22, ID 2014-20428

Law Amending Article 20 of the Law on Energy from Renewable Sources No XI-1375

4.

Seimas of the Republic of Lithuania, Law

No XII-1666, 2015-05-07, published in TAR (Register of Legal Acts) on 2015-05-20, ID 2015-07658

Law Amending Articles 6, 13, 14, 15, 16 and 22 of the Law on Energy from Renewable Sources No XI-1375

5.

Seimas of the Republic of Lithuania, Law

No XII-2185, 2015-12-15, published in TAR (Register of Legal Acts) on 2015-12-21, ID 2015-20142

Law Amending Article 20 of the Law on Energy from Renewable Sources No XI-1375

6.

Seimas of the Republic of Lithuania, Law

No XII-2231, 2015-12-22, published in TAR (Register of Legal Acts) on 2016-01-05, ID 2016-00089

Law Amending Articles 2, 4, 6, 11, 20 and 46 of and Adding Article 11-1 to of the Law on Energy from Renewable Sources