



# OFFSHORE WIND TENDERS: LITHUANIA'S EXPERIENCE

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National Energy Regulatory Council  
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# FACTS&FIGURES

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2 offshore wind parks with a combined **1,4 GW** installed capacity

Around **6 TWh** of green electricity per year – half of current electricity demand of LT

Operating in the Baltic Sea in the territory of Lithuania

**Transformation:** from importer to exporter, from unbuilt nuclear plant to green energy

Approx. 3 000 mln. EUR of private investment

Approx. 1 300 new jobs

# LEGAL BASE

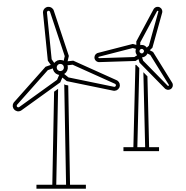
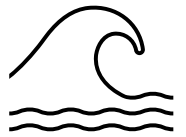
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**National Strategy of Energy Independence**

**Law on Renewable energy sources:** principles of tenders and permitting, main procedures, responsibility of institutions and developers

**Government resolutions:** date of announcement, territory of development (specific economical zone), capacity, list of requirements for developers

**Description of Tender Conditions, Methodology on calculating the highest/lowest CfD price** (NERC resolutions)



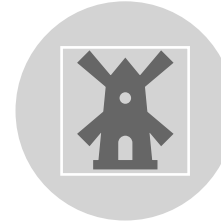
# I. TENDERS IN DETAILS

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**1<sup>st</sup> tender**

**2023-03-30 – 2023-10-12**



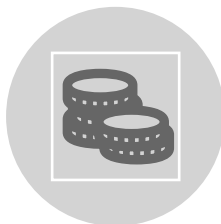
Installed capacity:  
700 MW, generated  
capacity: 580 MW



2 bidders, e-auction,  
start from **5 mln EUR**



Winner premium to  
the state – **20 mln  
EUR**



Cost of the project –  
**1 833,6 mln EUR**



Permission is issued,  
work in progress

## II. TENDERS IN DETAILS

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**2<sup>nd</sup> tender**

**2024-01-15 – approx.  
2024 early autumn**



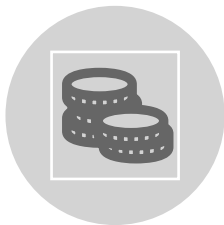
Installed capacity: 700  
MW, generated  
capacity: 700 MW



e-auction, **CfD scheme**  
(lowest 64,31  
Eur/MWh, highest  
107,18 Eur/MWh, 15  
years incentive period)



Possibility to pay  
premium to the state  
(if all bids=0)



Cost of the project – **2  
402,542 mln EUR**

# TENDER COMMITTEE

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- ❑ At least 5 members
- ❑ **Committee members are from:**
  - National Energy Regulatory Council
  - Ministry of Energy
  - Lithuanian Energy Agency
  - Competition Council of the Republic of Lithuania
  
- ❑ **Duty** – to check the documents of Bidders, make a list of Bidders, evaluate Bidders proposals (bids), make list of Potential Tender Winners (PTW).
- ❑ **Tender secretary** – register Bidders documents, attends and records the Tender committee meetings

# BIDDER

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- ❑ **Bidder** – A Republic of Lithuania or foreign natural or legal person or other organization or its division, or a group of persons operating based on a joint venture agreement (hereinafter referred to as a person), registered in the Tender electronic journal, who is seeking to participate in the Tender and win the right to develop the power plant and receive the transaction price for the annual incentive quantity
- ❑ Person becomes Bidder after the registration in the Tender electronic journal
- ❑ **Rights of the bidder:**
  - Submit new Tender documents and / or Proposal file before the end of the established registration period
  - Refuse to participate in the Tender until the Council meeting, where PTW is determined as the winner of the Tender
  - To request a refund of the entrance fee (in Tender Description established cases)
- ❑ **Bidder is not allowed to transfer its rights as a bidder to other natural or legal persons.**
- ❑ **Bidder duties:**
  - provide passwords to encrypted files
  - act honestly, do not violate principles of fair competition
  - provide correct and not misleading information

# TENDER STAGES: 2<sup>nd</sup> TENDER

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- Registration of the Tender documents and Bid offers
- Evaluation of Tender documents *(if there are at least 2 participants)*
- Making of Bidders list
- Evaluation of Bids and making a PBW list *(if there are at least 2 Bidders whose documents are properly submitted)*
  - Submission of an additional proposal for the reduction of the annual incentive quantity
  - Submission of an additional proposal for an increase in the development fee
- Determination of the potential winner of the Tender
- Potential winner of the Tender evaluation for fulfilling national security criteria
- Potential winner of the Tender recognition as the winner of the Tender



# MAKING OF PTW LIST AND PTW DETERMINATION: 2<sup>nd</sup> TENDER

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- ❑ Bidders are rated by incentive size from lowest to highest
- ❑ If incentive size matches, Bidders are rated:
  - when incentive size  $> 0$ , by quantity of electricity which suppose to be incented. If quantities matches – Bidders are rated at random order
  - When incentive size = 0, higher is Bidder with higher development fee. If development fee matches - Bidders are rated at random order.
- ❑ If in PTW list first place is only 1 Bidder, he is announced as potential Tender winner.

# QUESTIONS AND COMMENTS

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**Thank You for Your attention!**

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