



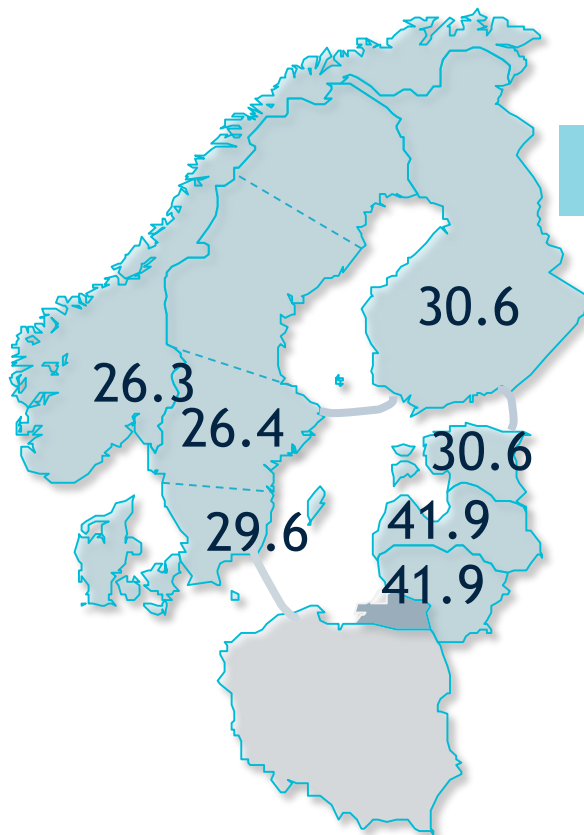
# EUROPEAN INTEGRATION: NATIONALISM OR REGIONALISM?

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Daivis Virbickas, Litgrid CEO

26 April 2017

# Price difference is a good indicator while making decisions on regional cooperation

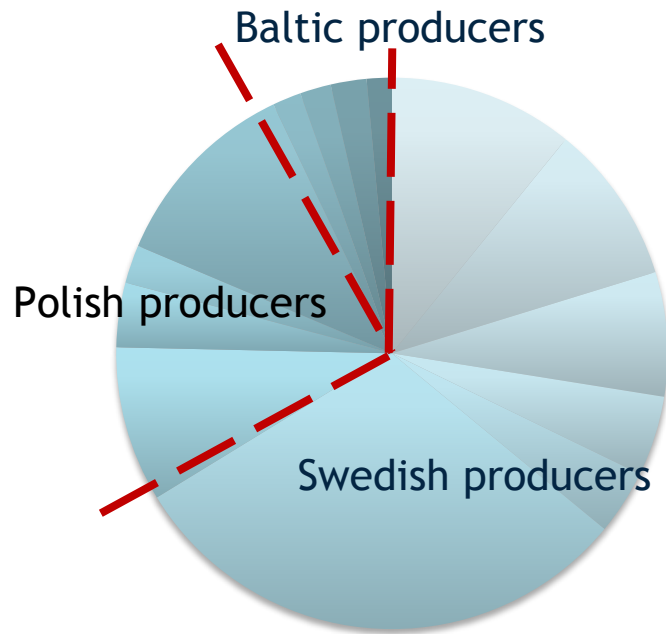


2015 February 25



2017 February 25

# Best integrated market since 2010

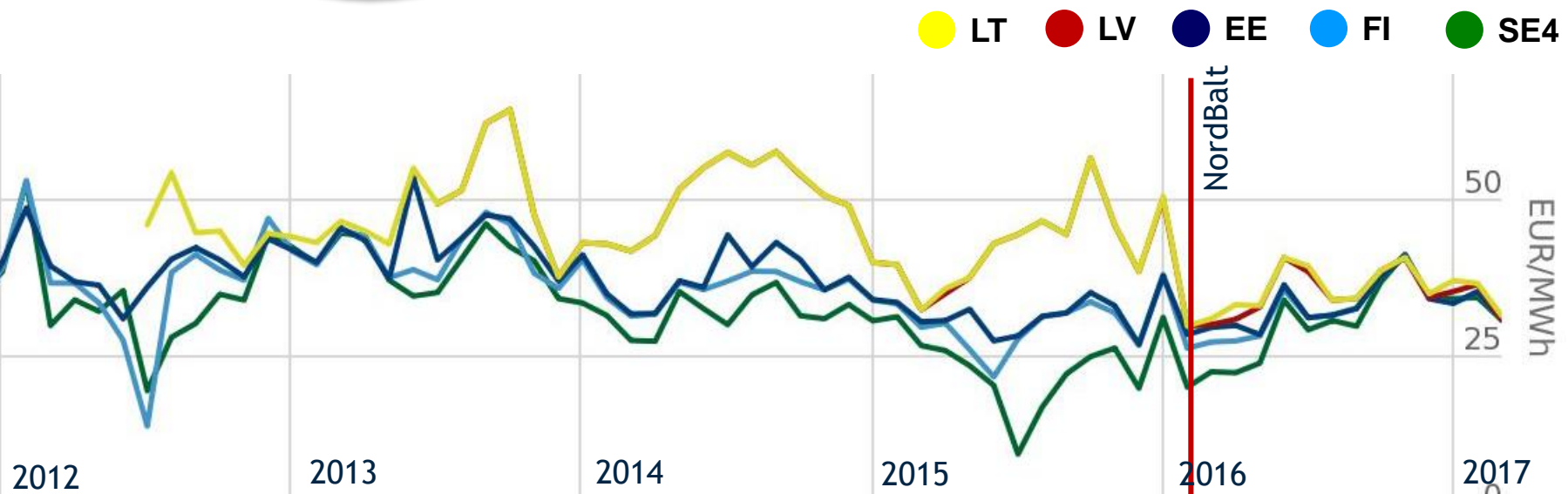


80 % of electricity traded on Nord Pool Lithuanian bidding zone

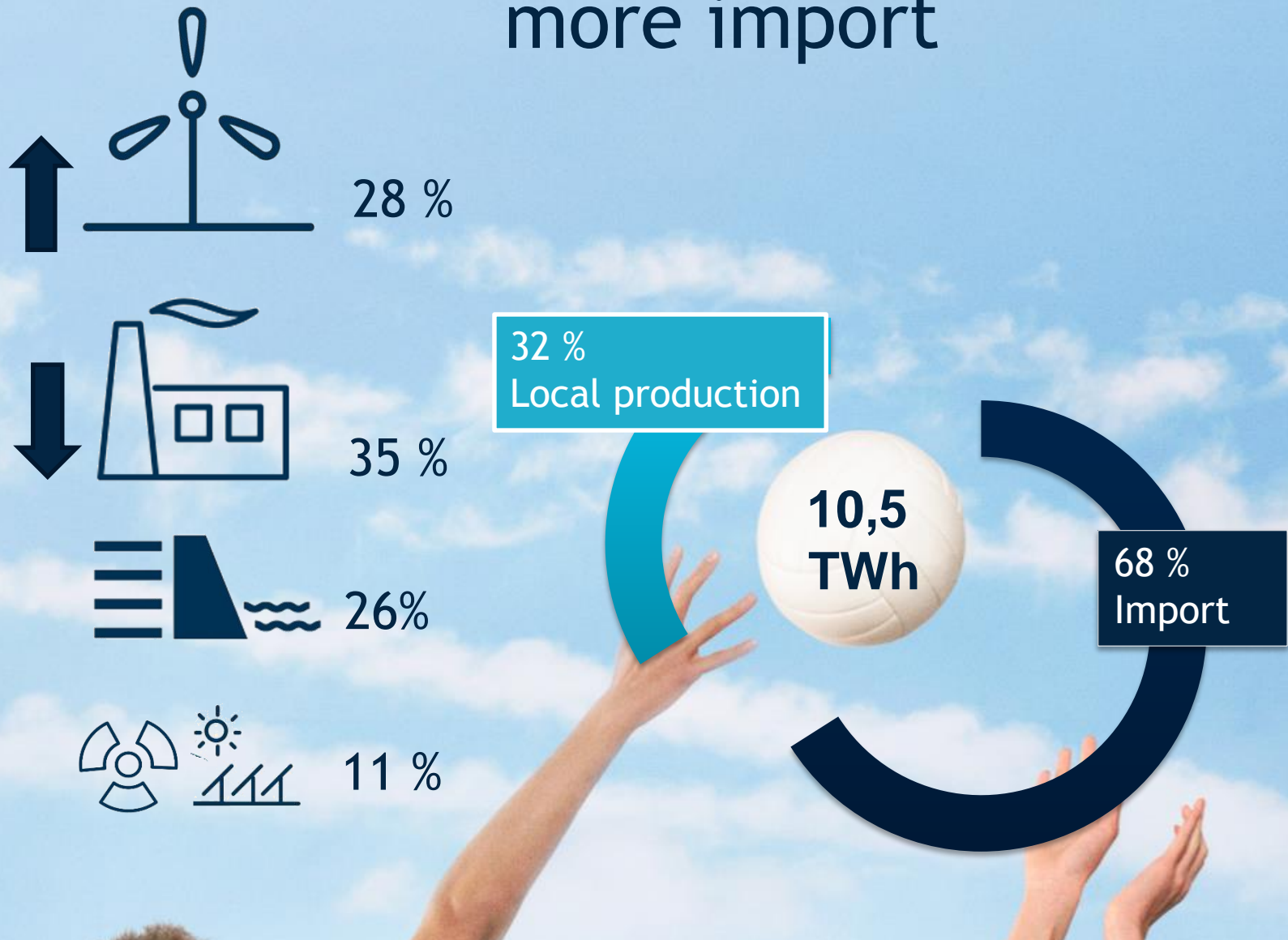
In total 391 TWh traded on Nord Pool

13 % price drop in Lithuanian bidding zone compared to 2015

NordPool average monthly prices, 2012-2017



# Regional integration impact on Lithuania: less local production, more import

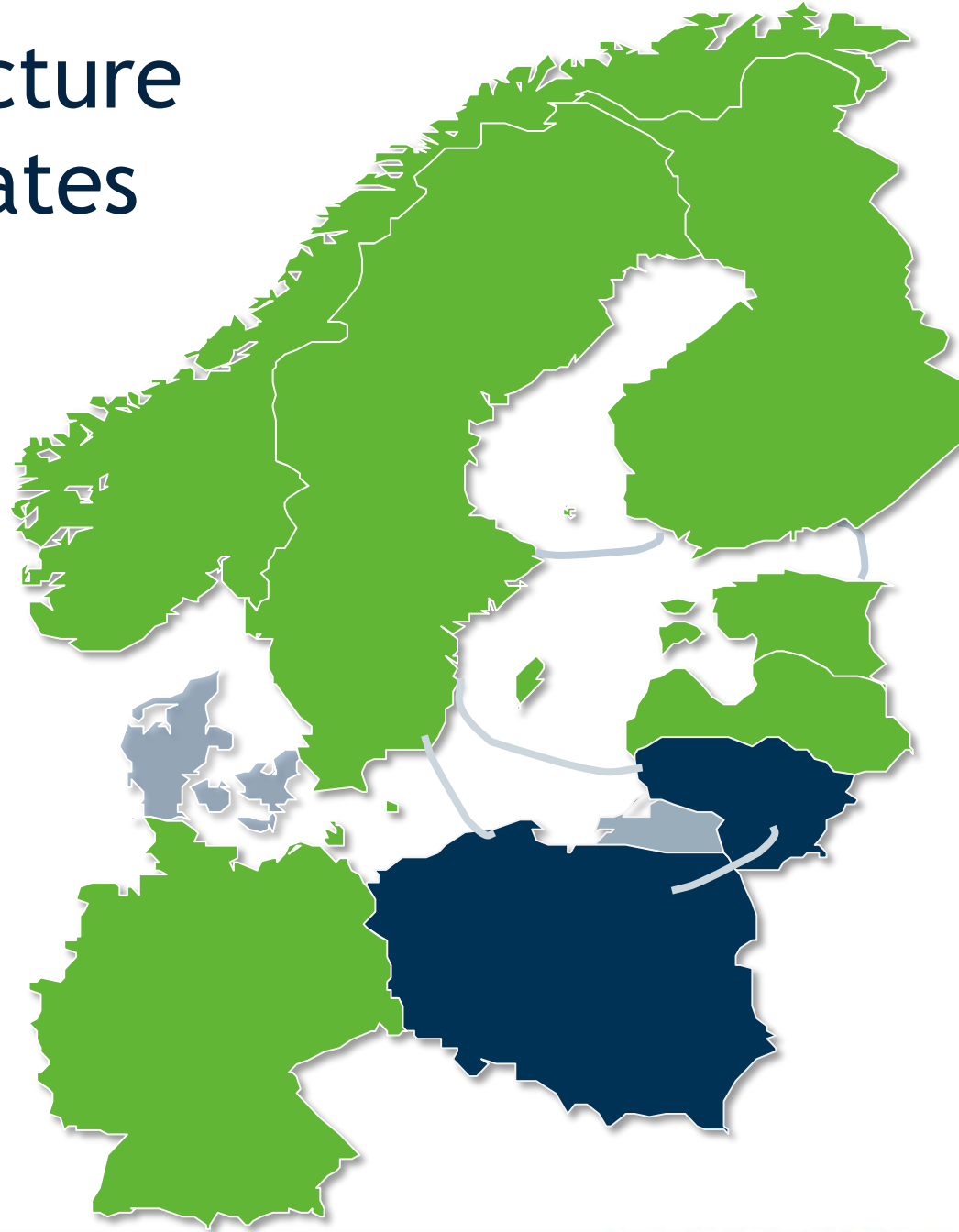


# Every infrastructure project generates wealth

- Benefits of security of supply brought by the LitPol Link interconnector was monetized
- Norway, Sweden and Germany among the beneficiaries

■ Countries that implemented the project

■ Countries that benefits from the project







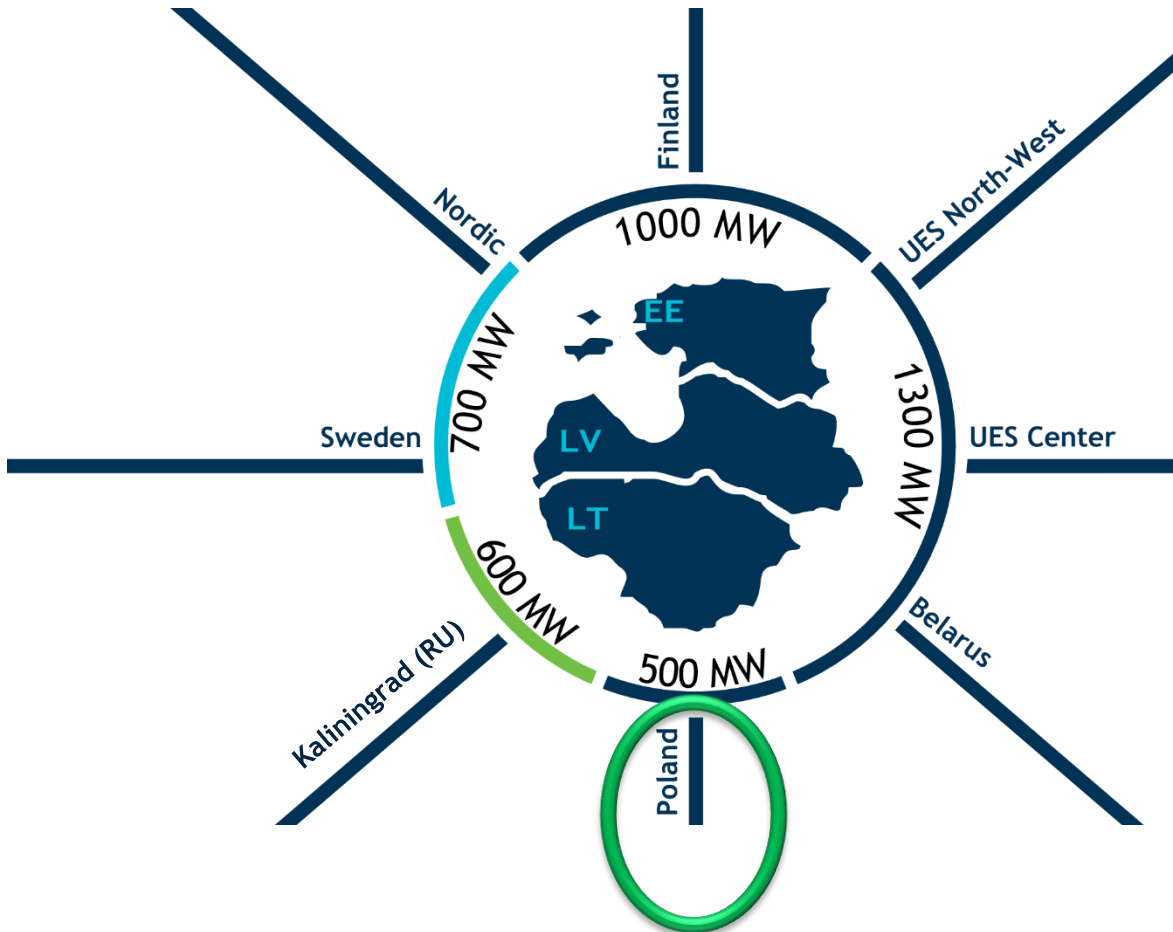
Litgrid

# FULL-FLEDGED EUROPEAN INTEGRATION

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# Which way for the Baltic countries



Is Baltic market fully integrated in the EU internal market while operating in the IPS/UPS system with different market structure and huge influence to the Baltic market?



Is reliability of the Baltic infrastructure of the same security level while operating in the UPS/IPS system with different network standards from the EU NCs?

For Baltic countries most important is a full-fledged integration of the system into EU networks, ensuring free Market and Security of Supply



# One size fits all: same rules for all countries

## Guidelines on market

Guideline on Capacity Allocation and Congestion Management

Guideline on forward capacity allocation

Guideline on electricity balancing

## Network codes on system operation

Network code on electricity emergency and restoration

Guideline on electricity transmission system operation

## Network codes on grid connection

Network code on requirements for grid connection of generators

Network code on demand connection

Network code on requirements for grid connection of HVDC

 Network codes entered into force by 2017  
 Network codes waiting for approval in 2017

# TSOs set example for regional cooperation: next steps for DSOs



Smarter distribution grids

Demand-side response service

Increased transparency and better regulation

System stability and reliability



Active future player of the market

More efficient energy consumption

Access to reliable energy price comparison tools



# Towards new era in electricity sector

- ‘Schengen zone’ for electricity and gas
- Better integration leads to more synergies in the energy strategies of the region’s countries
- Decisions on new infrastructure and energy producing projects benefiting for all should be made today





A large group of people, mostly women, are performing a traditional Lithuanian folk dance in a circle. They are wearing traditional costumes, including long skirts, white blouses, and dark vests. The dance is performed at night, and the scene is illuminated by stage lights. The background shows a large crowd of spectators and some red lights. The text "Empowering the growth of Lithuania" is overlaid on the bottom of the image.

Empowering the growth of  
Lithuania