



# What's next for wind

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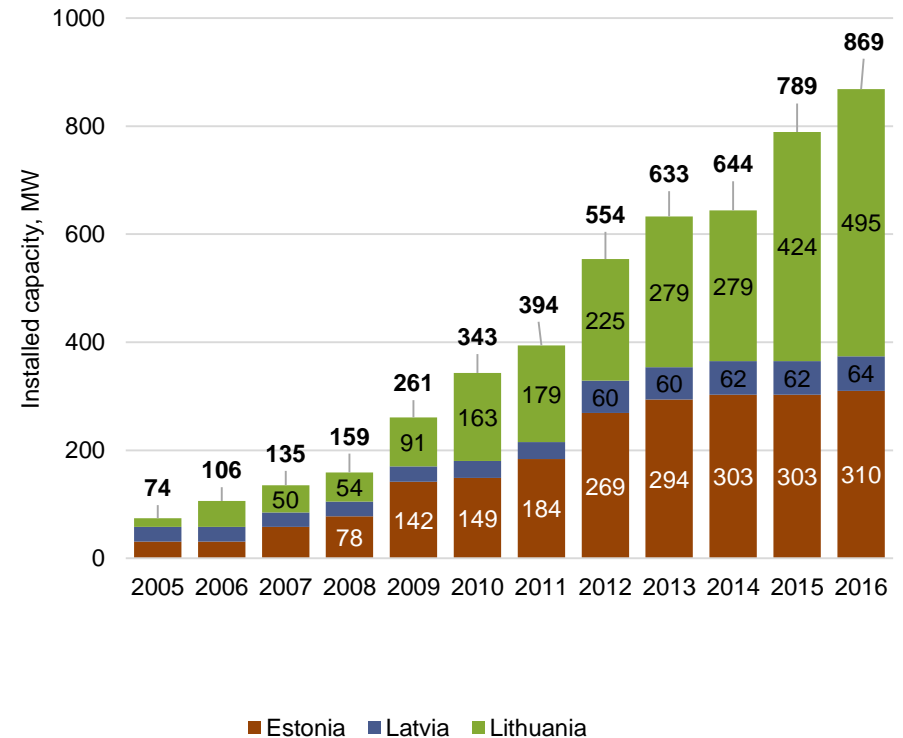


# Status

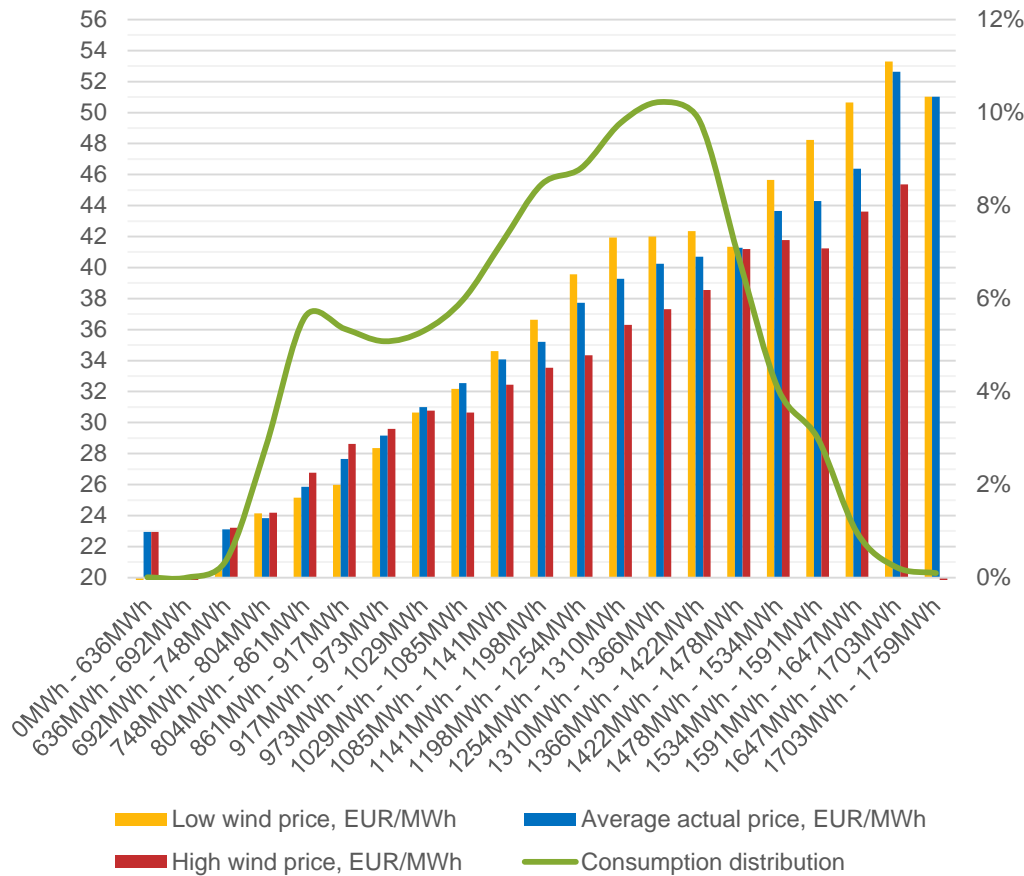
- Installed capacity 510 MW
- Production 2016 over 1 TWh or 10% of consumption;
- Forecast for 2017- 1,2-1,4 TWh
- result for FIT in 2015 tender - 56 EUR/MWh

## Constantly high public support

- 88% in favor of wind energy
- 70% in favor of more of more local generation
- **29% would agree to pay slightly more to have more renewables**

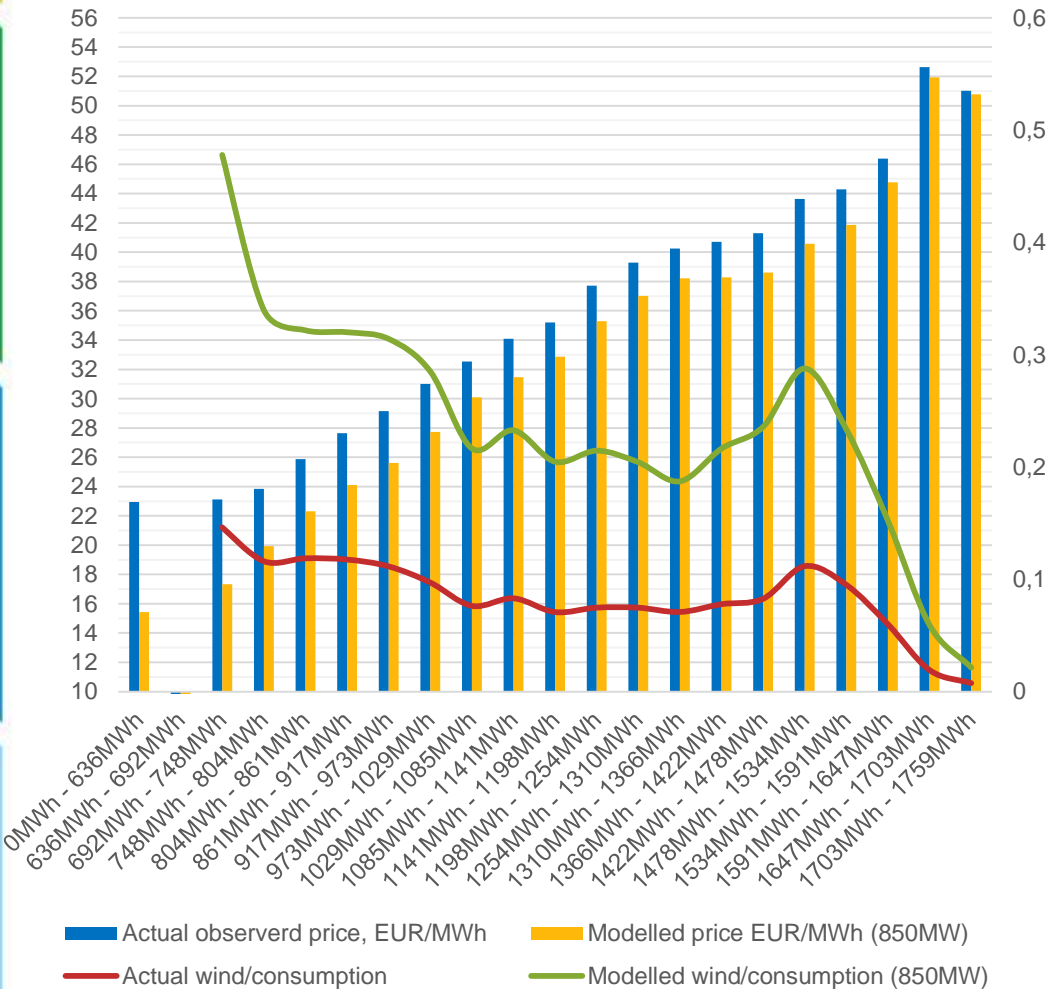


# Wind lowers market price



- Low wind price includes observations, where wind/consumption is less than 2%
- High wind price includes observations, where wind/consumption is more than 14%
- The weighted average low wind condition electricity price was 38 EUR/MWh, i.e. 2 EUR/MWh higher than the actual price
- **Total consumer savings due to wind in 2016 - 20 MEUR**
- Total subsidy paid to wind producers in 2016 – 44 MEUR

# And will continue to do it...



- **850 MW** scenario in current market would result in **27 MEUR/y** saving for consumers
- Total effect of 850 MW installed compared to no wind scenario – **47 MEUR/y**
- Total subsidy for additional 350 MW of wind (based on 50 EUR/MWh tender outcome) -14 MEUR
- By 2023 140 MW of capacity gradually will leave the subsidy scheme freeing up over 18 MEUR/y of current subsidies

# What's next ?

## Globally

- Bigger more efficient turbines
- More sophisticated management systems
  - noise, shadow, bat, ice etc
- More sites available
- Fewer turbines to generate notable amounts of energy
- **Cheaper energy**

## Lithuania

- New energy strategy to be approved in 2017
- Good outlook once operation possible on market conditions
- Market price between Polish and Finnish; potentially closure of nuclear power plants in Sweden
- Potential energy consuming industries (e.g. data centres)

# Challenges

- Governments might be tempted to cut tender schemes too early
- Interest rates
- Commodity prices
- Solar
- Depressed market price during windy hours

